

Open Session Minutes of November 14, 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.

There were no citizen or customer comments.

Manager Herriott presented to the Commissioners some of the thank you cards that we've received for the work done during the storm.

Chairman Ahlin asked for a motion to approve the Minutes of October 24, 2012 Open Session. A motion was made by Commissioner Carlisle and seconded by Commissioner Ahlin. The vote was unanimous.

Manager Herriott presented the budget for 2013 for the Commissioners' review. He stated that at this point there is a deficit in the budget of about \$45,000.00. One of the cures for this issue is to adjust the rates beginning in July of 2013 by .003 cent per kwh. There are some factors that may eliminate the need to consider the increase. We had some good news on the Berkshire Wind Project that will help. The renewable energy credits that the original owner pledged to the state of Rhode Island have expired and we, meaning the Berkshire group, now own all the renewable energy credits. At this time there is a very favorable market for these credits which will put

downward pressure on the cost per kwh for the output of the Berkshire project. We are expecting to see the average cost over the next five years to be slightly more the \$80.00 per MWH. Part of the cost savings is that we have also fully funded the \$900,000.00 tax liability account, this was required should we get an opinion that the project was taxable. We do not expect this will happen but it was part of the agreement with Western Mass Electric so we had to fund it. The other major component is sales, should we have a normal winter and summer our sales could cover the slight deficit. Manager Herriott suggested that we adopt a wait and see approach.

Commissioner Ahlin opened a discussion about putting enough money in our pole plant. Manager Herriott stated we do not have a formal program in place to upgrade the pole plant. We had used OSMOSE in the past to inspect and treat our poles. We still have those records so we could start again with the program of inspecting and replacement. Manager Herriott said he would define a program to look at our pole plant and try to have a more consistent replacement program.

Manager Herriott reported that we are still experiencing problems with our metering system not reading well. Manager Herriott has been working with Landas & Gyr to try and figure out just what is happening. They are saying this is a variable frequency drive causing the problem. We know of three customers that have this type of equipment and are trying to figure out if it is one of them. L&G has also made recommendation that would dramatically change the way we have the installation in the station. At this point Manager Herriott does not feel ready to make that change. A possible solution being considered is looking at changing some of the problematic meters to another phase to see what difference that may make. This is an ongoing issue and will take time to resolve. At this point the readings are getting better.

The Mangers expenses were approved for \$149.22

Next meeting date is scheduled for 7:00 P.M. on December 19 , 2012.

Manager Herriott stated the Down Town Project is completed except for removing to old poles. He hopes to get this done Friday the 16th.Then we have to wait for the final billing. Manager

Herriott reported that he has not received the daily work sheets that were agreed upon for the Verizon Lineworkers or the contractors yet. The Commissioners stressed that AMLP will not pay any bill until these issues are fully resolved.

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

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

Manager Herriott gave a copy of the projected average cost for AMLP power supply next year and it is projected to be .09 cent per kwh.

A motion to accept the Executive Session Minutes of October 24 , 2012. There was no discussion held just a vote for approval. A motion was made by Commissioner Carlisle and seconded by Commissioner Ahlin, the vote was unanimous.

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