

WEST BOYLSTON MUNICIPAL LIGHTING PLANT

4 Crescent Street, West Boylston, Massachusetts 01583

Telephone (508) 835-3681

Fax (508) 835-2952

Board of Light Commissioner

January 24, 2012, 5:00pm, Regular Session Meeting Minutes

Present: Board members, Winthrop Handy, Anthony Meola Jr, and William Smith, and GM Jonathan Fitch

The meeting was called to order at 5:15pm by Chairman Winthrop Handy.

Agenda: The Board approved the agenda without changes

Meeting Minutes: The Board reviewed and approved the meeting minutes dated December 20, 2011 and October 26, 2011.

Budget: Mr. Fitch gave the Board, WBMLP's latest draft income statement and balance sheet as of November 2011 and bank balances as of December 31, 2011.

FY2011 Annual Audit: The annual financial audit is underway.

OPEB Trust: Mr. Fitch requested the Board to consider establishing an OPEB trust fund. The fund is set up to provide post-employment benefits to retired employees. WBMLP's OPEB payment schedule was already determined by an actuarial and our obligation at the end of 2010 was \$447,780.

WBMLP currently recognize the cost of providing these benefits on a "pay as you go" basis. This creates an unfunded liability on our balance sheet. We can transfer the amount due 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.

The Board will consider this request and asked the GM to find out who else is doing this.

MMWEC Voting Rep's: Given the change in GM and Board, WBMLP should consider designating new voting representatives. The general

manager should be the primary, follow by the three board members as 1st, 2nd, and 3rd voting representative.

The Board voted and approved the GM as voting representative and Board members as 1st, 2nd, and 3rd alternatives.

Stony Brook 3 Investment: WBMLP is a project member in SB3 power plant project. SB3 is a natural gas fueled power plant proposed on MMWEC's property in Ludlow MA. MMWEC will soon spend the total amount approved to develop and permit the project. The project is on hold until the economy improves and full subscription to the total size is achieved. The project members would like to continue funding and extending the building permits for an additional amount of time.

The board discussed continuing WBMLP's involvement and investment in the project. The Board thinks it is still a good investment. All three board members voted in favor to fund the extension of project permits.

New Emergency Generator: The emergency generator project is underway and delivery of the generator and transfer switch will be Feb 24th.

New Natural Gas Furnace: The NG furnace project is also underway.

Garage Foundation: WBMLP hired an engineer to look at the old garage foundation and floor to determine if it is adequate for the truck load.

Capital Project List: Attached is a draft five year capital project plan.

Oakdale Hydro: WBMLP continues to try to resolve with MWRA the billing error in our Oakdale Hydro invoices. WBMLP is trying to recover the overcharged amount from April 2010 through April 2011.

Solar Project Proposal: WBMLP received a PPA proposal from the Century Drive property developer to install a large-scale solar generation facility. The size is 4MW and would generate 4.6M kWh's annually.

The GM asked the Board to consider purchasing the energy output of a solar plant through a PPA over 20 years. WBMLP's current percent from solar energy is 1%. A new 4 MW solar site would add approximately 8% more solar energy to our energy portfolio.

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The Board expressed an interest in a solar PPA and the GM stated that he would ask developers to present a PPA offer to the Board at future meetings.

Other: None

The meeting adjourned at 7:00pm

Jonathan Fitch General Manager

Winthrop Handy, Chairman

Anthony Meola Jr,

William Smith,