

Paxton Municipal Light Department
578 Pleasant Street
Paxton, MA 01612-1300
Light Commission Meeting
January 12, 2021

- I. Call to order: The meeting was called to order by Chairwoman Orell at 6:00 p.m. Members present: Emerson Wheeler, Yvette Orell, Mike Benoit, and Tara Rondeau, Manager. Public Attending Via Zoom: None.
- II. Approval of Agenda: Wheeler motioned to approve the agenda; Benoit seconded. Motion passed 3-0.
- III. Approval of Minutes: Benoit motioned to approve the December 15, 2020 minutes; Wheeler seconded the motion. Motion passed 3-0.
- IV. Public Comment: None
- V. Managers' Report:
 - A. Operations and Electrical Systems Updates:
 1. The linemen completed trimming and chipping on Brooks Rd.
 2. They:
 - a. Installed a transformer pad and ran new primary service on West St.
 - b. Reset a transformer on Crowningshield that was pushed off by plows.
 - c. Repaired a house service on Birchwood Dr.
 - d. Fixed a leaning pole on Hill Street.
 - e. Replaced and removed a broken pole on Blackhill Rd.
 - f. Repaired secondary service for Radio Tower on Asnebumskit.
 - g. Ran in new secondary service on Village Drive.
 - h. Repaired streetlights on: Richards Ave, South St., Eagle Lane, and Pleasant St.
 3. The linemen pulled in the fiber optic cable at the water tank on Maple street.
 4. They hung and later removed the Christmas Lights on the common.
 5. The linemen worked at the substation with the AC installers.
 6. They completed the year-end inventory count.
 7. Repaired the old pole guard rail at the Town Hall.
 8. Outages:
 - a. Holden Road due to a blown fuse caused by branches on the wires.
 - b. Blackhill Rd due to a pole snapped by falling limbs.
 - B. Office and Operations:
 1. The Acct. Asst. will be working in the office on an opposite schedule of the billing clerk to ensure that there is only one person in the office at any time.
 2. PMLD's accounts receivable 90 days past due balance is \$23,492.37. Last year at this same time it was \$22,051.90. The numbers are deceiving in that it appears to only be slightly up from last year but that is because the lien amounts have been removed. With

the liens it is up \$30,000.

3. Landis & Gyr is in production of PMLD's meters. Estimated lead time is 8 weeks. Before we get the meters, we need to get the networking components in place.
4. The DEP has announced a new EV charger grant for 2021. The manager is applying for this grant which can be combined with the 2020 grant already issued. The new grant will help with installation costs where the prior grant only covered the materials.
5. The new AC unit for the substation was installed last week.
6. The Manager has been working with the Building Inspector to resolve the issues surrounding the solar company who improperly installed a solar array without the proper approval and permitting. Holden has had a similar issue with the same solar company. Benoit suggested the Manager call the Attorney General.
7. A landowner in Paxton is trying to sell their land to a solar company who would like to install a solar farm off Marshall Street and South Street. The company was hoping to sell their generation to National Grid by utilizing the high-tension lines that run through that property or by running wire $\frac{3}{4}$ mile down the road to connect to National Grid. The Manager informed them that they cannot generate and sell electricity within the PMLD's territory without PMLD's approval. The Manager explained that it would be more costly than they think to connect to the power lines and feasibility studies would need to be done for both PMLD and National Grid to gauge impacts to the transmission and distribution lines as well as to PMLD's substation.

C. Fiber Optic Update/911 System: Nothing new to report.

D. Financials-November 2020: November revenue increased from October by \$5,853. Power costs increased by \$9,915. Residential sales and sales to AMC increased over the prior month. All other rate class sales were stable.

E. Solar: The Manager provided the Board with a spreadsheet detailing the last seven years of lost kwh sales and lost revenue as well as the extra generation credits paid out to residential solar customers.

PMLD has lost an estimated 436,595 kwh in sales totaling \$54,575. PMLD has provided credits for roughly an extra 46,922 kwh totaling \$4,371.

In 2018, the net generation policy was updated to better reflect the market trends and ensure that all of PMLD's customers were not subsidizing these customers costs. In the last 2 years, 2 solar arrays were installed. Currently, there are 2 more slated to go on by this spring. The Manager is proposing the Board amend the current policy providing for increased monthly customer charges to cover their share of capacity costs as well as maintenance and fixed costs for our distribution system.

The manager also proposes that the Board consider lowering the current net generation cap of 150 kw to 125 kw. Considering the number of customers PMLD has, 15 residential solar arrays is substantial compared to other munis of a much larger size.

The Board agreed it was time to make rate changes and solar customers need to pay their fair share of costs. A vote will be taken at the next meeting.

F. PPA and Rates:

The manager provided the board with a spreadsheet showing the breakdown of costs versus charges for each rate class. Those costs were further broken down by unbundling the rate

structure to show the exact cost for capacity, transmission, energy, and distribution versus what PMLD customers are charged. What the comparison showed is that PMLD's bundled rate is not properly reflecting PMLD's actual costs for each component. The rate structure needs to shift to account for the increases in transmission and capacity costs. In 2008, when the rates were last adjusted, transmission and capacity costs were much lower and energy costs were much higher.

The manager provided a proposed rate structure for the Board to consider. The proposal is to lower the capacity and energy charges, while increasing the transmission charges and lowering the PPA by .025 adding .015 of that to distribution charges and lowering the overall rate by .01.

Another spreadsheet was provided to the board that compared PMLD's current monthly customer charge and demand charge to the other central ma. municipal light departments charges. Besides increasing transmission costs, PMLD's biggest expense is overhead. PMLD needs to recoup some of that overhead from a fixed cost basis by raising the monthly customer charge. In comparison to the other central MA municipalities our charges are very low.

The Board agreed to the restructuring of the unbundled rates and also agreed to increasing the monthly customer charge. The manager is to present the proposed changes for a formal vote at the next meeting.

Lastly, a spreadsheet was provided to the board comparing PMLD's lease light rates to other local municipalities. Again, our rates are very low and do not cover the actual costs associated with a lease light. The Board asked the Manager to provide more information on this at the next meeting for their consideration.

VI. Job Review-Manager

The Board was not fully prepared to discuss it at this meeting. It was passed over and tabled until the next meeting.

VII. Other Business:

A. Matt has given his notice that he will be retiring in March. He has expressed a desire to stay on part time to help with the new metering system as well as tackling some improvements the manager would like to see completed on the pole numbering and mapping. Benoit stated that the union agreement may not allow for this.

B. The Manager will be posting an ad for a 1st Class lineman.

VIII. Adjourn-Benoit motioned to adjourn, Wheeler seconded the motion. Motion passed 3-0.

The meeting adjourned at 7:37 pm.

The Next Meeting is February 9th, 2021.

Approved Minutes Submitted on behalf of the Paxton Light Commission

by Tara Rondeau on 2/9/21 Tara Rondeau

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