



MUNICIPAL ELECTRIC POWER ADVISORY BOARD

Minutes

August 20, 2020

HMLD Community Room

6:00 p.m.

Members present: Scott Carlson, John Shepherd, Gary Harrington, and Steve Sendrowski

Absent: Peter Elkas

Staff present: Jane Parenteau, General Manager – HMLD
Barry Tupper, Assistant General Manager – HMLD

Public present via phone: Dennis Mahoney and Jane Dye

The meeting was called to order at 6:09 p.m. by John Shepherd and determined there was a quorum.

J Shepherd mentioned that there are 2 people currently being considered for openings on the Advisory Board.

Meeting minutes

July 16, 2020 Minutes were reviewed by the board.

On a motion by G Harrington, seconded by S Carlson, the minutes of the meeting of July 16, 2020 were approved.

Covid-19 Update

Arrears

J Parenteau said total revenue \$8.4 million, 84k in arrears (1%) as of July 2020. It is a significant increase from last year (last year same time period 12k). Jane believes this is because of 3 different buckets: 1. HMLD is unable to shutoff anyone due to the moratorium, 2. Unemployed customers and 3. Prompt payment discount. At the Board of Selectman meeting Monday it was voted to reinstate the discount as of Sept 1, 2020. HMLD will send a notice to customers to make them aware.

J Parenteau mentioned that on August 10 – 113 reminders were sent to customers stating their outstanding balances and offering payment plans. There was some response but not much. Beginning in sept they will begin screening for liens but liens can't be set until November 15th.



S Sendrowski asked when the lien is collected?

J Parenteau replied when they sell the home or they pay property taxes.

S Carlson asked if the liens would be done to customers who travel South during the winter months?

J Parenteau replied no they wouldn't include them in that category.

Pole Attachment

J Parenteau said Crown castle wanted to attach additional fiber in the Brattle St area. After investigative work they discovered in 2001 there was a signed, executed agreement. HMLD determined that 156 poles had fiber attachments over the past 19 years but not invoiced. After working with legal counsel, they determined to invoice the vendor for the past agreement in the amount of \$7,400 and include an updated agreement based on updated Pole Attachment rates.

J Sheperd asked what would happen if they don't agree to pay the past due amount?

J Parenteau replied that they are HMLD poles so they wouldn't be able to utilize them without an agreement. Additionally, there are some charges such as surveying, interest, etc. that could be taken into consideration.

Annual Attachment Fee 2001:

\$4.80 per attachment for solely HMLD owned poles

\$2.40 per attachment for jointly owned poles

New Rates - Annual Attachment Fee's 2020

\$9.10 per attachment for solely HMLD owned poles

\$5.01 per attachment for jointly owned poles

J Parenteau said Charter currently pays approximately \$12,400 annually to HMLD based on the old rate. An updated agreement has been sent to Charter. HMLD's updated pole attachment rates are considerably less than National Grid's rate so not anticipating any issues with the new rate.

Small Wireless Facilities Attachment

J Parenteau said that in 2018 the FCC issued a declaratory order that removes barriers for wireless infrastructure deployment on Municipal-owned poles. This creates a 90 day



failure to act compliance. HMLD does not currently have an application process, aesthetic or technical standards. If someone came to HMLD and wanted to attach that would leave HMLD scrambling. There are several issues that would be related to the Planning Board and Conservation so HMLD will look to them for input as they develop their plan.

J Parenteau also mentioned that this order is being appealed and as part of APPA (American Public Power Association). Hearing has been delayed due to Covid-19.

S Carlson ask if this is related to attaching only poles not structures?

J Parenteau explained that this is typically a pole attachment and then a connection.

B Tupper commented that they are usually small structures attached to the pole.

J Shepherd asked if we are can charge them for work down by HMLD?

J Parenteau said we could if HMLD had to do any make ready work for them, which is why HMLD needs to develop technical and aesthetic plans for this work ahead of time.

J Shepherd asked if a HMLD line worker would need to be onsite while they are working?

J Parenteau said yes we would charge for that and it would be part of the standards they are going to have so that they wouldn't face any potential arbitration.

HMLD Communication

J Parenteau indicated that an area of improvement HMLD wants to focus on is how it communicates with our customers. HMLD currently doesn't promote a lot of their capabilities. One of the biggest opportunities is paperless billing and/or autopay as well as promoting HMLD rebate programs. The hurdle to that is building a customer email database. Jane did reach out to Code Red but found that it is more for emergency and isn't really the tool for general information to be sent.

J Shepherd asked if there was any thought about developing an app?

J Parenteau said that they did this at her last MLP but found that people were more likely to navigate to the website than open the app.

S Carlson said that the hurdle is remembering how to navigate to pay the bill.



J Parenteau said it would be a different platform then currently utilized and much more user friendly.

Operations/Capital Update

B Tupper updated that HMLD has been working alongside Paxton Light Department on a project to install fiber cable and that should be completed by the end of the month. The last major component will be installed tomorrow.

B Tupper also mentioned that the conversion of the URD Decorative streetlights should be starting next week and completed before the fall.

B Tupper updated that the Forestry division was a bit busy after the recent storm but everything was back on by 4am that day.

Bullard St Substation & Chaffin Substation Rebuild

B Tupper said that he met with the engineers to start the conversation around design and procurement for the project.

J Shepherd asked if they are putting together a cost analysis?

B Tupper said yes and they asked for a monthly cash flow estimate for this year and next. After design phase they should be able to have more accurate numbers.

J Shepherd requested that report so the Advisory Board can review and have an understanding of it.

J Parenteau and B Tupper said they will provide that as well as the reliability study.

S Carlson asked about the bid for this?

B Tupper replied yes they are asking for bids shortly.

S Sendrowski asked if the Bullard St will be done by HMLD or sub-contracted?

J Parenteau replied it will be handled in house but the Chaffin St is much more involved so it would be subcontracted to specialists.

B Tupper said Chaffin will receive 6 circuit sub with 2 transformers (40 MDA transformer each side) so that if one side goes down they will still have 40 available. It will help to spread the load and have more flexibility.



J Shepherd asked if there are thoughts of doing a sound study (DB-type) to avoid the past issue with Bullard?

B Tupper said they are having a geological study and will mention to them. Since they are not trying to retrofit like they had done previously at Bullard St it won't be an issue. The new technology is much different, smaller footprint and quieter operation.

S Sendrowski asked if there is a standard for DBA level?

J Parenteau said that 50 is usually standard based on the generator that Reading installed.

B Tupper said regulator upgrade design drawings have been approved and construction will begin once they receive the approvals back. The footprint is smaller than anticipated so should be quicker and smoother to get them in.

B Tupper updated that the company that is building Truck # 25 is now expecting delivery in Spring of 2021 due to all of the deliveries on parts that are not expected until early next year.

B Tupper gave a Personnel Update:

- Eric and Randy (2 workers out since surgery) both are doing well and expected back prior to the winter.
- Michael Griffin has submitted intent to retire and will have his last day sometime in December.

Financials

J Parenteau went through the draft financials for June:

- Revenues are flat (\$6.66 million versus \$6.68 million last year)
- Power production costs down about \$500k (\$4.3 million versus \$4.8 million last year)
- Admin and Expenses are a little higher due to pension accrual on a monthly basis
- Net operating income YTD is \$331,000 versus a deficit of \$40,000 last year

J Parenteau went over Year to date versus budget:

- Net profit \$313,000 which is up from the anticipated \$94,500. Reduction in power supply cost which is passed through to customers had a positive impact on those numbers.
- Revenue increased by 1% through July. Driving force of that is that residential has increased 6%. Commercial and general services down.



Governance of MLPs

J Parenteau discussed that this has been an ongoing discussion from June and July. Attorney Steve Doucette has drafted an opinion letter as discussed at the last meeting.

J Parenteau asked for the Board's recommendation next steps to take?

J Shepherd said that it should be presented to the town manager.

S Carlson suggested that it should be presented to the Board of Selectman for them to bring it to the Town Manager. He commented that the advisory board had requested the information and should present it to the Board of Selectman because that is the function of the Advisory Board.

J Shepherd, G Harrington and S Sendrowski all agreed with S Carlson's comments.

S Carlson asked if they can go to the chairman of the board or present it to all of the Selectman. It may be more tactful to be presented to one of them and get their input as to how to bring it to the Board of Selectman.

J Shepherd also agrees it is best not to send the letter without context.

S Carlson suggested an Executive Session be requested with the Board of Selectman.

J Shepherd said that this needs to come to a head because Jane's authority is in question.

S Carlson questioned if it has to be presented in advanced for Executive Session?

J Parenteau said she can get that information for the Advisory Board.

The Advisory Board is in agreement that this should be done sooner than later, and recommended that Attorney Steve Doucette be involved in order to clarify the legal terms of this matter.

J Parenteau will follow up with him.

J Shepherd suggested that the members of the Advisory Board do independent research on the G.L. c. 164, 56 so that they can speak to it.

J Parenteau commented that when she interviewed for this position one of the questions asked each General Manager candidate was if he/she was familiar with G.L. c. 164, 56.



PUBLIC COMMENTS

Dennis Mahoney and Jane Dye did not have any comments.

OTHER BUSINESS

J Parenteau stated auditors would like to attend the Sept 17, 2020 meeting and will present the 2019 Audited Financials.

G Harrington asked if Code Red is used for outages.

B Tupper said only if it is a lengthy outage. They usually post on the town's Facebook and the website.

J Shepherd motioned to adjourn the meeting, seconded by S Sendrowski the meeting of the Municipal Electric Power Advisory Board was adjourned at 7:07pm

Prepared by: Sara Flagg, Recording Secretary

Approved: 09/17/2020