

WEST BOYLSTON MUNICIPAL LIGHTING PLANT

4 Crescent Street, West Boylston, Massachusetts 01583

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Board of Light Commission, Regular Session Meeting Minutes February 7, 2012, 5:00pm

Present: Board members, Winthrop Handy, Anthony Meola Jr, and William Smith, and GM Jonathan Fitch. Representatives from SPG Solar were present. Resident Mark Brodeur was also present.

The meeting was called to order at 5:05pm by Chairman Winthrop Handy.

Agenda: The Board approved the agenda without changes.

Meeting Minutes: The Board reviewed and approved the meeting minutes dated January 24, 2012.

Solar Project Proposal: WBMLP received a preliminary PPA proposal from SPG Solar who is proposing to install a large scale solar plant on the end of Century Drive. The proposed size is 4MW and would generate approximately 4.6M kWh's annually.

SPG Solar representatives presented its 4MW project proposal on Century Drive to the Board. SPG Solar proposes to sell WBMLP, through a PPA, all of the output over 20 years. The SPG Solar proposal presented to the Board is attached.

The Board asked various questions about the number of projects installed, experience, years in business, whether or not the solar panels are manufactured in the U.S., the acreage of the site, etc. The Board also inquired about business references, the panel warranty, and the permit process.

SPG Solar will meet next with representatives from the various Town Board's, at a round table meeting, to discuss the permitting process.

OPEB Trust: Mr. Fitch requested the Board to consider establishing an OPEB trust fund. An OPEB trust fund is established to fund post-employment benefits to retired employees. WBMLP's OPEB payment schedule was determined by an actuarial and our obligation at the end of 2010 was \$447,780. The annual liability or expense payment for OPEB benefits is currently recognized on a "pay as you go" basis.

This is now an unfunded liability on our balance sheet. WBMLP can transfer funds annually to the trust and eventually the OPEB trust fund will be fully funded and self-supporting. The amount required to totally fund this liability is approximately \$2.3M.

Groton, Shrewsbury, Boylston, and Paxton established OPEB fund.

The Board discussed the reasons why this is required, the need, where the money would come from, and how secure/risky the investments would be. Mr. Fitch indicated that the some money had been put aside already for "insurance" type purposes and that this money could be dedicated and transferred to the OPEB fund to establish it. The Board wanted to discuss this more at the next meeting.

HB3896: Mr. Fitch gave the Board information and the attached analysis of the financial impacts of House Bill 3896. The bill was originally filed to help communities form their own MLP, but it has been amended in committee to mandate existing MLP's charge its customers a renewable energy and conservation charge and require the MLP's to meet the states RPS standard. In order to meet the requirements of this proposed bill, WBMLP would have to increase rates 6% to collect the \$550k in new mandates.

Mr. Fitch is working with MEAM and West Boylston's legislator, Representative O'Day to oppose the amended language.

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Other: None

The meeting adjourned at 7:30pm

Winthrop Handy, Chairman

Anthony Meola Jr,

William Smith,