

# WEST BOYLSTON MUNICIPAL LIGHTING PLANT

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## **Board of Light Commission, Regular Session Meeting Minutes, March 18, 2014**

**Present:** Board members, Anthony Meola, Winthrop Handy and William Smith, and GM Jonathan Fitch were present.

The meeting was called to order at 5:08pm by Chairman William Smith

**Agenda:** The Board approved the agenda without changes.

**Meeting Minutes:** The Board approved and signed the meeting minutes of February 5, 2014 and resigned the January 8, 2014 meeting minutes.

**2013 Financial Statements:** Mr. Fitch provided the Board a 12-period 2013 draft income statement to review. The 2013 annual financial audit is still underway. Commissioner Meola requested, for the next meeting, an income statement comparison between 2012 and 2013, with the % increase or decrease for each line item.

**Rate Study:** The general manager updated the board on the ongoing rate study. WBMLP completed the following changes to the billing system and printed bills. Eliminated "Transition charge" component, eliminated separate "Delivery" and "Supplier" charges, and reduced decimal place to 4 (0.0000)

The Board discussed the early payment discount on state, federal and local government accounts. The GM stated that discounts are typically used as an incentive for residential, commercial and industrial customers to pay timely and improve cash flow. Government accounts typically must pay for all valid services and the early payment discount may not be appropriate. Some of these customers take the discount beyond the timeframe allowed.

Commissioner Handy made a motion to eliminate the early payment discounts for local, state, and federal accounts. Commissioner Smith seconded the motion. **All three voted 3-0 approving the motion.**

**Energy/Capacity:** The board and GM discussed the February 28<sup>th</sup> notice from MMWEC that our capacity (demand) cost would increase almost

\$300k annually starting in 2017. This cost and the costs associated with ISO-NE and National Grid transmission rates make up the bulk our budget increases over the next few years. The board discussed the budget impact and how to cover the cost increase. Commissioner Handy mentioned using the rate stabilization fund. The GM stated that as project debt payments decrease over the next few years, the budget may cover these increases.

**Solar Project:** The Board was updated on the 3MW solar project. Borrego and WBMLP are almost finished negotiating the Power Purchase Agreement (PPA) and Interconnection Agreement (IA).

**Worcester County Jail:** Combine Heat and Power (CHP) Project at jail. A 1.5MW power plant could potentially provide capacity and 12,000,000 kWh's in energy to WBMLP and heating water to the jail.

**DOER Grant Program:** Mr. Fitch told the board that WBMLP would apply, with the Town, for a grant from DOER for an energy efficiency project. The project proposal is based on retrofitting (500) HID street lights to lower wattage LED type.

**WBMLP Web Page:** The GM will provide pricing and options for the Board tablets/iPad's by the next meeting.

**Legislative Rally:** Commissioner Smith and the GM attended the annual legislative rally in DC last week. They met most of the MA delegates or there staff. WBMLP focused our concerns on costs increases from ISO-NE, the energy market, and transmission providers.

**Other:** Paving the second coat will take place in the spring. WBMLP retained money from the contractor until this is complete.

The meeting was adjourned at 6:05pm. The next meeting is April 8<sup>th</sup>.

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Anthony Meola Jr,

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Winthrop Handy

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William Smith