



**SOUTH HADLEY ELECTRIC LIGHT DEPARTMENT
BOARD OF COMMISSIONERS' HYBRID MEETING
TRUSTEES ROOM AT THE LIBRARY
AUGUST 29, 2024, AT 5:00 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

Guest: Susan Perry, MPIC

The meeting was called to order at 5:00 PM by Chair John Hine who stated the Board would move to Executive Session for the purposes of discussing trade secrets, confidential, competitively sensitive, or other propriety information pertaining to fiber projects AND pursuant to M.G.L.c. 164, § 47D, to consider the purchase, exchange, lease or value of real property, and to return to open session at approximately 6:00PM.

On a motion by Mr. Terry and seconded by Mr. Dobosh, it was unanimously VOTED: To move to executive session for the reasons stated by the Chair and return to open session at approximately 6:00 PM.

The Board returned to open session at 6:00 PM.

Minutes Approval:

7/25/2024 Open Session:

On a motion by Mr. Coutu and seconded by Mr. Dobosh, it was unanimously VOTED: To approve minutes of July 25, 2024 open session.

Public Comment:

There were none.

Master Plan Implementation Committee:

Susan Perry asked the Board if they were comfortable with the items listed for SHELD on the Master Plan and if there was anything pending that MPIC can do to help.

Mr. Fitzgerald said he would review the last update from February 2024 and reply to her if there was a need for changes. Ms. Perry said she would like another update by the end of this year, the second year of the current plan.

Manager's Report:

Electric Outages: Four outages affected 35 customers, animal or tree contact, within one hour or less for restoration.

Fiber Outages: Last month there was a discussion of the July 11th internet and phone disruption of services caused by a power surge in Springfield. South Hadley had a brief outage. Shutesbury had a 20-minute internet outage and Leverett had a 70-minute internet outage. Telephone services in those two towns remained out for 11 hours due to damaged equipment that needed to be replaced. Mr. Fitzgerald listed the number of customer calls and the percentage that were fixed over the phone or needed a truck roll out from that event.

AMI Meter Update: SHELD has installed 7,717 meters, installation is 97% complete. The meter data management app server has been installed and should be available for customers to use by the end of the year.

Fiber Update: Fiberspring has reached a 48% take rate in South Hadley with a total of 4,107 fiber customers. Six MDU boards have sent letters of interest to be constructed, one project is under construction, one doesn't have enough interest, and the other projects are under review internally.

June 2024 Financials:

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

Kilowatt hour sales of 53,069,000 for 2024 were up by 1% from 2023 or 563,000 kilowatt hours. Year-to-date operating revenues of \$7,861,000 were down from 2023 by 3% or about \$252,000, consisting of a decrease of \$339,000 in selling price offset by an increase of \$87,000 in volume.

The 2024-kilowatt hour purchases of 54,935,000 were up by 4.6% from 2023, or 2,457,000. The 2024 cost of power sold of \$5,024,000 was up by about 7% from 2023, or \$319,000, consisting of an increase of \$220,000 in kilowatt hour purchase volume, and an increase of \$99,000 in purchase price.

The decrease in revenue was offset by the increase in the cost of power; therefore, the net revenue of \$4,860,000 was down from 2023 by \$327,000. The actual net revenue was down from the budgeted amount by \$267,000.

All other 2024 operating expenses of \$5,082,000 on a combined basis, were up from 2023 by about \$685,000 and up from the budgeted amount by \$433,000.

June 2024 ended with a net YTD loss of about \$13,000, compared to the 2023 net gain of \$1,018,000 and did not reach the budgeted amount of a \$576,000 gain. Mr. Conchieri answered questions from the board.

Fiber Expansion:

The Town of Longmeadow's Municipal Fiber Task Force has unanimously voted to recommend SHELD as their internet service provider during their August 12th meeting. SHELD will attend their September 3rd Selectboard meeting to answer questions, present our service offerings, and

give an estimate of the project cost to the Selectboard. This is a great opportunity for SHELD and our customers. Longmeadow voted in favor of creating their own MLP in April of 2024. They will be taking a second and final vote in November of 2024 which will include approval for the financing for their project. This project is relatively low risk for SHELD and the build out will be similar to South Hadley.

The Town of Hampden's Fiber Optic Committee has unanimously voted to recommend SHELD as their internet service provider during their August 7th meeting. This is another great opportunity for SHELD. Hampden already approved creating their own MLP with two successful votes. They had a setback in October of 2023 with rejection of a bond for financing but intend to retake that vote in the Spring of 2025. Neither of these projects will affect the current Fiberspring customer services.

Employee Survey:

One of SHELD's Strategic Plan goals is Workforce. This is the 5th year of employee surveys done at SHELD to benchmark employee perspectives on specific topics of working at SHELD. Mr. Fitzgerald displayed a 5-year comparison of the results in five categories. There has been a lot of change in the company over the last year due to retirements. The Benefits slide indicated people are happy with their base pay, and other benefits, which helps to retain employees. Overall, it's a good survey with a few points to still work on improving.

Old Business:

There was none.

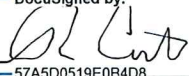
New Business:

There was none.

Adjourn:

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

The open session ended at 6:47 P.M.

DocuSigned by:

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Ronald Coutu, Light Board Clerk

Approved: September 26, 2024

EXHIBIT A

List of Documents reviewed at the August 29, 2024, Municipal Light Board Meeting

1. Draft Open Session Minutes July 25, 2024
2. June 30, 2024 Financial Management Report
3. 2023-2024 Employee Survey