



MUNICIPAL ELECTRIC POWER ADVISORY BOARD

Minutes

October 22, 2020

**HMLD Community Room, 1 Holden Street, Holden, MA
6:00 pm**

Members present: Scott Carlson, John Shepherd, Richard Farrell, Steve Sendrowski, Pete Liddy and Peter Elkas

Absent: Gary Harrington

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

Determination of quorum

The meeting was called to order at 6:05 p.m. by John Shepherd and determined there was a quorum.

Approval of Minutes

- September 17, 2020

Motion by R Farrell, seconded by S Sendrowski to approve the September 17, 2020 minutes. Unanimously approved.

Covid-19 Update

J Parenteau updated.
\$94k in arrears represents .86% of total revenue.

Working diligently with reminder letters. Last month 600 were sent.

Break down of arrears:

60 day - \$8,000

90 day - \$12,000

120+ - \$54,000

42 lien letters were sent and as of today that amount totals \$29,373.

P Elkas asked if the arrears are repeat offenders.

J Parenteau said a lot are tenants which is challenging because we cannot lien them.

S Sendrowski mentioned concern over the liens since those are only payable upon sale of the house.

J Parenteau said that most people with a lien will get back on their feet eventually. Liens are submitted to Town Assessor in November of each year.

J Shepherd suggested having calls made to the people that are very past due.

J Parenteau is going to add that as a means of collections.

B Tupper mentioned that a phone number is not always on file.

Financials Draft Aug 2020

J Parenteau reviewed the report for the Board.

YTD revenue \$9.4 mil vs \$9.2 for last year.

Power production cost \$6 million vs \$6.5 million for last year

Distribution expenses \$506k vs \$495k budgeted

Customer accounts and Depreciation are under budget.

Investments are under budget about \$25k.

Administrative costs about \$60k higher than last year.

Revenue through Sept. was down about 1% vs 2019 which all things considered is a good place to be. J Parenteau stated that commercial/industrial/municipal is down, and the residential load is up.

Residential revenue is up 3.5%

Commercial revenue is down 7%

General Service down 11.8%

Municipal decrease 4.5%

Municipal pump decreases 12.6%

S Sendrowski asked about the municipal pump decrease.

J Parenteau explained it is the water dept and they get a special rate. Additionally, they upgraded the Heritage Pump station which will utilize less electricity.

Operations and Capital

B Tupper said they are still dealing with damage from 10/7 storm but will be wrapping up this week. Forestry is still working on tree removals that are large and dangerous.

J Shepherd commented that forestry work for the town is not being compensated. There is cost for crews, trucks, etc.

B Tupper said they have been tracking that for the past 18 months and are planning to revisit the conversation about payment being needed for that type of work.

J Parenteau said Thursday 10/15/20 HMLD hosted a Senior Luncheon. This year of course was a bit different and along with the Senior Center they created boxed lunches for the seniors. 120 lunches were served, and it was a well-received event.

J Parenteau mentioned that she had a round table meeting with some Industrial customers. Pepsi and Woodmeister will be looking to the options for savings upgrades.

Capital Projects

J Parenteau spoke to the Board.

Chaffin Substation Rebuild - J Parenteau is working with the Town Manager to evaluate financing options either through town via General Obligation Bonds and a vote at Town meeting or MMWEC financing.

New metering was not able to be put into last year's budget but will hopefully be included into this year's capital budget.

Berkshire Wind - 2nd quarter RECs. J Parenteau explained that Wind projects offer a renewable energy certificate and selling these RECs helps to offset the cost of power. For HMLD selling Recs brought in \$70k in 2018 and \$55 in 2019. Currently the price is \$43/rec. Through 2030 with nuclear and NYPA contracts HMLD is above the recommended number of RECs and working to get to net zero with the entire portfolio by 2050. J Parenteau's recommendation is to continue selling recs to offset the power supply costs and eventually present a plan to balance the financials and the desire to be green.

Frederickson Ave – customers have reached out to J Parenteau because on either side of the street there is the border between Worcester and Holden. Holden residents are customers of National Grid but pay real estate taxes in Holden. The customers are concerned they are not getting HMLD rates from National Grid. J Parenteau reached out to National Grid and is trying to work a deal to service or bill those customers. National Grid has passed this on to their attorneys.

Capital Projects

B Tupper updated on the current Capital Projects.

Bullard St Substation - adding 2 circuits, materials are ordered and will begin work on that in the next weeks.

Chaffin Substation Rebuild - getting an accurate budget based on further development in the plans.

S Carlson asked if there are any supply chain issues?

B Tupper replied that the items that are ordered should be arriving in the next few weeks.

Personnel

B Tupper updated that he was offered the General Manager position at Princeton Municipal Light Dept but decided that he will stay at HMLD. He is excited about the projects here in Holden and looking forward to continuing to be a part of that.

Forestry dept. employee recently gave his notice. Will be looking for a replacement.

1st Class lineman was hired and has 18 years of experience. Will be starting in January.

Other Business

J Parenteau mentioned that they have begun the budget process and hope to be able to present that information at the following meetings.

Next Meetings:

November 19, 2020 (2021 Operating and Capital Budgets)

December 7, 2020 (Tentative budget presentation to BOS)

Motion to adjourn by P Elkas, seconded by P Liddy, it was unanimously approved to adjourn the Oct 22, 2020 meeting at 7:05pm

Prepared by: Sara Flagg, Recording Secretary

Approved: November 19, 2020