

Open Session Minutes of December 19 , 2012

Meeting of the Ashburnham Municipal Light Plant Board

Present Commissioners: Richard Ahlin & Mark Carlisle. Kevin Lashua (Absent)
Stan Herriott Manager

Chairman Ahlin called the meeting to order at 7:00 P.M.

Chairman Ahlin asked for a motion to approve the Minutes of November 14 , 2012 Open Session. A motion was made by Commissioner Carlisle and seconded by Commissioner Ahlin. The vote was unanimous.

There were no citizen or customer comments.

Mr. Dunham was not in attendance, his wife had notified us on Tuesday that Mr. Dunham was sick and could not attend. They asked to be placed on the agenda for the next meeting in January. There was a discussion on what Mr. Dunham wanted to talk to us about. Manager Herriott stated had not received that information.

Manager Herriott presented the budget for 2013 for the Commissioners' review and voting. He stated at this point there is a deficit in the budget of about \$51,000.00. One of the cures for this issue is to adjust the rates beginning in July of 2013 by .003 cent per kwh. Another major component is sales. If we have a mild winter and summer our sales could cover the slight deficit. Manager Herriott suggested that we adopt a wait and see approach. Manager Herriott stated the budget was similar to what it was last year. He also stated that the Town has asked us to support

the mowing tractor by providing new tires. Manager Herriott stated that the current budget would have to be increased by about \$2,000.00 to accommodate this request. After some discussion the Commissioners agreed to support the cost of the tires.

Chairman Ahlin asked for a motion to approve the 2013 expense budget. A motion was made by Commissioner Carlisle and seconded by Commissioner Ahlin. The vote was unanimous.

The Commissioners then began a discussion on the Capital Budget. Manager Herriott explained the various costs with new tooling, office equipment, transformers and pole replacement. There are also costs in the budget to pay Verizon for their portion of the underground work in the center of town. The total budget for all dollars expended is \$595,000.00. The Commissioners questioned the need for the trailer when the original idea was to stock the utility body truck as the underground truck. Manager Herriott said that he would discuss this and see why using the utility body truck was now not an option. The Commissioners asked to be kept in the loop on the Capital Budget prior to major funds being expended. Manager Herriott agreed.

Chairman Ahlin asked for a motion to approve the 2013 Capital Budget, a motion was made by Commissioner Carlisle and seconded by Commissioner Ahlin. The vote was unanimous.

Manager Herriot and the Commissioners opened a discussion on the current budget through November. Receipts are running approximately 7% under projections while expenses are currently running about 15% under projections. The major influence on reduced expenses is the reduced power supply costs. Manger Herriott expects that power supply will remain stable for the remainder of the year.

Receipts for November	\$433,887.00
Expenses for November	\$426,592.00
Receipts YTD	\$4,484,514.00
Expenses YTD	\$4,087,003.00

Manager Herriott opened a discussion on the Light Departments participation in the new Code Red program the town is adopting. Manager Herriott recommended that we join in and help support the cost. This program would be useful in keeping the customers informed of outages

both for planned work as well as emergency work. The cost is \$536.00 annually for our portion of the software support. The Commissioners agreed that this would be a good program to get involved with.

Manager Herriott recommended our new employee Jeff Schrecke to have a change status from probationary to permanent employee. Manager Herriott said Jeff is working out very well. The Commissioners agreed.

Managers Expenses \$205.79

The next meeting date is scheduled for 7:00 P.M. on January 16, 2013.

Manager Herriott stated the Downtown Project has been completed. Manager Herriott reported that he has not received all the daily worksheets that were agreed upon for the Verizon line workers and the contractors yet. The Commissioners stressed that we will not pay any bill until these issues are completely resolved.

Manager Herriott reported that there has been no progress on the Verizon joint agreement upgrade.

Manager Herriott reported that he has the current copies of the FLO DESIGN agreement and would be looking at them soon.

Manager Herriott mentioned that we were finally getting the meter reporting problem under control. Meters not reporting were down from 900 to less than 300. We will be starting an ERT replacement program as soon as possible to address the problematic meters.

Manager Herriott also reported that FERC had fine amounts for Constellation Energy. The amount is 20 million dollars for market mutilation in 2007-2008. AMLP's share was slightly over \$5,000.00. The case was centered on the fact that Constellation rerouted power in order to increase transmission costs to the end users. MMWEC helped lead the charge to win this case for the Massachusetts Municipals.

A motion was made by Commissioner Carlisle to adjourn and was seconded by Commissioner Ahlin, the vote was unanimous, the meeting adjourned at 8:25 P.M.

Respectfully submitted,

Mark Carlisle

Secretary