



Municipal Light Department

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Mission Statement

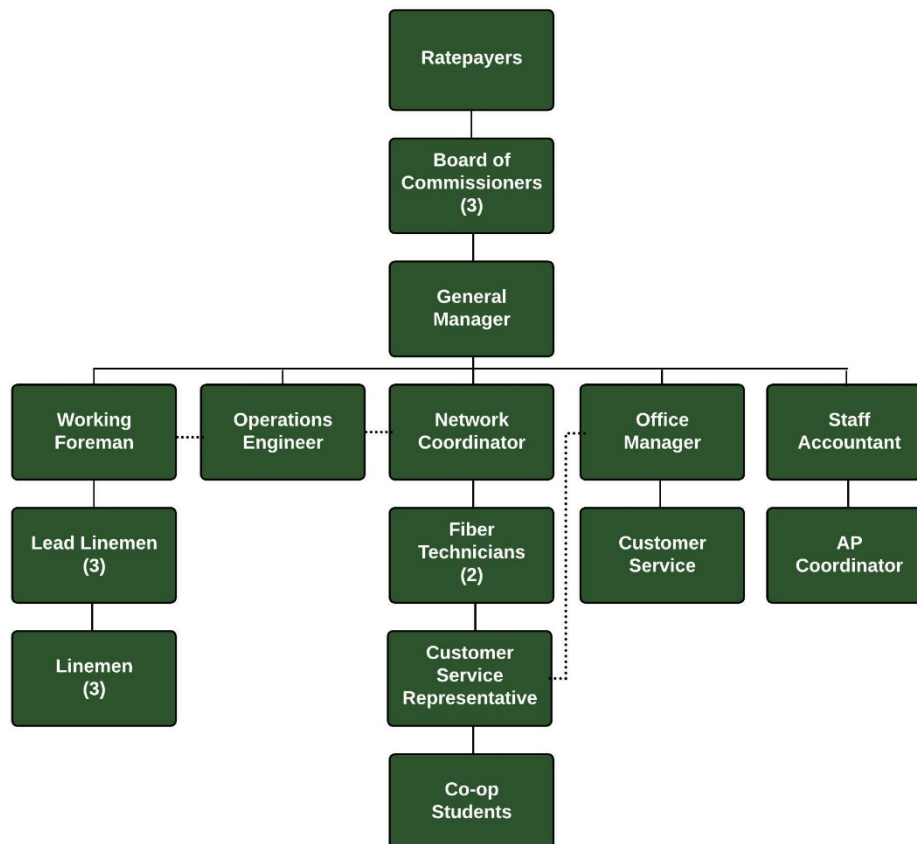
“OWNED BY THE PEOPLE IT SERVES”

Department Responsibilities

Founded in 1910, the Sterling Municipal Light Department (SMLD) provides and maintains Electric Utility Service and Broadband Fiber Internet Service to the residents of the Town of Sterling. The stated objective of SMLD is “to provide clean, reliable power at a reasonable cost while using the most current technology”. The Light Department owns and maintains a high voltage substation located on Chocksett Road, 102 miles of overhead power lines, 3,319 utility poles, and 71 miles of underground distribution throughout the Town of Sterling.



Organizational Chart





Year in Review

As of December 31, 2024, there were 4,110 electric revenue meters on the SMLD system:

- 3,661 Residential,
- 386 Commercial
- 12 Large Commercial / Industrial
- 51 Municipal / Government

There were 623 broadband subscribers on the LAMB fiber optic network:

- 565 Residential
- 58 Business

Respectfully submitted, the one hundred and fourteenth report of the Sterling Municipal Light Department.

On behalf of the Sterling Municipal Light Board Members:

Joseph Curtin, Chairman

Eric Darlington, Vice Chairman

Andrew Gonsorcik, Clerk

Electricity Sales

A total of **68,930,201 kilowatt-hours (kWh) of electricity were sold** during the calendar year 2024. This represents **an increase of 3,084,381 kWh** from the 65,845,820 kWh sold in calendar year 2023, up 4.7%. Sterling's hourly peak demand of 13.568 MW was set in July of 2024.

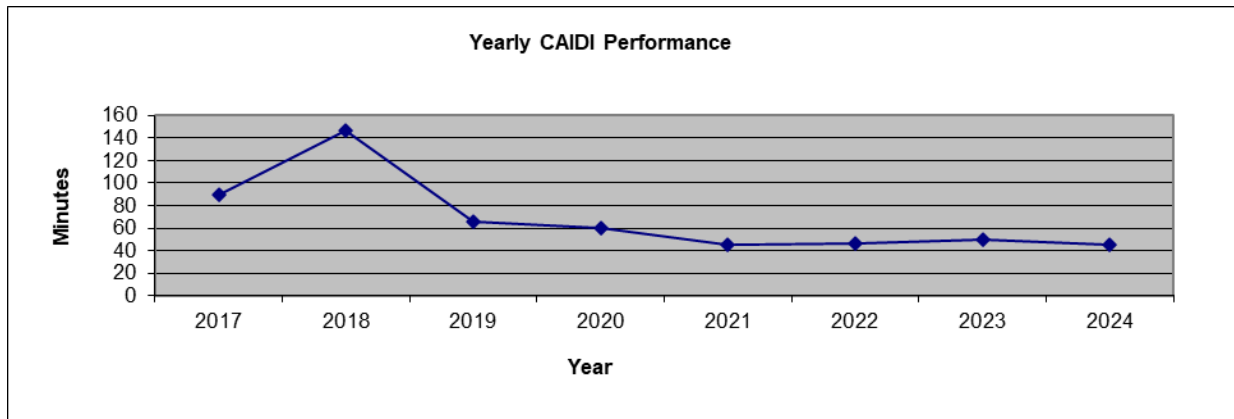
In 2024, ***SMLD rates for electricity continued to be among the lowest in Massachusetts.*** In Massachusetts Municipal Wholesale Electric Company (MMWEC) member surveys, we are consistently among the least expensive 1/3 of municipal electric companies and charge considerably less than investor-owned utilities. For example, a typical residential customer of ***National Grid or Eversource*** using 750 kWh per month over the 12-month period ending in December 2024 would have seen an electric bill averaging ***more than double*** what would have been charged to a Sterling resident for the same energy use.

System Reliability

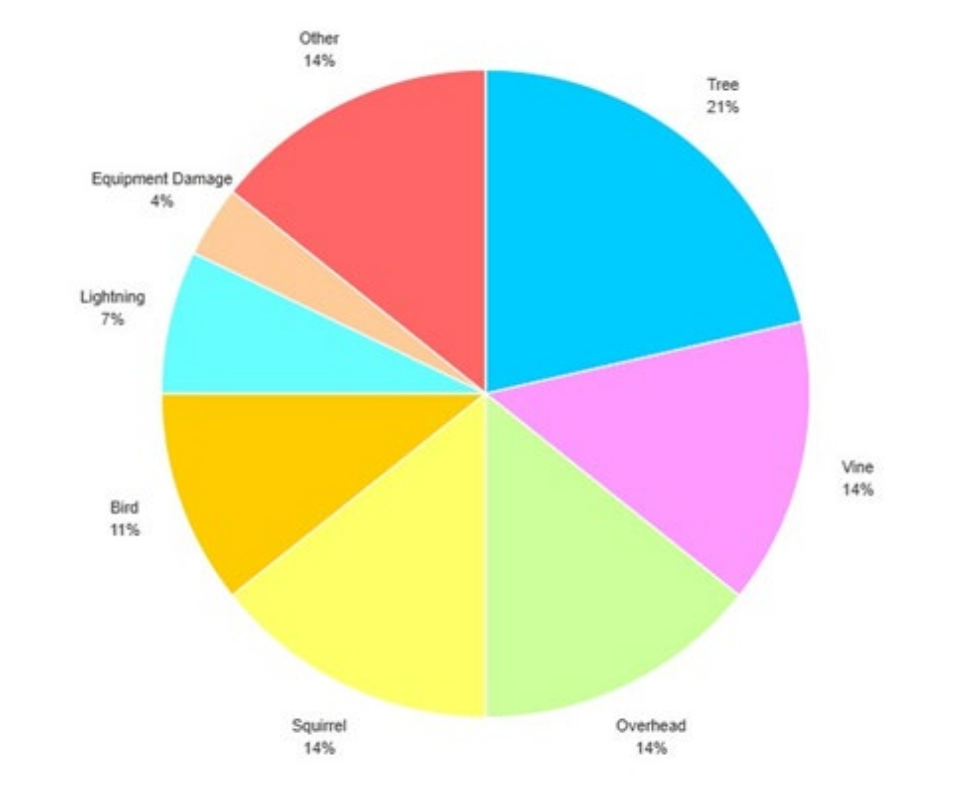
Keeping the lights on is of the highest priority at the SMLD. We utilize industry-standard reliability indices to monitor the performance of our distribution system to measure our response time to system interruptions.



The 2024 **Average Service Availability Index (ASAI)** of electricity for Sterling residents was **99.996%**. The 2024 **Customer Average Interruption Duration Index (CAIDI)** numbers which represent the average time required to restore service to a customer per sustained outage was only **46.626 minutes**. This is a 4-minute reduction compared to 2023 and is less than half of the regional utility average.



Continued reliability in the distribution system is a direct result of the systematic tree trimming approach by the Working Foreman which ensures each quadrant of the system is trimmed every 4 years and that this is performed at a time of year when additional growth is minimized. The Operations crew continues to replace outdated equipment with newer technology as we look for ways to improve reliability, while being conscious of the financial impact on ratepayers.





The rural nature of the Town of Sterling continued to be the primary cause of system interruptions in 2024. As many as **35% of Sterling line outages can be attributed to vegetation and 25% to wildlife.**

Power Supply

One of the keys to controlling the price a customer pays for electricity in Sterling is to minimize the cost of generation and delivery of electricity to the Town. We do this by diversifying our power resources and stabilizing purchased power costs, through both fixed contracts and the open market. There are often, however, circumstances beyond our control that make the cost of electric energy fluctuate, such as periods of peak power demands during extreme temperatures, unexpected plant shutdowns, and spikes in fuel prices.

With the state legislation for the 2050 Roadmap, the SMLD will be required to have at least 50% of our power supply coming from non-carbon emitting resources by 2030, 75% by 2040, and 100% by 2050. This will be accomplished by continuing to use renewable sources such as solar, wind, and hydroelectric. We support the reduction in carbon emissions and will continue to monitor this legislation to be sure it is in the best interest of the Sterling ratepayers and that it does not supersede local control.

Our 2024 power portfolio contained over 52% non-carbon emitting resources. Of that, SMLD retains the attributes of and may claim credit for over 36% carbon-free electrical generation sources in 2024. We receive **hydro power** specifically from **Baltic Mills, Mechanicsville Hydro, Energy Stream Hydro** and **Public Authority State of New York Hydro (PASNY)**. In 2024, **over 20%** of our power was received from **renewable energy sources** that include the **Berkshire Wind Project** in Western MA, the **Hancock Wind Project** located in Hancock ME, the **Princeton Wind Project** on Wachusett Mountain in Princeton, MA and **three large scale solar facilities in Sterling**:

- **Century Aggregates** - 1 MW solar array located on Jewett Road.
- **Wiles Road Project** – 2 MW solar array.
- **Origis Energy** - 1 MW solar with storage project on Chocksett Road.



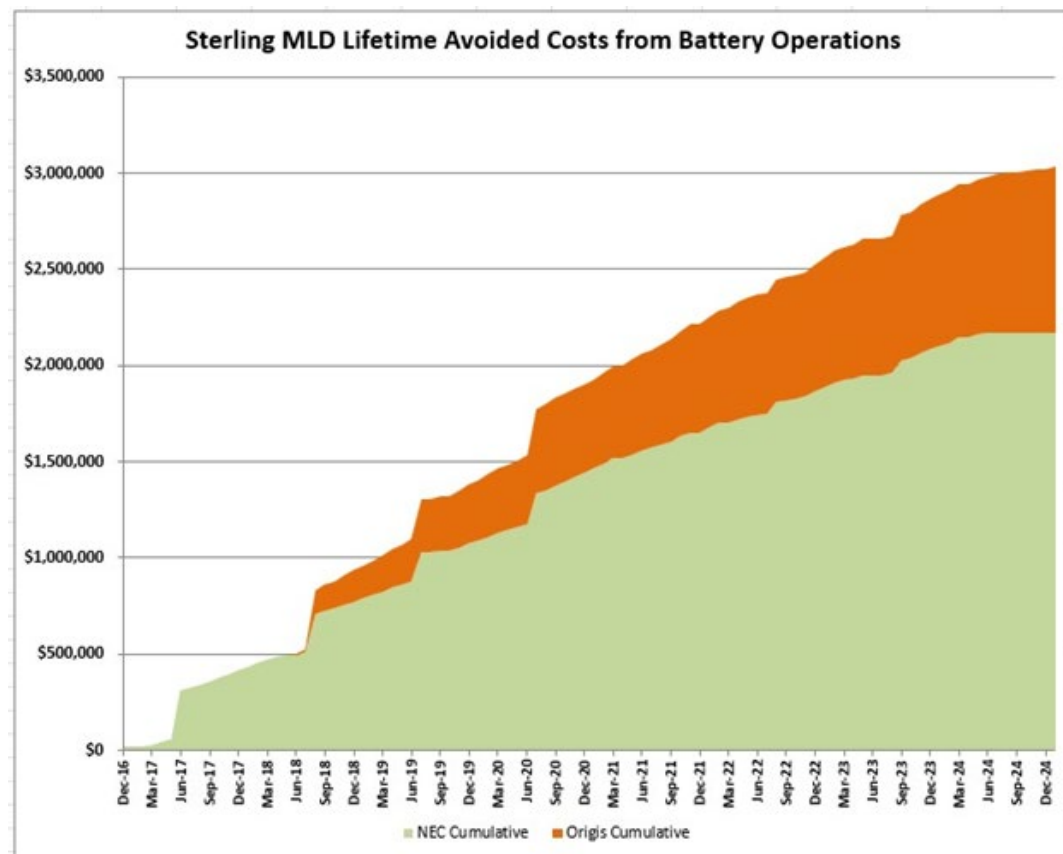


We also receive clean power from the **Millstone III Nuclear Plant** in Connecticut and the **Seabrook Nuclear Power Plant** in New Hampshire. Other sources of our power supply come from the **MMWEC Stony Brook Plant** (combined cycle units I & II) and from the open market.



Energy Storage

We have been able to mitigate any transmission increases with the use of our two battery energy storage systems by using locally produced (and stored) solar energy from the **Century Aggregates** site on Jewett Road, the **Sterling Solar** farm on Wiles Road, as well as our **Community Solar with Storage Project** on Chocksett Road. To date, these facilities have combined savings to ratepayers of **\$3,022,688** in avoided transmission cost while producing **59,585,085 kwhrs**.





FY2024 Accomplishments

Operations Department

In 2024 the SMLD Operations Line Crews were hard at work maintaining and upgrading the electric distribution system and installing the new broadband fiber infrastructure to serve town residents.

Crews responded to numerous motor vehicle accidents involving SMLD poles and pad mount equipment in 2024. We also installed the new underground cable and transformers for a new residential home development on Clinton Road that will house 32 new families.



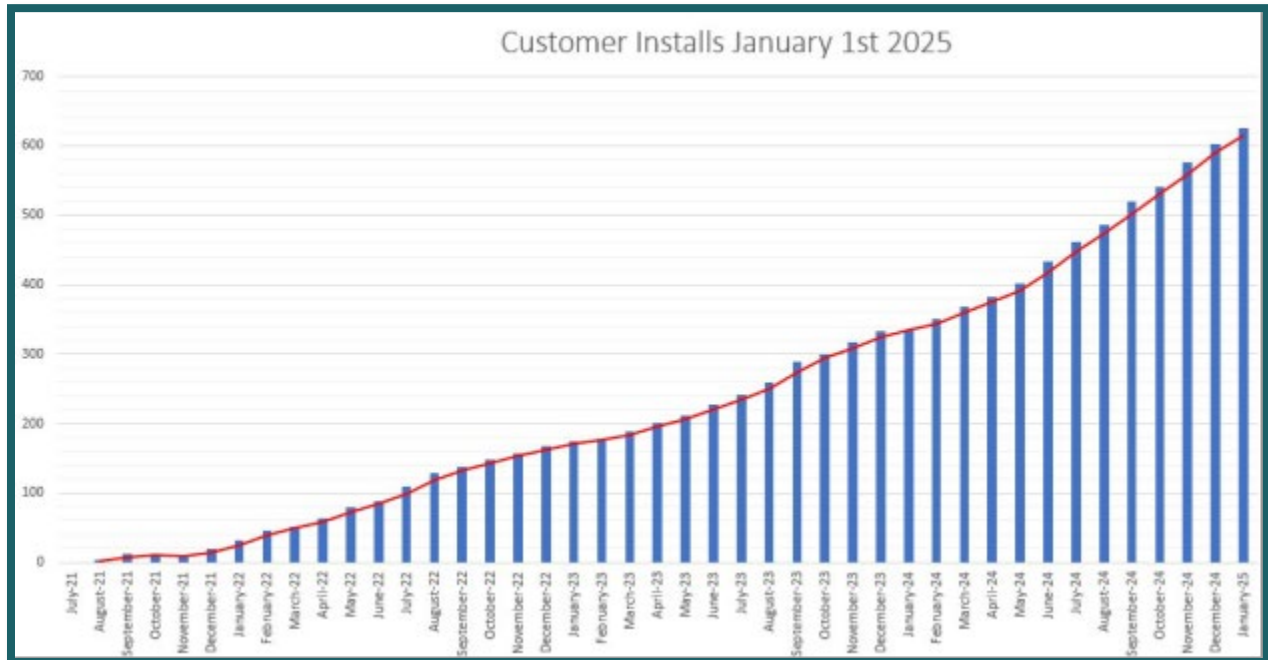
During the summer, an outside contractor was hired to inspect the condition of all utility poles here in town. SMLD crews replaced 65 of those utility poles that were either damaged or in need of replacement per the inspection. We will continue to replace any poles that did not pass inspection through 2025 and beyond.

SMLD electric crews responded to multiple recent storms for mutual aid to assist other New England communities in need as well as our American Public Power Association (APPA) partners in the south for hurricanes Helene and Milton. In 2024, we sent crews to Georgia, South Carolina, and Florida to help with emergency restoration.

In 2025, the SMLD Operations Department will continue to prioritize tree trimming, system improvement, and a reliable electrical system. ***The SMLD continues to provide safe and reliable power, as well as maintaining excellent customer satisfaction.***

Fiber Project

The Sterling Municipal Light Department fiber to the home Internet initiative, operating as the Local Area Municipal Broadband (LAMB) project, continued strong growth in 2024. ***Customer installations increased approximately 98% over 2023.***



In 2024, the primary focus of Sterling LAMB was to significantly increase our “pass rate” in overhead service areas. This was accomplished by bringing on a fiber splicing contractor which allowed our staff to concentrate on running cable and installing services. Expansion of the project has **increased coverage to 46% of Sterling**, adding some 40 roads to our “fiber ready” list.

2024 also included completion of the Cider Hill pilot project which was our first foray into the world of underground subdivisions. Sterling LAMB delivered free Wi-Fi service for guests, vendors, and public safety officials at the Sterling Fair again this past year. Presentations were made this year to the Town of Sterling Board of Selectmen, North Central Massachusetts Chamber of Commerce, and the Dull Men’s Club.

The year 2024 will bring continued expansion of overhead fiber lines as well as penetration into select underground subdivisions. We will complete the fiber backbone “ring” along Route 140 and complete connectivity to all town radio sites. We will also have free Wi-Fi at the Sterling Fair once more and have plans to expand this offering to the Town Common.





Awards

The most important award that we receive continues to be our **safety award**. For the twelfth consecutive year the SMLD had **no workers' compensation claims or lost time**. This not only lowered our workmen's compensation insurance premiums but also qualified the SMLD to receive the **American Public Power Safety Award** in 2024. This award recognizes the Public Power Utilities across the country who have achieved this milestone. Our outstanding safety record and reduced premiums also provide additional savings to our ratepayers.

The SMLD has applied for and received another **American Public Power Association** award for 2024, **RP3 Platinum Certification** for reliable public power. This national award recognizes utilities that demonstrate high proficiency in reliability, safety, workforce development and system improvement.



On an individual staff level, Fiber Customer Service Representative **Kalyn Stapel** received the **2024 Northeast Public Power Association Carol A. Tracey Customer Service Award**.

Community Contributions

SMLD continues to offer the following **assistance programs** to our residents:

- NextZero Home Energy Audit (no cost to residents)
- Energy Star® Home Appliance Rebate Program
- Residential Heat Pump System Rebates
- Electric Vehicle Rebates / Charging Rate
- EV Charger Program
- Residential Behind-the-Meter Battery System Rebate
- Electric Yard Equipment Rebates
- Connected Homes Demand Response Program
- Commercial Prescriptive Lighting Program
- Payment Plans / Budget Billing

SMLD customer rebates and incentives totaled more than \$82,000 in 2024.



Other community activities/contributions sanctioned by the SMLD Light Board include:

- Our Annual Open House is held on the 3rd Thursday in June.
- Community Solar participation program.
- Annual electrical safety demonstrations at Houghton and Chocksett Schools
- Installed LED holiday lights on the Town Common.
- Annually we install poles, cables, and lighting needed to power the Sterling Fair.
- Free public wi-fi at the Sterling Fair.
- Rebate information booth at the Sterling Fair.
- Funds for annual inspection and maintenance for all town-owned generators.
- Offer the round-up program to our customers to benefit the Sterling Neighbor-to-Neighbor (N-2-N) Program. Since the program began in June 2014, your generous contributions have raised over \$23,000 for the Neighbor-to-Neighbor Fund.
- Donation of surplus vehicles to other Town departments.
- Work closely with Sterling DPW on tree maintenance and removals.
- Work with the Recreation Department on improvements at the town beach.

SMLD contributed in-kind services to the town of Sterling valued at just shy of \$140,000.

SMLD Changes in 2024

The most significant change which occurred at SMLD in 2024 was the launch of our ***new Enterprise Resource Planning Software System. National Information Solutions Cooperative (NISC)*** is now providing customer service and financial software services to SMLD and its customers. This service includes "***SmartHub***", NISC's web and mobile application, which allows customers quick access to their electric and broadband fiber accounts for bill payment and usage information.

On the staffing front, ***new Customer Service Representative Amanda Manca*** joined the team in April, ***Commissioner Eric Darlington*** was re-elected to a 3-year term on the ***Municipal Light Board*** in May, and sadly, ***Fiber Network Coordinator Bill Underhill***, a cherished member of our SMLD team and a dedicated employee of the Town of Sterling, passed away unexpectedly in October while on a business trip serving the Light Department.

COMING IN 2025

Line crew initiatives for 2025 include continued pole replacements and line reconductoring projects. Engineering initiatives include a complete system planning study and SCADA design. Other notable plans for 2025 include:

- Delivery of new digger derrick.
- Continued tree trimming effort.
- New website launch.
- Re-pavement of parking lots.
- Continued expansion of OH fiber.
- Search for a new storage building.
- Resurrection of the SMLD Light Lines Newsletter



FY2024 Goal Updates

GOAL #1	Enterprise Resource Planning Software System
Objective	Replace existing ERP system
Measurement	ERP system launch
Timing	12/31/24
Status Update	Complete

GOAL #2	Fiber Customer Count
Objective	Increase fiber customer count
Measurement	Target 600 customers
Timing	12/31/24
Status Update	Complete

GOAL #3	Utility Pole Inspections
Objective	Work with Verizon on pole inspections
Measurement	100% of Sterling utility poles
Timing	12/31/24
Status Update	Complete

GOAL #4	SMLD Website
Objective	Develop new website
Measurement	Launch of website
Timing	12/31/24
Status Update	Ongoing



FY2025 Goals

GOAL #1	SMLD Website
Objective	Develop new website
Measurement	Launch of website
Timing	8/31/25

GOAL #2	Parking Lot Re-pavement
Objective	Repave 50 Main and 2 Leominster parking lots
Measurement	Re-pavement of lots
Timing	9/30/25

GOAL #3	Fiber Overhead Pass Rate
Objective	Increase pass rate of overhead customers
Measurement	80% pass rate
Timing	12/31/25

GOAL #4	SMLD LightLines Newsletter
Objective	Bring back the SMLD Light Lines Newsletter
Measurement	Launch newsletter
Timing	6/31/25





Budget

NAME	FY2023 Budget	FY2024 Budget	FY2025 Budget	FY2026 Proposed	\$ Change from FY25	% Change from FY25
SALARIES						
Fiber Salaries	265,802.00	321,431.00	358,455.00	303,294.00	(55,161.00)	-15.39%
Board Salaries	4,500.00	9,000.00	4,500.00	4,500.00	0.00	0.00%
General Manager Salaries	200,162.00	267,785.00	224,632.00	220,893.00	(3,739.00)	-1.66%
Operations - Light	822,215.00	913,920.00	1,081,886.00	1,089,394.00	7,508.00	0.69%
Admin/Finance - Light	227,540.00	291,823.00	309,861.00	304,687.00	(5,174.00)	-1.67%
SALARIES EXP. - SUBTOTAL	1,520,219	1,803,959	1,979,334	1,922,768	(56,566)	-2.86%
OPERATING						
Operations Expenses - Light	7,881,443.00	9,217,525.00	9,541,754.00	10,606,000.00	1,064,246.00	11.15%
Depreciation - Light	692,881.00	693,282.00	703,215.00	746,670.00	43,455.00	6.18%
Operation Expenses - Fiber	562,157.00	484,519.00	724,121.00	713,168.00	(10,953.00)	0.00%
Depreciation - Fiber	62,103.00	87,502.00	90,776.00	120,500.00	29,724.00	32.74%
OPERATING EXP. - SUBTOTAL	9,198,584	10,482,828	11,059,866	12,186,338	1,126,472	10.19%
SMLD - EXPENSE TOTAL	10,718,803	12,286,787	13,039,200	14,109,106	1,069,906	8.21%

NAME	FY2023 Budget	FY2024 Budget	FY2025 Budget	FY2026 Proposed	\$ Change from FY25	% Change from FY25
REVENUE						
Sales - Electric	10,409,303.00	10,029,588.00	11,016,246.00	10,975,513.00	(40,733.00)	100.00%
Sales - Fiber	122,437.00	247,861.00	443,626.00	737,718.00	294,092.00	100.00%
Other Operating Revenue - Light	74,288.00	149,934.00	610,534.00	302,775.00	(307,759.00)	0.00%
Non Operating Revenue (Expenses)	(154,135.00)	161,713.00	159,537.00	75,000.00	(84,537.00)	-52.99%
OPERATING EXP. - SUBTOTAL	10,451,893	10,589,096	12,229,943	12,091,006	(138,937)	-1.14%
SMLD - REVENUE TOTAL	10,451,893	10,589,096	12,229,943	12,091,006	(138,937)	-1.14%

The Sterling Municipal Light Department fiscal year differs from that of the town of Sterling. The fiscal year runs from January 31 to December 31, matching the calendar year.





In Memoriam



Bill Underhill



Network Coordinator

January 2021 – October 2024