

**SOUTH HADLEY ELECTRIC LIGHT DEPARTMENT
BOARD OF COMMISSIONERS' VIRTUAL MEETING
JANUARY 25, 2024, AT 6:00 P.M.**

Present for the Board: Chair John Hine, Vice Chair Denise Presley, Kurt Schenker
Paul Dobosh, Ron Coutu

Present for SHELD: General Manager Sean Fitzgerald, Financial Manager Michael Conchieri,
Administrative Specialist Kim Mendoza, Engineer Matthew DelMonte

The virtual meeting was called to order at 6:00P.M. by Chair Hine.

Minutes Approval:

11/30/2023 Open Session:

On a motion by Mr. Coutu and seconded by Mr. Dobosh, it was

VOTED: To approve minutes of November 30, 2023 by a roll call vote: Mr. Coutu-aye, Mr. Dobosh-aye, Ms. Presley-aye, Mr. Schenker-aye, Mr. Hine-aye.

11/30/2023 Executive Session:

On a motion by Mr. Coutu and seconded by Mr. Dobosh, it was

VOTED: To approve and release the executive session minutes of November 30, 2023, by a roll call vote: Mr. Dobosh-aye, Mr. Schenker-aye, Mr. Coutu-aye, Ms. Presley-aye, Mr. Hine-aye.

12/28/2023 Open Session:

On a motion by Mr. Coutu and seconded by Mr. Dobosh, it was

VOTED: To approve minutes of December 28, 2023, by a roll call vote: Mr. Schenker-aye, Ms. Presley-aye, Mr. Coutu-aye, Mr. Dobosh-aye, Mr. Hine-aye.

12/28/2023 Executive Session:

On a motion by Mr. Coutu and seconded by Mr. Dobosh, it was

VOTED: To approve and release the executive session minutes of December 28, 2023, by a roll call vote: Mr. Dobosh-aye, Mr. Coutu-aye, Mr. Schenker-aye, Ms. Presley-aye, Mr. Hine-aye.

1/11/2024 Open Session:

On a motion by Mr. Coutu and seconded by Mr. Dobosh, it was

VOTED: To approve minutes of January 11, 2024, with one spelling correction, by a roll call vote: Ms. Presley-aye, Mr. Dobosh-aye, Mr. Schenker-aye, Mr. Coutu-aye, Mr. Hine-aye.

1/11/2024 New Building Forum Meeting:

On a motion by Mr. Coutu and seconded by Mr. Dobosh, it was

VOTED: To approve minutes of the new building meeting on January 11, 2024, by a roll call vote: Mr. Schenker-aye, Mr. Dobosh-aye, Mr. Coutu-aye, Mr. Hine-aye, Ms. Presley-abstained as she did not attend.

Public Comments:

There were none.

Manager's Report:

Outages: one outage affected 11 customers for 1.25 hours on Silverwood Terrace from water and ice causing a secondary flash over and a tripped transformer breaker.

AMI Update: Mr. Fitzgerald shared an AMI Project Milestone update. It outlined steps SHELDT took, beginning in 2020, to purchase and deploy all new AMI meters in town. Installation began in Q2 of 2022 and is expected to be completed in September 2024. The new billing app and MDM (meter data management) system is expected to be deployed in October 2024. Board members asked Matt DelMonte, SHELDT's Engineer, several questions.

Would there be changes to the monthly electric bills? No. Can the Board see a sample of what the app would look like? Yes, Matt will send a sample to the Board. What kind of information will residents be able to get from the app or the website? Data will be available for electric usage at 15-minute intervals. Are customers always notified when the meter is changed? Not if they have a bypass meter socket which does not require an electric outage to change the meter. How can I tell if I have the new meter? The new meters have a 7-digit number with the first 2 digits being the year it was manufactured. Will I need a new log in for the app? Not if you already use the portal, you will be able to use the same log in credentials. Will SHELDT develop a FAQ? Yes.

October 2023 Financials:

Mr. Conchieri referenced PowerPoint slides as he gave a brief overview of the financials for the month ending October 31, 2023.

Kilowatt hour sales of 91,663,000 for 2023 were down by 4% from 2022 or 3,798,000 kilowatt hours. Year-to-date operating revenues of \$13,848,000 were up from 2022 by 12% or about \$1,496,000, consisting of a decrease of \$491,000 in volume and an increase of \$1,987,000 in selling price.

The 2023-kilowatt hour purchases of 91,477,000 were down by 4% from 2022, or 4,454,000. The 2023 cost of power sold of \$8,302,000 was down by about 8% from 2022, or \$736,000, consisting of a decrease of \$420,000 in kilowatt hour purchase volume, and a decrease of \$316,000 in purchase price.

The increase in revenue was offset by the decrease in the cost of power; therefore, the net revenue of \$8,492,000 was up from 2022 by \$3,745,000. The actual net revenue was up from the budgeted amount by \$757,000.

All other 2023 operating expenses of \$7,295,000 on a combined basis, were up from 2022 by about \$1,570,000 and up from the budgeted amount by \$378,000.

October 2023 ended with a net YTD gain of about \$1,209,000, compared to the 2022 net loss of \$2,125,000 and was up from the budgeted amount of a \$1,102,000 profit.

New Building Forum Summary:

Mr. Hine stated there was a good turnout at the January 11th meeting at the Senior Center to address the reasons why SHELd needs a new building. The panel answered many questions from ratepayers regarding the estimated \$20-24 million dollar project.

Mr. Hine indicated he would like to have another meeting, in a few months, to discuss the conceptual design of a building. Mr. Fitzgerald said he would have the original architect refresh a previous design to display at that meeting.

Fiberspring Project Construction Update & MDU/Condo (multi dwelling unit) Discussion:

Mr. Fitzgerald stated that a major project milestone has been achieved with Fiberspring construction completed in all 32 Fiberhoods, ahead of the 5-year target of July 2024. The project is highly successful and will have achieved the sales target of 2,400 customers in March 2024. Mr. Fitzgerald thanked the Board for their support on the project, the staff for their dedication and expertise, and the customers who have taken Fiberspring service. Mr. Coutu commented on his personal experience with his Fiberspring installation, stating it was exceptional.

Mr. Fitzgerald addressed the need for the Board to assess the financial feasibility of the future construction for MDUs on a case-by-case basis or in totality. Each MDU has different costs and challenges. They are private properties and need approval from each MDU/Condo Board to proceed with construction. SHELd did a pilot at Alvord Place. The return on investment was not as expected but hopefully it will grow. The Board needs to see the financial impact before management decides how to move forward with more sites. MDU construction can be very expensive. Fiberspring has presented the construction process to 10 MDU boards to date. There are 30 private condo associations and 20 public, more than 6 unit, buildings to consider. There is a total of almost 1700 units in town.

Mr. Fitzgerald stated that he would like to present the options, and a proforma, to the Board in a couple of months in an executive session to get their input.

General Manager's Goals:

Mr. Fitzgerald presented a draft of his 2023 goals. He asked the Board to review the previous year's goals and to add any new goals beyond the previous strategic initiatives. Mr. Schenker would like to see regular updates on the new building progress. Mr. Fitzgerald said he would send the Board an updated list of his goals.

Mr. Fitzgerald stated he needs an executive session next month to discuss competitively sensitive information on a new building location, along with the latest information on the battery storage project.

Old Business:

No old business.

New Business:

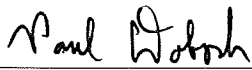
No new business.

Adjourn:

On a motion by Mr. Coutu, seconded by Mr. Dobosh, it was

VOTED: To adjourn the meeting by a roll call vote: Mr. Coutu-aye, Mr. Dobosh-aye, Ms. Presley-aye, Mr. Schenker-aye, Mr. Hine-aye.

The open session ended at 6:59 P.M.



Paul Dobosh, Light Board Clerk

Approved: February 29, 2024

EXHIBIT A

List of Documents reviewed at the January 25, 2024, Municipal Light Board Meeting

1. Draft Open Session Minutes November 30, 2023
2. Draft Executive Session Minutes November 30, 2023
3. Draft Open Session Minutes December 28, 2023
4. Draft Executive Session Minutes December 28, 2023
5. Draft Special Open Session Minutes January 11, 2024
6. Draft New Building Forum Meeting Minutes January 11, 2024
7. AMI Project Milestones
8. Financial Statements October 31, 2023, and 2022