

**ASHBURNHAM MUNICIPAL LIGHT PLANT
REGULAR SESSION
Meeting Minutes**

Date: October 15, 2014
Location: 24 Williams Road, Ashburnham, MA Conference Room
Board Members: Richard Ahlin (Ahlin) Chairman
Mark Carlisle (Carlisle) Secretary
Kevin Lashua (Lashua) Arrived at 7:15
AMLP Staff: Michael Rivers (Rivers) General Manager
Attendees: Anne Olivari, Joe Olivari, Gary LeBlanc, Mike Parenteau, Sibby St Cyr,
Michele St Cyr, Mary Barrett, Sarah Davis, Sarah Culgin, Richard Wright,
Tim Edely, Russell Aney, Wendy LeBlanc Jacqui Marsh, Candace Wright,
John Cunningham, and Bob Feen.

Chairman Ahlin called the meeting to order at 7:05 pm.

Net Metering- Rivers then explained the circumstances as to why a modification of the existing Net Metering Policy was needed;

The existing policy approved in 2009 allowed solar generation up to 1% of the AMLP peak load. At the traditional peak of 6.9 mW, that would allow 69 kw of solar.

AMLP currently has largest percentage of solar generation in the country. Municipal light departments are not required to offer Net Metering, while Investor Owned Utilities (IOU's) must offer Net Metering at near retail rates, but that leads to higher rates for everybody, because the costs are shifted from those who have solar to those who don't. Most utilities have caps of how much solar they allow, usually less than 10% of peak load, AMLP is now near 50% of our peak load, which can cause significant problems and higher costs, particularly during unexpected storms.

Some AMLP customers have so much solar that they pay nothing for their share of the overhead of the department, which is about 2/3 of the retail rate.

Rivers wants to get feedback from the Light Board and the Community about what are appropriate changes to bring us into compliance with our own policies and are fair to everyone. One idea is to have a minimum customer charge so that everyone pays some of the cost of keeping the AMLP to cover the costs of storm response, customer service, system upgrades, etc.

At this point someone in the audience shouted out that a customer charge is a tax. Chairman Ahlin disputed that and explained further that certain costs such as transmission needed to be paid and are rapidly increasing. He further noted that solar only generates its maximum a few hours a day, and all solar customers are still drawing power from the AMLP grid far more often than they are generating their own and it's a question of fairness.

Carlisle then made a comparison to electric cars, which use public roads but pay nothing for road maintenance because roads repairs are paid for through gas taxes.

Ahlin then said that we aren't considering changes to make more money, we usually are very close to a break even financially.

Solar salesman Russ Aney then asked several questions about current installed solar capacity, and complimented the AMLP for being one of only a few MLP's that participate in the Mass CEC renewable energy grant program.

Rivers explained that there had recently been a large increase in the number of residents looking to add solar, and he felt that it was only fair to those people that they understand that the changing the current policies was under consideration before they made the expenditure. Russell Aney then said that Ashburnham was not unique in terms of the percentage of solar generation, and that he felt that we weren't considering all the intangible benefits that solar provided. When questioned, he could not give any specifics as to what those benefits were, and that he would send some reports and documents.

Carlisle then questioned Aney as to whether he (Aney) was trying to indicate that the 3 MW solar array was a detriment to the ratepayers. Aney said that was not his intent. Carlisle said we are trying to do what is fair for everybody, and every ratepayer benefits from the low cost power we are buying from the large array for 4.9 cents rather than paying a small number of homeowners 15 cents for excess power. Some customers who could afford the upfront cost installed larger solar systems that exceeded their needs in hope of making a profit from other ratepayers in the community.

Resident Tim Eddy said that he hoped that we considered some of the downstream costs of fossil fuels, but was appreciative that AMLP has been "green friendly" and ahead of the curve on renewable energy.

Joe Olivari said that he had been Promised by his solar installer at the beginning that he would receive solar SREC's of \$500+ per MW, and that they had based their return on investment was based on that. Right off the bat his return on investment went from 7.5 years to 9.5 years based on the bad information. Olivari said that because his system doesn't generate much, that adding a fee would make it worse. Rivers clarified that any fee or customer charge would only be for part of the kilowatt hours generated beyond a customers use. Olivari said that changing the terms of net metering was like changing a pension.

Candace Wright said that each of them entered into an agreement that they would receive net metering and that it shouldn't be taken away, and at that time 4, 5, or 6 years ago each customer had conversations with the Light Board to talk about their systems. Rivers said that no one was considering taking away net metering, but there are thousands of variations of what net metering consists of. No two utilities have the same policy or terms. Rivers also said that some customers had no conversation with the AMLP, they just went ahead and installed systems.

Rivers explained that there were some disreputable installers promising very high federal SREC's, but that most legitimate salespeople used the SREC floor price of \$200 to \$250 when calculating their payback, and that most of the proposals he had seen for Ashburnham customers used that floor price.

Russell Aney asked whether there were any customers that generated more power than they use, Rivers answered yes.

The Board explained that no changes were going to be made rashly, and there would be plenty of opportunity for discussion and input.

Sarah Culgin asked what changes were being considered. Rivers said that the total solar cap must be revised, and the rate paid for overgeneration would likely be set to a wholesale price like most other municipal light departments do. There would also be an application fee for the interconnection agreement like most other muni's do.

Managers Update

Rivers gave the board a printout from the NDS General Ledger system. We are a little behind in revenues from last year. He met with auditors this morning, and we have some long term accounting issues, such as working towards an accrual system. Too much of our record keeping relies on hand inputting data into multiple spreadsheets, which is time consuming and redundant.

Training Schedule-The Manager and the Board discussed the Manager's training. When the Manager was hired it was agreed that he would attend Lineman Apprentice school, which will require the manager to be away for 8 plus weeks plus the practical training next year. Rivers will be attending substation training this year.

Carlisle gave an update on the town Green Community application, which is nearly complete.

CORI policy-Rivers found a state requirement that if we want to run CORI checks on employees that we need to have an approved CORI policy. Rivers asked that the board approve the state recommended policy. Lashua made a motion to approve the CORI policy, Carlisle seconded, All in favor.

Commercial/Industrial Energy Audits. Rivers wants input from the board on what they think about paying for energy audits for businesses. There was discussion, no decisions made.

Rivers informed the board he is going to apply for a department credit card, because it is bad practice to rely on employees to use their own credit cards for department purchases, the board concurred. Rivers said that we should have a formal travel policy. Ahlin thought the town had one. Rivers said that he would write a policy, but it would likely use the Federal GSA per diem travel rates because they are standardized and fair. The board concurred that we would use that pending an approved policy.

Rivers explained the need for an Arc Flash study required by OSHA, he will be gathering data and getting cost estimates.

The board must vote a formal approval for Rivers to replace Stan Herriott as the formal AMLP representative to vote on MMWEC matters, as the annual meeting is next week. Ahlin is the first alternate, Carlisle is second alternate, Lashua is 3rd alternate. Carlisle made a motion to

approve the MMWEC authorization form. Lashua seconded. Roll Call vote, Ahlin aye, Carlisle aye, Lashua aye.

Rivers raised the issue of support for Ashburnham's 250th Anniversary, which will replace the Downtown Days. It was agreed to provide at least as much support as we have in the past, and more depending on the need.

Rivers asked the Board to consider writing off the last electric bill for the customer that died in a house fire on Wilker Road this month. Rivers feels that these type of exceptions should be done in a public way by the board rather than just a manager decision. The board agreed the write-off was a good idea.

It was agreed to schedule the next meeting for Nov 19.

At 9:15 pm Lashua made a motion to adjourn, which was seconded by Carlisle. Ahlin aye, Carlisle aye, Lashua aye. Meeting adjourned

Respectfully submitted,

_____ Date _____

Mark Carlisle
Secretary