

06/25/15 Light Board Meeting

Present: Commissioners Patrick Cannon, David Irwin, Stephanie Landry, Daniel Ciccariello and Max Horn.
Also present: Manager, Phil Lemnios, Operations Manager, Richard Miller, Assistant Operations Manager, Panos Tokadjian.

The meeting was called to order at 6:35 p.m. No audio or video recordings being made.

Public Input

There was no Public Input.

Assistant Operations Manager's Report

There was no Assistant Operations Manager's Report.

Manager's Report

Manager's Report was presented and discussed. Live wire down power, off momentarily. PPA was discussed. Half cent increase was discussed with Mayhew Seavey of PLM. Maintenance \$700,000 to \$800,000 per year.

Old Business

There was no Old Business.

New Business

There was no New Business.

Items for Discussion

Solar Panels: There was a discussion about what kind of surcharge if any should be put on solar panels.
LED Streetlighting: There was initial discussion about LED streetlighting. More research necessary.

Approval of Minutes

Daniel Ciccariello made a motion to accept the Minutes of the 11/20/14 meeting as written. David Irwin seconded the motion. Voted 4-0 in favor. Motion carried.

Daniel Ciccariello made a motion to accept the Minutes of the 01/22/15 meeting as written. David Irwin seconded the motion. Voted 4-0 in favor. Motion carried.

Daniel Ciccariello made a motion to accept the Minutes of the 02/19/15 meeting as written. David Irwin seconded the motion. Voted 3-0-1 in favor. Stephanie abstained. Motion carried.

Daniel Ciccariello made a motion to accept the Minutes of the 03/05/15 meeting as written. David Irwin seconded the motion. Voted 4-0 in favor. Motion carried.

Daniel Ciccariello made a motion to accept the Minutes of the 03/19/15 meeting as written. David Irwin seconded the motion. Voted 4-0 in favor. Motion carried.

Daniel Ciccariello made a motion to accept the Minutes of the 04/23/15 meeting as written. David Irwin seconded the motion. Voted 4-0 in favor. Motion carried.

Daniel Ciccariello made a motion to accept the Minutes of the 05/19/15 meeting as written. David Irwin seconded the motion. Voted 5-0 in favor. Motion carried.

Future Meetings

August 27, 2015

September 24, 2015

October 22, 2015

November 19, 2015

Adjournment

David Irwin made a motion to adjourn. Daniel Ciccariello seconded the motion. Voted 5-0 in favor. Motion carried.

Meeting adjourned.

Next meeting 08/27/15 at 6:30 p.m.

Present: Commissioners Patrick Cannon, Stephanie Landry, David Irwin, Daniel Ciccariello and Max Horn.
Also present: Operations Manager, Richard Miller and Office Manager Janis Ford.

The meeting was called to order at 6:35 p.m. No audio or video recordings being made.

Public Input

There was no Public Input.

Operations Manager's Report

We had a couple of outages beyond our control. One was branches fallen across the transmission line in Hingham, another was a crossed phase. The outage lasted approximately ten minutes and was mostly due to trees that hadn't been trimmed. All outages were found.

HMLP ordered new heads for the eight lights at Pemberton parking lot. They will be LED's. Mr. Cannon asked how soon they will arrive. Mr. Miller said they ordered them Thursday and there should be a 6 week lead time.

HMLP has been doing normal maintenance such as pole setting and removal, tree trimming, etc.

Ms. Landry asked about double poles that are already transferred and who is responsible. Mr. Miller told Ms. Landry to call the office with her request.

Mr. Irwin asked about additional lighting in areas by the High School. Mr. Miller told Mr. Irwin to fill out the request form at the office.

Ms. Landry asked who is responsible for lights along the Hotel on the Oceanside because it is very dark. Mr. Miller explained that those lights are MDC and he will put a call in on Monday.

Mr. Horn asked about the "No Left Turn" sign that is half illuminated in front of Beach Food, he asked why there can't be regular signs instead of the illuminated ones and also why there is one where there is no access to enter the road anyway. Mr. Miller explained that the Police Department determines where those signs go. Mr. Horn asked why those signs are LED but traffic signals are not. Mr. Miller explained that the savings are not as great with LED lights because the maintenance costs are more to replace them, \$300 a head. They may be energy efficient but the maintenance is costly.

Mr. Irwin asked about policy on attaching to our poles. Mr. Miller said that the police have that authority.

Manager's Report

There was no Manager's Report.

Approval of Minutes – 06/25/15

Daniel Ciccariello made a motion to approve the Minutes of the 06/25/15 Meeting. Max Horn seconded the motion. Voted 5-0 in favor. Motion carried.

Old Business

Mr. Cannon wanted to discuss what would be talked about at the Selectmen's Meeting on 10/13/15. He said they should talk about the benefits of Hull Light and many of the items in our "Brag Book" that he has been keeping track of. Mr. Ciccariello agreed but said that Hull Light goals should be discussed along with why they increased rates, the positive reasons for that. Mr. Ciccariello suggested that they go over what will be talked about at Selectmen's Meeting during next Board meeting. Mr. Ciccariello said the Board should come up with a five year plan, for future outages and preparations. Mr. Tokadjian has set up a Power Point Presentation for the Meeting.

New Business

Mr. Cannon asked the Board if they had heard about any push backs regarding the rates. Mr. Horn said he had a few but sewer rates were more of a concern. Mr. Cannon told the Board that he has to call Susan Ovines to give her an explanation of the new rates. Wednesday there was a conference call with Mayhew Seavey which included Mr. Lemnios, Mr. Miller, Mr. Tokadjian and Ms. Ford. Mr. Seavey explained the reasoning for the restructuring of the rates. We have no control over power costs and we do not get a discount on our power costs so we should not give a discount on the purchase power portion of the bill. However, the distribution side can be tweaked. Mr. Ciccareillo talked about the 45 minute conversation the Board had with Mr. Seavey about keeping the 10% discount in place, he felt that the Board had been usurped and he thinks the Board deserves an explanation. Mr. Cannon explained that the Board voted for the increase in March and in between March and July when rates went into effect there was an increase in power costs. Ms. Landry wanted to know where the line items in the Budget were for the items that were earmarked for the rate increase. Mr. Miller said they are not included in the Budget but he will set them up. Mr. Seavey will be attending the next Board meeting.

Adjournment

Stephanie Landry made a motion to adjourn. Max Horn seconded the motion. Voted 5-0 in favor. Motion carried.

Meeting adjourned at 7:55 p.m.

Next meeting is scheduled for 09/24/15 at 6:30 p.m.

Present were Commissioners Patrick Cannon, Stephanie Landry, David Irwin, Daniel Ciccariello and Max Horn. Also attending, Town Manager, Philip Lemnios, Assistant Operations Manager, Panos Tokadjian, Office Manager, Janis Ford and Mayhew Seavey, PLM.

The meeting was called to order at 6:30 p.m.

Public Input

There was no Public Input.

Operations Manager's Report

There was no Operations Manager's Report.

Manager's Report

Mr. Lemnios reported that he has been researching the recent run on outages and ways to be better prepared as far as reporting procedures to customers along with ways to zero in on where the problem is. This year, seven out of eleven of the outages were due to work being done by National Grid. Ordinarily there will be four or five a year and they're typically due to storms or accidents. When there is an outage it usually takes thirty minutes for the news to get to HMLP. Mr. Lemnios has authorized the purchase of an advanced SCADA System which will give real time information and allow the ability to zero in on the exact nature and location of the outage. HMLP will be able to monitor events at the dump and reclosures in the field. The cost will be approximately \$60,000.

Mr. Lemnios commended Mr. Tokadjian for all his work on improving the System.

Mr. Tokadjian is researching Smart LED lighting. There are many features to this and there will be selective placements to start. Material is on hand and HMLP is moving forward with these. There are lights already set up at the Fitzpatrick Seawall. Anytime Mr. Tokadjian has needed to test out a light; he will place it at that location right on the water to see how durable it is. Mr. Lemnios talked about placements of lights and the advanced technology. There is the capability of dimming these lights but there was a concern over liability that might come from an accident due to dimming. HMLP will go with the lowest qualified bidder and the lights will be paid for internally. Installation is straightforward and there will be a good plan in place. It is anticipated that this will be done within two years. This is sustainable within the budget and payback should be in six to eight years.

In closing, Mr. Lemnios commended Janis for her work at the Light Plant for directing, administrating and supervising all of the financial functions at the Plant along with performing her duties as Office Manager. He expressed confidence in the managerial future of the Plant by having Mr. Miller and Mr. Tokadjian responsible for operations and Janis responsible for the finances.

Old Business

Mayhew Seavey gave a presentation on Alternative Net Metering Rates. There were three different options discussed, Monthly Net Metering, Hourly Net Metering and Monthly Net Metering with a Fixed Charge. The three alternatives compared customer charges for customers "without solar" to those "with a 7.8 kW solar facility" and usage of 1,000 kWh.

Mr. Seavey reported that there are no communities with even 1% of their customers using solar. An important consideration in the discussion was that Hull Light's billing package does not have the function to bill for net metering. The three existing customers with solar in Town are billed manually.

For those with solar, research done showed significant increases in usage by customers after they install solar generation. The reasons for the increases were due to customers using solar-generated electricity for space heating, customers adding solar as part of a renovation that increased the overall building size and usage, customers using solar generated electricity to charge electric vehicles.

The Board discussed encouraging the use of solar but had concerns with the ratepayers subsidizing it.

The three alternatives showed a substantial difference in the loss of net income. There was consensus amongst the Board that option three was the best alternative.

Mr. Cannon asked Mr. Seavey to draft a policy that included no issuance of direct refunds, a cap on the size of solar facilities and a base charge of \$2.00. The Board asked Mr. Seavey to come back to the next meeting with the policy so they could fine tune it.

Approval of Minutes – 08/27/15

David Irwin made a motion to approve the Minutes of the 08/27/15 Meeting. Stephanie Landry seconded the motion. Voted 5-0 in favor. Motion carried.

New Business

The Board discussed the upcoming Selectmen's meeting. Mr. Tokadjian will be giving a presentation. HMLP is allowed 30 minutes, 15 minutes for the presentation and 15 minutes for questions and answers.

Mr. Ciccariello reported that there are three big items being discussed in Town, property taxes, electric bills and sewer bills. Mr Ciccariello would like the presentation to include a strategic five year plan for HMLP.

Adjournment

Daniel Ciccariello made a motion to adjourn. Max Horn seconded the motion. Voted 5-0 in favor. Motion carried.

Meeting adjourned at 8:44 p.m.

Next meeting is scheduled for 10/13/15 with the Board of Selectmen.

10/22/15 Light Board Meeting

Present were Commissioners Patrick Cannon, Stephanie Landry, David Irwin and Daniel Ciccariello. Also attending, Town Manager, Philip Lemnios, Operations Manager, Richard Miller, Assistant Operations Manager, Panos Tokadjian and Office Manager, Janis Ford.

The meeting was called to order at 6:30 p.m.

Public Input

There was no Public Input.

Operations Manager's Report

Mr. Miller reported that HMLP is still in the process of transferring poles. Also, HMLP has ordered spacer cable hardware from Hendrix.

Manager's Report

Mr. Lemnios commended Mr. Miller and Mr. Tokadjian for their presentation at the Selectmen's Meeting. The Selectmen publicly acknowledged Mr. Miller's work. Mr. Lemnios turned the meeting over to Mr. Tokadjian who would be giving a presentation to report on the conversion from streetlights to LED. This will be a two phase approach, first phase will be the Main Roads and second phase will be the side streets that are less traveled.

Mr. Tokadjian gave a handout to the Board showing cost comparisons between HPS and LED streetlights. He also passed around maps showing diagrams of Phase I and Phase II of the conversion project. There was discussion about the costs of the LED's. Mr. Tokadjian reported that APPA (American Public Power Association) has a grant program to help with interesting projects. If APPA were interested, some of the costs of the conversion will be offset by a grant. The Board asked if there was money in the budget for this project. Mr. Lemnios reported there is money in the Reserve and this project would be included in the 2017 budget. The other option would be to wait three years for material to be cheaper but then you forego savings in three to five years. Mr. Lemnios is in favor of the smart eye due to outages, there are layers of information with Scada and smart eyes. Response time is everything.

David Irwin made a motion to make a recommendation to the Manager to move forward with this project. Pat Cannon seconded the motion. Voted 4-0 in favor. Motion carried.

Old Business

There was no Old Business to discuss

Approval of Minutes – 09/24/15

There was no Approval of Minutes

New Business

There was no New Business

Adjournment

David Irwin made a motion to adjourn. Daniel Ciccariello seconded the motion. Voted 4-0 in favor. Motion carried.

Meeting adjourned at 7:15 p.m.

Next meeting is scheduled for 11/19/15 with the Board of Selectmen.

Present were Commissioners Patrick Cannon, Stephanie Landry, David Irwin, Daniel Ciccariello and Max Horn. Also attending, Town Manager, Philip Lemnios, Assistant Operations Manager, Panos Tokadjian and Office Manager, Janis Ford. Present in the audience, MyEnergy, Mike Hamilton and Hull resident, Jay Freedman.

The meeting was called to order at 6:30 p.m.

Assistant Operations Manager's Report

Mr. Tokadjian reported that HMLP will start upgrading the wire and material by the Yacht Club and will run the wire in mid December.

There is one vendor that can integrate smart photo with SCADA. If no other vendors come forward that can do this, they will be off the list.

HMLP is continuing maintaining and replacing poles.

Asplundh is trimming trees by the landfill.

The Budget is being worked on by Mr. Lemnios, Ms. Ford and Mr. Tokadjian.

Manager's Report

Mr. Lemnios reported that he, Mr. Cannon and Mr. Tokadjian met with Mike Lynch of MMWEC. MMWEC is reaching out to MMWEC communities to buy a share of a 60 Megawatt peak power generating plant to be built at the site of Peabody Electric Light. Phase I would be to prepare documents to get into the \$55 million ISO New England auction. To prepare documents to get into auction would cost approximately \$12,000. ISO New England would pay participant to have power available. If MMWEC wins auction, the cost is \$905,000 amortized over a 30 year period. HMLP would receive approximately \$45,000 a year return on their investment.

Mr. Lemnios reported he has met with Ms. Ford and Mr. Tokadjian a few times in order to go over the 2016 Budget. He briefly discussed the importance of being accurate with the bigger line items such as Power Costs and Halpin costs. Ms. Ford got in touch with MMWEC today to get power cost projections for 2016 which amounted to \$5,175,015. Mr. Lemnios then asked Ms. Ford to give a brief report to the Board. Ms. Ford reported that there have been line items deleted that are no longer in use and there have been line items created as a result of the rate increase. There will be a line item for Decommission Reserve in which \$200,000 will be funded each year. There will be a line item Transfer to OPEB Trust which will be funded with \$70,000 each year. HMLP has not established the Emergency Fund yet. Taking into consideration that the rate increase took effect the beginning of July, the 2016 beginning balance of Decommission Reserve will be \$83,333 and the beginning balance of OPEB Trust will be 29,166.

Public Input

Mike Hamilton of MyEnergy and Jay Freedman who is a resident of Hull were present at the meeting. They were in attendance to hear Mayhew Seavey discuss Solar Policy. Mr. Seavey was scheduled to attend but had to cancel. Mr. Hamilton was hoping to get some kind of calculation to give Mr. Freedman. Mr. Lemnios instructed Mr. Tokadjian to forward Mr. Seavey's last presentation to Mr. Hamilton.

Old Business

Mr. Irwin asked when there would be a dedication ceremony for Snooky's bench. There was discussion about getting the dedication done by Memorial Day.

Approval of Minutes – 09/24/15 & 10/22/15

David Irwin made a motion to except the Minutes of the 09/24/15 and 10/22/15 Meetings. Daniel Ciccariello seconded the motion. Voted 5-0 in favor. Motion carried.

New Business

Christmas lights were discussed. Mr. Lemnios said that he would check with Mr. Miller next week on the subject. Mr. Lemnios suggested that Mr. Miller, Mr. Tokadjian and Mr. Cannon get together to discuss.

Adjournment

David Irwin made a motion to adjourn. Max Horn seconded the motion. Voted 5-0 in favor. Motion carried.

Meeting adjourned at 7:50 p.m.

Present were Commissioners Patrick Cannon, Stephanie Landry, David Irwin, Daniel Ciccariello and Max Horn. Also attending, Town Manager, Philip Lemnios, Assistant Operations Manager, Panos Tokadjian, Office Manager, Janis Ford and from PLM, Mayhew Seavey. In the audience was Paul Mahoney and Judith Van Hamm.

The meeting was called to order at 6:30 p.m.

Assistant Operations Manager's Report

Mr. Tokadjian reported that he has been working with a couple of companies in upgrading the SCADA System. to add outage management with smart photo eyes. One company SEL has the highest rated high voltage equipment, he is also working with SYMCOM. The goal is to deploy these within the next two years. This new technology will send notifications of outages also when power is restored, there will be notifications of locations that still have problems due to blown fuses. Photo-eyes range from \$90.00 to \$100.00. APPA has grants for companies with interesting innovative projects ranging from \$10,000 to \$125,000. Mr. Tokadjian is looking to purchase 450 to 500 controllers so he is going to apply for a \$50,000 grant. If you purchase the whole package, there are no upgrade costs or maintenance fees. The goal is to deploy 350 lights this year, next year 700.

HMLP is continuing maintaining and replacing poles between the Yacht Club and the Sewer Plant. All hardware should be replaced by the end of the month.

Manager's Report

There was no Manager's Report.

Old Business

Mayhew Seavey gave a presentation to the Board which covered the following:

Features of Proposed Net Metering Rate:

- Uses standard Net Metering

- Adds a Net Metering Distribution Charge of \$2.00 per kilowatt of installed solar generation capacity per month

Net Metering Tariff Provisions

- Tariff is based on the present Net Metering Policy with the following changes:

 - Maximum size of solar facility increased from 5 kW to 15 kW

 - Third-party Power Purchase Agreements (PPAs) are permitted

 - A single bi-directional meter is the only meter required

 - A Net Metering Distribution Charge of \$2.00/kW is added

 - HMLP may require a demonstration of the proper operation of the automatic disconnection before the Facility may be connected to the Department's System

Mr. Cannon said the wording "HMLP may require", should read "HMLP will require". Mr. Lemnios asked who would be doing the inspections. Mr. Cannon said that Mr. Tokadjian would make sure the relay drops out when power goes out.

Advantages of the Proposed Net Metering Tariff

- Is based on industry-standard, easily understood principles of Net Metering

- Reduces (or eliminates) the subsidization of solar customers by the remaining customers while maintaining the value of solar installations to the customer and to HMLP

- Retains the bulk of the existing Net Metering Policy

Justification for Solar Distribution Surcharge

Our analysis indicates that, in the absence of increased usage by customers who install solar, an average solar installation causes HMLP to lose over \$400 per year in distribution revenue

Eventually that revenue will have to be collected from all HMLP customers in the form of higher rates

Solar advocates argue that there are societal benefits that are not taken into account in this analysis

Societal benefits are largely external to HMLP and are difficult or impossible to quantify

Solar customers are already heavily subsidized by State and Federal government through SRECS and tax credits

The cost of solar panels and installation has continued to fall, to the point where many analysts believe that solar is now or will soon be the lowest cost source of energy and capacity even without subsidy

Policy decision for the Board:

Do the benefits to society justify the payment of a subsidy to customers who choose to install solar panels on their homes?

Mr. Cannon noted that the Light Board represents 6,200 ratepayers and some will enjoy 50% subsidy for solar. Mr. Horn voted against it. Ms. Landry disagreed and noted that the Board has to make a choice but the cost of that choice shouldn't be on the backs of the ratepayers. Pat noted how much has been done for wind power which benefits all, not just a few. Mr. Irwin agreed to go ahead with it and if the Board wanted to change it they could.

Mr. Lemnios recommended they change the language within the Terms and Conditions, "The customer shall maintain sufficient insurance to cover any damage to the Department's system caused by the construction, operation, maintenance and repair the Facility and shall name the Department as additional insured." Mr. Lemnios recommended they remove this.

Daniel Ciccirello made a motion to amend to strike the words "the Department as additional insured" from the Terms and Conditions. Max Horn seconded the motion. Voted 5-0 in favor. Motion carried.

Pat Cannon made a motion to approve proposed Net Metering Policy as amended. Max Horn seconded the motion. Voted 3-0 in favor. Mr. Horn and Ms. Landry were opposed. Motion carried.

Public Input

Judith Van Hamm voiced her concerns about how much Hull has to lose due to the Ocean. She wants to see Hull renewable and would like the Board to come up with a proposal to get there.

Approval of Minutes – 09/24/15 & 10/22/15

Approval of Minutes was postponed until next meeting.

New Business

There was no New Business.

Adjournment

Pat Cannon made a motion to adjourn. Max Horn seconded the motion. Voted 5-0 in favor. Motion carried.

Meeting adjourned at 8:09 p.m.

Next meeting is scheduled for 01/28/16 at 6:30 p.m.