

**STERLING MUNICIPAL LIGHT DEPARTMENT
MEETING MINUTES**

TUESDAY, JUNE 24, 2008

BOARD MEMBERS:

Arthur J. Coughlin, Sr. – Clerk
Kenneth I. H. Williams – Board Member

SMLD MANAGER:

John Kilgo

MINUTES:

Christine Noponen

IN ATTENDANCE:

Sandy Pellecchia, Office Administrator
Richard Maki, 3 Sunset Drive, Sterling, MA 01564

Kenneth Williams (Williams) opens the meeting at 5:05 p.m.

APPROVAL OF THE AGENDA

Arthur Coughlin (Coughlin) makes a motion to approve the Tuesday, June 24, 2008 agenda as written. Seconded by Williams. Role call: Coughlin, aye. Williams, aye. Approved by the Board.

APPROVAL OF MINUTES

Williams makes a motion to accept the Tuesday, May 27, 2008 regular session Sterling Municipal Light Department Board Meeting Minutes with corrections. Seconded by Coughlin. Role call: Coughlin, aye. Williams, aye. Approved by the Board.

CUSTOMER COMMENTS

No customer comments

FINANCIALS

Kilgo states that May was a kind of an okay month. The kWh sales were up two percent. Revenues were up 11 percent. He also states that the average system load factor is at 71 percent that is due to controlling our peak.

Williams asks if there were reactions to the *Meetinghouse News* article. Kilgo states that he has had some meetings with a couple of industrial customers and heard their comments. Kilgo stated that the industrial customers understand where today's economy is and the SMLD's situation.

OTHER BUSINESS

TRANSMISSION COSTS:

Kilgo shows a chart with rising transmission costs. He states that he received e-mail on June 2, 2008 stating that costs will be going up 48 percent. Then on June 12, 2008 he received another e-mail stating the new costs would be closer to 58 percent higher. The SMLD needs a line item on the bill for transmission charges. Further discussion was held about transmission lines and upgrades. National Grid will be passing their charges on to their customers as well in a PTF charge.

Companies are looking at \$6,000,000,000 to do the upgrades on the transmission lines. By the time the companies are finished they will really be looking at \$8,000,000,000 for the new costs. Most of the work will be done in CT, VT and ME with 354KV and in MA with 115 KV upgrades.

Kilgo states that the new transmission adder will be \$0.006 cents per kWh starting in August. The SMLD will recalculate the adder annually. He further states that when he compared the new transmission cost to National Grid and Uniel it will be about half of the cost. He went on to state that fortunately we have been able to cover what we have incurred so far. Hopefully, our customers will understand that these costs are due to deregulation and the backwards development of the markets.

TRANSFER OF FUNDS:

Kilgo states that the crew had an accident at 2 Leominster Road with a bucket truck when the truck's PTO computer did not work correctly and the boom was not in its proper spot. The boom hit the garage door. The door and part of the building had to be replaced. There was a discussion that followed.

Kilgo requests \$3,599.00 to be transferred from the Depreciation Account into the Operating Cash Account on or before June 27, 2008 for the upgrade of the 2 Leominster Road garage after the accident.

Coughlin makes a motion to transfer the amount of \$3,599.00 from the Depreciation Account into the Operating Cash Account after the accident. Williams seconds the motion. Role call. Coughlin, aye. Williams, aye. Approved by the Board.

ADDITIONAL COMMENTS

Williams asks if anyone at the Town Hall had any questions or comments about the Poland Spring water being removed. Kilgo replies not yet but Terri Ackerman is trying to find funds to keep the water for them.

MOTION TO EXECUTIVE SESSION

Williams makes a motion to go into Executive Session per MGL Chapter 164, Section 47D to protect trade secrets and discuss proprietary, confidential information

concerning the PPA charge. We will return to open session. Coughlin seconds the motion. Role call. Coughlin, aye. Williams, aye. Approved by the Board.

The Board goes into Executive Session as of 5:19 p.m.

RETURN TO OPEN SESSION

The board returns to open session at 6:02 p.m.

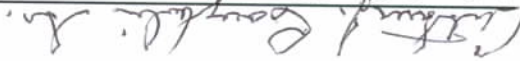
NEXT BOARD MEETING

The July 2008 board meeting will be held on Tuesday, July 29, 2008 at 5:00 p.m.

MOTION TO ADJOURN

Coughlin makes a motion to adjourn the meeting at 6:02 p.m. Williams seconds the motion. All in favor? Coughlin, aye. Williams, aye. Approved by the Board. The meeting is adjourned at 6:02 p.m.

ATTEST:



Arthur J. Coughlin, Sr., Clerk

DATE:

07-29-2008