



MUNICIPAL ELECTRIC POWER ADVISORY BOARD
June 30, 2022
HMLD Community Room, 1 Holden Street, Holden, MA
6:00 pm

Members present: Scott Carlson, Steve Sendrowski, Richard Farrell, Pete Liddy II and Dan Golden

Not Present: Peter Elkas

Staff present: Barry Tupper, General Manager – HMLD; Chris Monsini, AGM; Callie Knowler, AM

Determination of quorum

The meeting was called to order at 6:12 p.m. by S Sendrowski and determined there was a quorum.

Approval of Minutes

April 21, 2022

Motion by R Farrell, seconded by D Golden to approve the minutes for April 21, 2022. Unanimously approved by 5-0 vote

Presentation of the Audit

Goulet, Salvidio & Associates, P.C.

- Heather reviewed the Independent Auditors Report. Reviewed the Operating Fund and noted that the largest change was operating cash due to withdrawals from MMWEC to fund substation work. Liabilities show accrued expenses are higher because there was a timing issue for the service bill from the Town.
- Net position is up to \$11.7 from \$10.9, the unrestricted became negative the year when pensions became a liability that had to be recognized and this is common. Operating revenues are in line with the previous year. Cash provided by operating activities are shown in two ways (direct and indirect) and is positive at \$1.5 million.
- No changes in significant accounting policies, footnotes were reviewed.
- S Carlson asked about the position of the HMLD if the investments continue to go down. She answered that HMLD would show a decrease and negative position.
- Internal Control Report was reviewed, no findings of material weaknesses. There are some significant deficiencies found which were also found last year.
- Significant accounts and Processes - Construction projects that are ongoing could be improved which Callie is working on already. Merchandising and Jobbing - Keeping up with billing for Verizon. This has already begun to be corrected as well.
- General Ledger - This is almost resolved. No one was responsible for the accuracy for the general ledger last year. Callie is now taking care of this and they have a plan to do a review audit this summer.

Financials

C Kowner reviewed the Financials for March-May 2022

- Power Production expense up \$730,784.65 from Jan-May 2022
- Total Meter Load for May 2022 had a 7.5% increase from May 2021
- Total transmission costs were \$304,635.75 in March 2022, \$274,659.03 in April 2022 and \$229,091.49 in May 2022.
- Bills for electric sales were \$897,182.65 in March with 8,821 bills, \$1,241,613.69 in April with 8,285 bills and \$844,518.79 in May with 8,299 bills.
- An update to the discussion on Total Power Expenses vs Total Power Revenue as of May is (\$624,391.79). Starting to see the effects of the rate increase in May and since March 2022, under collection decreased by \$54,459.59
- Arrears are \$46,533.62 for past due accounts. Shut off notices are being sent with each billing cycle which is helping bring the arrears down.
- Income versus Budget - Power Production Expense is over budget due to increased costs.
- Miscellaneous Distribution Expense is over budget due to the cost of clothing and gear but should level out as those costs decrease throughout the year.
- Meetings and General Expenses are over budget due to training expenses, rising cost of fuel and a large invoice from Minutemen Trucks for repair work.
- Miscellaneous Income is higher than expected as collections have increased on billings from July 2021 to current.

Manager's Misc.

- Customer billing issues have been uncovered and legal counsel was brought in to review and advise. This will be thoroughly checked as AMI replacements are being done.
- Joint action battery procurement through MMWEC is being looked into but no commitment has been made.
- Procurement delays continue to be an ongoing challenge. HMLD is actively stocking items that will be needed to try and stay on top of it.
- MMWEC is hosting a Zoom meeting July 13th at 6:30 to explain MA General Law 164 if anyone is interested in attending.
- Holden Water and Sewer has seen breakdown and failures on some of their meters that are past their usable life. They have asked HMLD for help with reading the meters and HMLD is working to help with their load.
- S Sendrowski asked how the meters are usually read. B Tupper explained that the transmitter/receiver on the truck automatically picks up everything on the meters.

Operations Update

C Monsini provided updates:

- Only 8 after hours calls since the last meeting (3 months).
- Solar projects - 8 new applications in the past 2 months.
- There continues to be a lot of requests for Dig Safe.
- Transformer lead times are still excessive. Order for 30 transformers from May will be shipped in August.
- Forestry division participated in Truck Day.
- Trimming on Mason, Sterling, Elmwood and Bullard St continues.
- Strategic trimming has been a focus as well to improve safety and minimize impact on the customers.

Capital Budget Update

- The Bullard street circuit expansion – Messenger wire is in from substation to Wachusett and Shrewsbury St. The Littleton Electric Light Department helped with pulling a large length of new wire (4,900') on Bullard St. HMLD crews are preparing to pull 3,900' of wire from Malden to Wachusett in Mid-July.
- Chaffin Substation - Metal risers have been installed and grounded, the control house is prepped and ready. 80% of underground conduit has been installed. 75% of concrete is complete. Transformer pad and containment is ready and Transformer T2 is scheduled to be set on the pad August 1.
- AMI update – Itron has the full, clean package and HMLD is just waiting for signatures. Design and material ordering will begin after the contract is executed.
- DPW – Energized and running, DPW move in time frame is August.

Personnel:

- Rick Grensavitch has given his notice of retirement at the end of July. He is responsible for janitorial services. HMLD would like to recognize how his care and attention to maintaining the building has been appreciated and the pride shown in his work has been recognized by many people.

Other Business:

- S Carlson requested for the next meeting an update on how many abandoned services there are in Town. S Carlson also recommended that they not single source with their vendors due to manufacturing issues he has seen in the market. B Tupper agreed and mentioned that the partnerships have been good but also understands the need to remain open and on top of changes in the market and HMLD's future needs.

Motion by D Golden, seconded by P Liddy II. The June 30, 2022 MEPAB Meeting was adjourned at 8:00 pm.