

Minutes of October 13, 2010

Meeting of the Ashburnham Municipal Light Plant Board

Present Commissioners: Richard Ahlin, Mark Carlisle

Kevin Lashua Absent

Stan Herriott Manager

The meeting was called to order at 7:00 p.m.

The regular session minutes of the September 15th were reviewed and voted. A motion was made by Commissioner Carlisle and seconded by Commissioner Ahlin. The vote was unanimous.

The Commissioners voted to approve and release the executive session minutes of September 15, 2010. A motion was made by Commissioner Carlisle and seconded by Commissioner Ahlin. The vote was unanimous.

A review of the cash was completed, Manager Herriott pointed out that our retained earnings for the year were up over last year. This is a result of a one time payment from Verizon, as well as the increased usage that was a result of the warmer than normal summer we experienced. The cash accounts remained stable.

The Commissioners opened a discussion on the Solaya proposal to build a wind project partnership here in Ashburnham. Manager Herriott and the Commissioners agreed that the proposal lacked enough information to make a reasonable decision on whether it was a good proposal for us or not. The Commissioners asked Manager Herriott to get in contact with Solaya and try to get more details on their proposal.

We have a proposal for a 2 Mw Solar System from Crest Development the Commissioners looked over the proposal. Manager Herriott said that the price looked too high and again lacked detail. Manager Herriott also had concerns that since we have competing proposals that we might need to go out to bid. He consulted with our attorney Jack Welch, who advised that as long as we were only agreeing to a Power Purchase Agreement and not pursuing owning any of the components of the project then we were not required to have a bid process. This is stated under the MGL c. 164 section 56D

which exempts power purchase agreements from the bid laws. Manager Herriott said that he would remain in contact with both companies that are interested in doing the projects.

Manager Herriott said that he had been in contact with Bob Knowles who was the first company that showed interest in the 2 Mw Solar Projects. They had considered the Wright farm and Cushing Academy. They now feel that they are more interested in the Cushing Academy site rather than the Wright Farm. They have not agreed to the price that we feel is fair.

Manager Herriott informed the Commissioners that the waiting period had expired for the intervention on the new special permit issued by Lanes Bourgh for the Berkshire Wind Project on October 12, 2010. So the Wind Project is set to restart as soon as possible. The interconnection line has been completed by Western Mass Electric so as soon as the project is complete we will be able to begin generating. Manager Herriott also went over the latest pro forma for the project so that the Commissioners would have an idea of costs for any future agreement we might make for wind generation.

Manager Herriott opened a discussion about the projected power supply cost for us through 2012. Manager Herriott said that natural gas prices continue to stay at a record low rate and that power supply costs through March of 2012 are expected to be below 5 cents per Kwh on average.

Manager Herriott opened a discussion on Stoney Brook III Project. He said that he had MMWEC do a proposal that would consider all the renewable that is possible here in Ashburnham and how that would affect Ashburnham's need for power from the Stoney Brook Project. Manager Herriott also informed the Commissioners due to the low price of electricity and the abundance of generation at this point MMWEC is considering putting off the project until such time as the project would reach it full potential value to the project participants.

Manager Herriott gave an update on the HELPS Energy Conservation Project budget, the budgeted amount is $\frac{1}{4}$ of 1% of sales or \$10,934.00. Manager Herriott explained this program covers our energy audits, lamp replacement program and rebate programs.

Manager Herriott gave a copy to the Commissioners of the NYPA costs through August 2010. He explained that the power coming from this source is a very good price for our customers, with an average cost of about 2.5cents per Kwh.

Manager Herriott furnished the Commissioners with a copy of the press release issued by MMWEC touting the success for the Municipal Solar Programs.

Manager Herriott said that just today he received a notice by phone that we were selected for a \$50,000.00 grant to continue a more in-depth study of the wind site on Blood Hill. We should be receiving written notice in the mail this week.

A discussion was held on the next meeting date, Commissioner Carlisle pointed out the next meeting was scheduled for the same day as the Town Meeting and we should probably change the meeting date. Commissioner Ahlin agreed. A new date was not picked for November. It will be decided at a later date that is convenient for everybody.

A motion was made by Commissioner Carlisle to adjourn at 9:05 P.M. seconded by Commissioner Ahlin. The vote was unanimous and the meeting adjourned at 9:05 P.M.

Respectfully submitted,

Mark Carlisle

Secretary