



HINGHAM MUNICIPAL LIGHTING PLANT

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General Manager
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John P. Ryan, Chairman
John A. Stoddard Jr., Vice Chairman
Roger Freeman, Secretary

March 16th, 2018

Meeting Called to Order:

A regular meeting of the Board of Commissioners of the Hingham Municipal Light Plant (MHLP) was called to order at 0737 on Friday, March 16th, 2018 at the Hingham Municipal Light Offices at 31 Bare Cove Park Drive, Hingham, Massachusetts.

Present:

John P. Ryan, Chairman; John A. Stoddard Jr., Vice Chairman; Roger Freeman, Secretary; Paul Heanue, General Manager

Approve previous meeting minutes:

The General Manager (GM) presented the original version of the November 10, 2017 meeting minutes, the Secretary's, the note taker's hand written notes and a revised by the GM version to the Board for consideration. The GM walked the Board through the different iterations pointing to the changes the GM made to the minutes previously revised by the Secretary.

The GM noted that the only significant change to the minutes in each version was in the motion made under the "RECs: sell, buy, retire..." section. Regarding the motion made, the GM stated that his contemporaneous and the note taker's handwritten notes taken at the November 10th meeting do not indicate that anything other than "offsetting fossil fuel supply by buying Maine RECs" was deliberated. There was a discussion about what ultimately became the motion on what to do with RECs on November 10th. The GM pointed out that this is the 3rd meeting at which these minutes have been discussed and in accordance with the Attorney General guidelines they must be voted on today. He said they should vote on the minutes and then proceed with discussing what they would like to do with the RECs going forward.

MOTION

A motion was duly made by the Secretary to accept the minutes as amended by the GM. The Vice-Chairman seconded and it was unanimously voted to approve the amended minutes of the November 10, 2017 meeting as amended by the GM.

RECs: sell, buy, retire...

The GM asked if the Board would like to discuss what would they like to do with the RECs going forward. There was a discussion over various options and the pros and cons of each. The GM asked the Secretary to reduce to writing how he would like to proceed with buying and selling RECs so he could present that scenario to ENE to price out using 2017's numbers. He said he would.

Financials

The GM started to review the December 2017 financials with the Board. The Chairman asked about the January 2018 financials. The GM explained that he does not have the January 2018 financials yet because the Town changed financial systems and they are having difficulty working with them. HMLP gets its cash numbers from the Town. They have been slow at providing them in the past but with this new system they are even slower. The General Manager says he will speak directly to Sue Nickerson.

Revenue for December 2017 was approximately \$2m and \$2.2m in 2015 and 2016. The rate decrease was this year and accounts for the difference. Expenses in December 2017 were \$2.8m, \$300,000 higher than December 2016 and 2015. This is likely due to the rise in natural gas prices during the cold snap towards the end of the month. Net Income for December 2017 was (\$820.6k). Net Income for December 2016 was (\$238k) and (\$365.3k) in December 2015. The Chairman said we will need to watch the financials to see if the rates will need to be adjusted. kWh sold in December 2017 YTD was 194.5m, a little less than 2016 (198m) and 2015 (200.3m). The Net Income YTD 2017 was \$3.2m. In 2016 it was \$3.9m and in 2015 it was \$3.7m

The General Plant Building account for December 2017 YTD was approximately \$10.2m and for December 2016 it was \$10m. The Cash-Depreciation Fund YTD for December 2017 was \$8.5m and for December 2016 it was \$7m. The December 2017 YTD Cash-Stranded Cost was \$6m and for 2016 it was \$5.3m. The December 2017 YTD Cash-Operating Fund was \$7.3m and for 2016 it was \$5.2m.

Other business

Supply Study: The GM said our engineering consultants are still waiting for information from National Grid and Eversource to proceed in earnest. The Chairman wondered if there was anything HMLP could do to help the Town of Hull with more reliable supply lines. He understands the whole Town has been flat several times recently. The GM explained that the Town of Hull was without electricity for 26 hours during the first wind storm in March and 12 hours the second. The GM said he would have the consultants review what, if anything and for what cost, HMLP could do in regards to building another feed into Hull.

Updates:

Motion to Adjourn:

On a motion duly made by the Vice Chairman and seconded by the Secretary it was unanimously approved to adjourn the meeting at 0812.