



**SOUTH HADLEY ELECTRIC LIGHT DEPARTMENT
BOARD OF COMMISSIONERS' HYBRID MEETING
TRUSTEES ROOM AT THE LIBRARY
JULY 25, 2024, AT 6:00 P.M.**

Present for the Board (in person): Chair John Hine, Vice Chair Paul Dobosh, Ron Coutu, Tom Terry

Absent: Kurt Schenker

Present for SHELD: General Manager Sean Fitzgerald, Financial Manager Michael Conchieri, Director of Operations Adam St. Martin, Administrative Services Specialist Kim Mendoza

The meeting was called to order at 6:11 PM by Chair John Hine who stated this was the first hybrid meeting at the Library and that the late start was due to technical difficulties.

Minutes Approval:

6/27/2024 Open Session:

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

VOTED: To approve open session minutes of June 27, 2024.

6/27/2024 Executive Session:

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

VOTED: To approve, but not release, the executive session minutes of June 27, 2024.

Public Comment:

There were none.

Manager's Report:

Electric Outages: There were 3 outages affecting 319 customers. The most significant was on Wednesday July 17th when large trees came down due to the weather. Most of the impacted customers were on East Street, Cedar Ridge, Edgewater Ln and West Parkview Drive. All customers were restored in 3.5 hours. An additional 1:54 hour outage occurred on July 6th on Hadley Village Road from a transformer fault and blown fuse.

Fiber Outages: On July 11th, the towns of Leverett and Shutesbury experienced a network wide internet and phone disruption of services caused by a rare occurrence of a building power surge at the Point of Presence (POP) on 1500 Main Street in Springfield MA, which resulted in a cascade effect throughout network equipment. Service was rerouted which resulted in a 20-minute internet outage for Shutesbury and a 70-minute internet outage for Leverett. Telephone services remained out for longer due to having to replace damaged equipment. SHELD and HG&E network operations conducted a post outage meeting to address the outage and discuss improvements which can improve future redundancy for our network. Management will look into who manages the building and talk to Eversource to figure out why this happened, and if anything can be done to protect the building equipment in the future.

AMI Meter Update: SHELD has installed 7,231 meters, installation is 91% complete. Work on the application is in process.

Fiber Update: Fiberspring has reached a 47% take rate in South Hadley with a total of 4,092 fiber customers.

MDU Update: Work at Rivercrest Condominiums is now underway. Once the pathway is ready, construction of fiber will begin.

We have met with four other MDU's who have expressed interest. We are assessing costs and customer interest: The Mills, Shadowbrook, Riverwood Terrace, and Pine Grove.

April 2024 Financials:

Mr. Conchieri referenced PowerPoint slides as he gave a brief overview of the financials for the month ending April 30, 2024.

Kilowatt hour sales of 37,034,000 for 2024 were down by 1.7% from 2023 or 675,000 kilowatt hours. Year-to-date operating revenues of \$5,407,000 were down from 2023 by 10% or about \$609,000, consisting of a decrease of \$108,000 in volume and a decrease of \$501,000 in selling price.

The 2024-kilowatt hour purchases of 36,674,000 were up by 2.4% from 2023, or 867,000. The 2024 cost of power sold of \$3,392,000 was up by about 5% from 2023, or \$161,000, consisting of an increase of \$78,000 in kilowatt hour purchase volume, and an increase of \$83,000 in purchase price.

The decrease in revenue was offset by the increase in the cost of power; therefore, the net revenue of \$3,288,000 was down from 2023 by \$640,000. The actual net revenue was down from the budgeted amount by \$407,000.

All other 2024 operating expenses of \$3,327,000 on a combined basis, were up from 2023 by about \$460,000 and up from the budgeted amount by \$228,000.

April 2024 ended with a net YTD loss of about \$43,000, compared to the 2023 net gain of \$1.3 million and did not reach the budgeted amount of a \$661,000 gain.

Mr. Conchieri was asked about the \$500,000 increase in operating expenses, and the reason pensions and benefits are up 79%. The General Administrative Expenses include ISP expansion expenses. As the fiber business grows, so will the expenses. Pension increases are based on the previous year's figures from the actuary and then estimated for the upcoming year in the budget. So, when the actual costs were recorded, they were higher than projected.

Old Business:

SHELD Business Hours Change: Effective August 1st, hours will be 8:00am-4:00pm. We will be communicating the change with customers by updating the top section of all July bills, which will continue for a few months, placing an ad in the Town Reminder for 5 weeks with the updated hours, and we will post on our Facebook page as well. We also have signs posted in/on the building.

Next MLB Meeting is August 29th, the 5th Thursday of the month.

New Business:

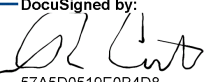
There was none.

Adjourn:

On a motion by Mr. Dobosh, seconded by Mr. Terry, it was unanimously VOTED: To adjourn the meeting.

The open session ended at 6:44 P.M.

DocuSigned by:



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Ron Coutu, Light Board Clerk

Approved: August 29, 2024

EXHIBIT A

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

1. Draft Open Session Minutes June 27, 2024
2. Draft Executive Session Minutes June 27, 2024
3. April 30, 2024 Financial Management Report