

**Director  
Wellesley Municipal Light Plant  
Wellesley, Massachusetts**

**While the initial phase of the search will be confidential, Massachusetts legislation requires an open and transparent process resulting in Municipal Light Board (“MLB”) interviews with finalist candidates being conducted in an open meeting at which the public and media can and will probably be present. Finalist candidates will not be held confidential.**

**Wellesley Municipal Light Plant (MLP)**

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MLP is a municipally-owned electric utility formed in 1892 to serve the town of Wellesley and other unincorporated areas. In 1994, the MLP acquired independent town department status. The MLP is governed by a 5-person MLB, which consists of the 3 elected Department of Public Works Commissioners and 2 members appointed by the Board of Selectmen.

In Fiscal Year 2018 (FY18), the MLP provided electric service to about 10,100 customers consisting of approximately 8,900 residential and 1,200 commercial customers. The MLP has a well-maintained distribution infrastructure consisting of nine supply lines and 34 circuits. Eight of the supply lines are underground and all were reconductored within the last 25 years. The overhead supply line primarily serves as a back-up. In December 2014 the MLP purchased Verizon’s share of all jointly-owned poles.

Since April 2004 the MLP has provided operations and maintenance service to Mass Development-Devens, which is a former army base converted into a planned community in the late 1990’s. The MLP provides electric service within the community to 120 residents and 180 commercial enterprises.

The MLP’s System Average Interruption Duration Index (SAIDI) for the past five years:

**2014: 16 minutes  
2015: 9 minutes  
2016: 29 minutes  
2017: 27 minutes  
2018: 22 minutes**

MLP’s largest customers include Wellesley College, Babson College, Sun Life Financial, and Wellesley Office Park. The MLP’s 10 leading customers accounted for 25% of 2017 revenue.

Additionally, the MLP is also responsible for providing water, sewer and electric customer billing service to the Town’s 28,000 residents and businesses.

The MLP has also entered into a number of dark fiber leases with companies like American Tower Corporation, T-Mobile, Lighttower/Crown Castle, Level 3 and various businesses and Town Departments. In January 2019 the MLP began offering internet service to Wellesley businesses and is now expanding that service.

The MLP's largest FY18 expense, which is almost \$26 million, is wholesale power purchases (69% of the MLP's total expenses), most of which is procured through Energy New England ("ENE"), a wholesale electric provider to 21 public power entities in New England. The MLP's peak demand is 65 MW.

In addition to providing reliable service at competitive rates, the MLB is committed to reducing greenhouse gas emissions by implementing a rational plan of conservation initiatives and purchasing renewable energy. The MLP has a 5% ownership share in ENE, and also contracts ENE services to perform residential energy audits and purchase renewable energy. Approximately 20% of the power supply portfolio is provided by wind and hydro entitlements.

The MLP generates nearly \$34 million in annual revenue, has assets of approximately \$74 million, long-term debt under \$1 million, and about \$1 million in rate stabilization. As an enterprise fund, the MLP is totally dependent upon electric revenues to fund operating and capital budgets and a payment-in-lieu-of-taxes (PILOT). Massachusetts legislation allows for the inclusion of additional revenues in rates of up to eight percent (8%) of gross plant which may be used by the Town. For FY18 the MLP generated sufficient operating and non-operating revenues, which along with retained funds to meet operating expenditures of \$37,500,000, capital expenses of \$4,400,000, and PILOT to the Town of \$1,000,000.

The MLP's rates are 14.1% below the state's 2017 average. Rates are determined by the Five-Year Financial Forecast. The MLP has had one rate increase (5%, October 2017) in the past five years. Since 1994 rates have been adjusted via the purchase power adjustment charge.

The MLP is in an excellent financial position. The Five-Year Financial Forecast projects a significant increase in available cash. Standard & Poor's has assigned a "AA Stable" credit rating. The pension liability is 84% funded and Other Post Employment Benefit liability is on schedule to be fully funded in July 2021.

The MLP consists of 29 employees of which 28 are full time-equivalent positions; 11 are line workers represented by the American Federation of State, County, and Municipal Employees (AFSCME) union. This is down from a peak of over 40 employees.

Additional information about the MLP is available at:

<https://www.wellesleyma.gov/228/Municipal-Light-Plant>

[https://en.wikipedia.org/wiki/Wellesley\\_Municipal\\_Light\\_Plant](https://en.wikipedia.org/wiki/Wellesley_Municipal_Light_Plant)

<https://www.ene.org/>

## **Director**

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The Director reports to the MLB and is responsible for the management of the MLP, and must effectively lead the management of the MLP to continue to maintain reliable services.

He or she must effectively lead the efforts to find the constantly changing balance between the desires for renewable resources and reliability and cost.

Stakeholder management will also require constant attention. In addition to the cooperative and collaborative relationships described, the Director must be sensitive to the Town's need for financial support and the customer's needs for reliability and competitive rates.

The Director needs to take advantage of opportunities. While the Internet business offers promise, it is in its infancy. The Board expects the Director to be a catalyst for future opportunities.

A commitment to the MLP's horizontal, not hierarchical structure is important.

Lastly, the Director needs to be an advocate for the MLP in the community and region. The citizens need to know what has and is being accomplished on their behalf.

### **Director Requirements**

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It is essential that the next Director have a proven track record demonstrating a commitment to safety.

The most desirable candidates will have experience that includes diverse and progressively responsible supervisory and management assignments culminating in executive leadership in an electric utility of comparable size and complexity with personnel represented by organized labor. Proven management of an electric distribution utility with comparable reliability metrics is important.

That experience will ideally be the result of work in another public power utility; however, candidates from other sectors such as rural cooperatives, or for-profit utilities could be appropriate, but it is essential candidates have an appreciation of customer-owned utilities.

Technical expertise in electrical distribution is preferred, but not required. Demonstrated success in the electric industry at the strategic and tactical level is essential. Innovation and strategic planning skills are mandatory skills.

Financial acumen is critical. Candidates should have budgetary, financial forecasting and rate making knowledge enabling the MLP to maintain its AA/Stable S&P rating.

Management of a power supply portfolio similar to the MLP in size and complexity is critical. Knowledge of regional transmission organization, renewable energy classifications and wholesale power supply markets is essential.

Previous experience with telecommunications is an added benefit.

Knowledge of energy efficiency, renewable resources, storage and electrification along with a commitment to continue the MLP's trajectory is needed.

Candidates for Director must have excellent oral and written communication skills, and be able to articulate contemporary industry issues to industry experts, legislators, regulators, and lay individuals. He or she must have the executive presence to comfortably represent the MLP before regulators and legislators, and the charisma to provide leadership to MLP, its residents, the MLB, the Town's Board of Selectmen, Town administration, staff, and the community is essential.

The Town of Wellesley has a culture of a business-like approach to public services. A visionary, forward-thinking, entrepreneurial attitude is critical.

The ability to balance business needs and politics is important.

Stakeholder management will be increasing within the community.

Community communication is increasingly important.

### **Wellesley, Massachusetts**

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Wellesley, founded in 1881, is a Town 15 miles west of Boston. It has a population of about 28,000. In 2008, Wellesley had the 3<sup>rd</sup> highest median income in Massachusetts. In 2018, it was listed as the 7<sup>th</sup> wealthiest city in the US.

Cost of living in Wellesley is 141.1% of the national average. In 2016, the average cost of a detached house was over \$1 million.

More can be found at:

<http://www.city-data.com/city/Wellesley-Massachusetts.html>

<https://www.wellesleyma.gov/>

[https://en.wikipedia.org/wiki/Wellesley,\\_Massachusetts](https://en.wikipedia.org/wiki/Wellesley,_Massachusetts)

### **Compensation**

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TBD

### **Recruitment Schedule**

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Report on search, list of candidates, and resumes submitted:	April 12, 2019
Committee selects semi-finalists:	April 15, 16, 17 or 17, 2019
Committee interviews semi-finalists and recommends finalists:	April 29 – May 3, 2019
MLP Board interviews finalists:	May 20 - 23, 2019
Employment negotiations with the new Director completed by:	June 1, 2019
New Director begins Employment:	July 1, 2019

## Contact

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*MLP is an Equal Opportunity/Affirmative Action Employer.  
Minorities, Females and Disabled Persons are encouraged to apply.*