



HINGHAM MUNICIPAL LIGHTING PLANT

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Board Members

Kevin J. Bulman, Chairman
John A. Stoddard, Jr., Vice-Chairman
Walter A. Foskett, Secretary

November 12, 2010

Mr. Scott Ford
Ms. Eva Marx
Town Government Study Committee

Dear Mr. Ford and Ms. Marx,

I am writing to you to offer the Hingham Municipal Lighting Plant's responses to the questions posed by the Town Government Study Committee.:

1. Please state your position charge or job description.

I am the General Manager of the Hingham Municipal Lighting Plant, and oversee the operation of the town-owned electric utility. The HMLP is one of 41 such entities in the Commonwealth of Massachusetts and provides the ratepayers and residents of Hingham with their electricity needs. We serve 11, 00 customers in the Town, both residential and commercial customers. The main goals of the HMLP are to provide the most reliable electric service to its customers at the least cost.

The position is responsible for the safety of the electric system, its employees and the most efficient operation of the electric delivery system in the Town of Hingham. It is responsible for acquiring the power supply to meet the requirements of the electric needs of all the customers in Hingham.

2. To whom is your position accountable?

The HMLP is accountable to its ratepayers, customers and the residents of Hingham. The HMLP is represented by three elected officials who represent the ratepayers and their interests. The HMLP is also accountable to their employees to provide a safe work environment in this very demanding business. The electricity market has become a necessity for most residents and providing them with for this very important product is part of the company mission.

The HMLP is also accountable to its peer group of Town functions that rely on its operation as well as the HMLP's reliance on the assistance of the Police Dept., Fire and DPW, along with other Town departments who perform some duties for the Light Plant.

3. What three things contribute most to the successful functioning of your position?

The first one would be the independence of the HMLP to run like a business and be able to act independently under the direction of the elected Light Board allows the company to be very competitive with its investor-owned neighboring utilities. This allows the Light Plant to maintain a highly reliable system, with maintenance and capital improvement practices, while maintaining a competitive pricing model.

The second item to the success is the knowledge of the employees of the HMLP. The electric utility business requires some expertise that is critical to the success of the company. The knowledge base and the pride that the employees of the Light Plant have contribute to the successful operation of the company and the excellent reputation that we continue to enjoy and try to maintain.

The third would be the Board of Commissioners of the Light Plant. They provide a good sounding board and are excellent champions of the Light Plant and its goals and mission. Each of the current Board members has some knowledge or experience in the utility field and that makes this a very functional

4. What three things would you change to bring about more effective functioning?

The first would be a better understanding by the residents and customers of the HMLP on how we are different from traditional Town government. I am still not sure all the residents of Hingham understand the HMLP and its unique position which makes it an asset in the Town.

The second would be to continue to forge the relationships with the Town departments that we have worked hard to develop over the past several years. We have done projects and partnerships with other departments and that has proven to be very successful and a positive result for the Town as a whole. I believe looking for other areas that these types of partnerships can be developed would lead to additional success for the community.

The third would be for HMLP to consolidate its Administrative and Operations centers into a single location which would make managing the entire operation much more efficient and give the customers, developers and contractors more of a one-stop stopping approach when they require doing business with HMLP. (This is currently underway, with a review of locations for this type of building to house the combined operations)

5. What challenges do you anticipate that might impact the work of your position in the future and what changes would you suggest for addressing those challenges?

The biggest challenges to the HMLP and the other municipal utilities is their power supply. The HMLP has created and follows their power supply policy, which has diversity, renewable and layered approaches to the supply to give them a chance to take advantage of lows in the market and even out the up turns.

The second challenge is to retain their technical employees as the electric business is highly reliant on technical employees with experience in the utility business. We have been successful in training and maintain these employees to date, but always need to keep an eye out to the market for these employees.

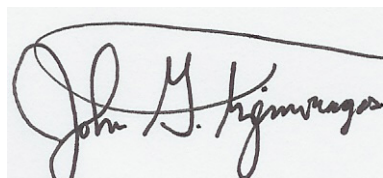
The third would be to maintain our competitive advantage over the neighboring investor-owned utilities by providing the most reliable, customer service oriented, competitively priced electric service to all customers in Hingham.

6. Do you have anything to add?

I believe the HMLP and its customers would benefit from changing some of the outdated practices or traditional municipal government. The best examples I could use would be to use technology and electronically complete tasks like payroll and warrants and do it electronically with the Town, instead of the traditional paper exchanges.

I think we need to review the processes in Town Government and start to adapt to the more business-like approach. I continue to hear that "we have to do it this way" when new concepts or ways of doing business are discussed by HMLP with their counterparts in the municipal sector. This is not uncommon when similar discussions are held with our peers and the reaction they get in their towns. We need to begin to break this cycle and make the work we do as efficient as we can, which makes the final product better for the tax and rate payers.

Sincerely,

A handwritten signature in black ink, reading "John G. Tzimoragas". The signature is written in a cursive style with a large, sweeping initial "J".

John G. Tzimoragas
General Manager
Hingham Municipal Lighting Plant