

BOZRAH UTILITIES COMMISSION

Minutes of Regular Meeting

January 27, 2016

1. CALL TO ORDER

Chairperson Galbraith called the meeting to order at 9:12 a.m.

ROLL CALL

Present: Chairperson Marian Galbraith

Commissioners: Seymour Adelman, Scott Barber, Shirleyann Dunbar-Rose, Edward E. DeMuzzio, Paul Duarte, Ralph Winslow

Staff present: Director of Utilities Ronald A. Gaudet
General Manager-Utility Finance David F. Collard
General Manager-Key Accounts Leonard J. Mediavilla
Manager-Engineering Brian J. Roche
Office Manager Mary L. Polaski
Executive Assistant Deborah J. Gaudette

2. APPROVAL OF MINUTES

Commissioner Winslow moved, **Commissioner Adelman** seconded that the minutes of the regular meeting of October 28, 2015 be approved as corrected. **Motion carried.**

Commissioner Dunbar-Rose moved, **Commissioner Duarte** seconded that the minutes of the **Special** meeting of November 15, 2015 be approved. **Motion carried.**

3. COMMUNICATIONS AND CORRESPONDENCE

There were no communications or correspondence to report.

4. PUBLIC COMMUNICATIONS

There were no public communications.

5. MONTHLY FINANCIAL HIGHLIGHTS

General Manager Collard presenting the following financial highlights:

- Total Electric Revenue for the first half of fiscal year 2016, before pass-through sales are 0.6% more than budget and 9.2% more compared to last fiscal year. Heating degree days for the period were 44% less than last year, and cooling degree days were 47% greater.
- Other Operating Expenses for the first half of fiscal year 2016 were 2.2% less than budget. Net Income before Return to Groton for the period was 34.7% more than budget, primarily due to the small increase in revenues combined with lower operating costs.
- Net Cash available at December 31, 2015 was \$2.7 million. Principal payments against the now \$3.0 million debt to Groton Utilities continues at a rate of \$16,700 per month.
- Days cash on hand at December 31, 2015 was 52 days.

6. PROJECTS / INITIATIVES UPDATE

Manager Roche gave an update on the Stockhouse Road 2X transformer. Repairs are scheduled to be completed by April 2, 2016, and the unit returned to Bozrah a few weeks later. There was discussion on why the repair had taken so long. Manager Roche explained the unit was being repaired under warranty, and the vendor already had a manufacturing schedule out one (1) year. Warranty repairs are not given first priority over manufacturing.

Commissioner Winslow suggested negotiating for expedited repairs during the warranty period for future transformer and other contracts.

7. **OLD BUSINESS**

There was no old business to discuss.

8. **NEW BUSINESS**

Agenda Item 8A – BUC-16-01-01: Consideration of and action to adopt a Resolution appointing Director of Utilities Ronald A. Gaudet to serve as a Member Representative to the Board of Directors and a Member Delegate to the Member Delegation of the Connecticut Municipal Electric Energy Cooperative (CMEEC) and Connecticut Transmission Municipal Electric Energy Cooperative (TRANSCO)

Commissioner Dunbar-Rose moved, **Commissioner Duarte** seconded that the Bozrah Utilities Commission adopt a Resolution appointing Director of Utilities Ronald A. Gaudet to serve as a Member Representative to the Board of Directors and a Member Delegate to the Member Delegation of the Connecticut Municipal Electric Energy Cooperative (CMEEC) and Connecticut Transmission Municipal Electric Energy Cooperative (TRANSCO).

Commissioner Barber stated he feels that the Bozrah / Lebanon Commissioners should have representation on the CMEEC Board. Commissioner DeMuzzio replied this was the first time in a very long time that a new member was joining CMEEC, and additionally, owned by another member. Due to this, the combination of Bozrah and Groton Utilities now has a majority of the Board. Commissioner DeMuzzio said the feeling was to move in to the new position slowly and with the least amount of impact to the current CMEEC board. The Groton representatives felt it would be best to appoint representatives that were already members of the Board and plan to have an alternate Bozrah member sit in at the meetings as it takes time to become an educated, contributing member.

Commissioner Adelman stated he believes Commissioner Winslow has enough experience and knowledge to be Board member. Commissioner DeMuzzio agreed, but stated CMEEC was a very complex organization and time is needed to be an active participant.

Director Gaudet noted that David Collard has been attending CMEEC meetings for over 10 years, and would have Bozrah's best interests in mind in his participation.

Commissioner Barber stated that as a representative of the ratepayers of Bozrah, there would be an investment in CMEEC, with no direct representation. Commissioner Dunbar-Rose replied as Groton Utilities owns Bozrah Light and Power, its Directors and Commissioner look out for Bozrah's interests. General Manager Collard reminded the Commission that were no out of pocket costs for Bozrah joining CMEEC, but the ratepayers would benefit from the reduction of power costs.

Commissioner DeMuzzio noted that the investment for Bozrah to become a member of CMEEC were costs redistributed from other CMEEC members. As Groton Utilities has fiduciary responsibility for Bozrah, rates haven't been increased. Bozrah has benefited immensely from the purchase by Groton Utilities.

Commissioner Dunbar-Rose motioned for a vote.

The vote on the motion was 4 Ayes (Chairperson Galbraith, Commissioners Duarte, Dunbar-Rose and DeMuzzio) and 3 Nays (Commissioners Adelman, Barber and Winslow). **Motion carried.**

Agenda Item 8B – BUC-16-01-02: Consideration of and action to adopt a Resolution appointing General Manager – Utility Finance David F. Collard as a Member Representative to the Board of Directors and an Alternate Member Delegate to the Member Delegation of the Connecticut Municipal Electric Energy Cooperative (CMEEC) and the Connecticut Transmission Municipal Electric Energy Cooperative (TRANSCO)

Commissioner Dunbar-Rose moved, **Commissioner Duarte** seconded that the Bozrah Utilities Commission adopt a Resolution appointing General Manager – Utility Finance David F. Collard as a Member Representative to the Board of Directors and an Alternate Member Delegate to the Member Delegation of the Connecticut Municipal Electric Energy Cooperative (CMEEC) and the Connecticut Transmission Municipal Electric Energy Cooperative (TRANSCO).

Commissioners Adelman, Barber and Winslow stated they had the same concerns and objections as to the previous motion.

The vote on the motion was 4 Ayes (Chairperson Galbraith, Commissioners Duarte, Dunbar-Rose, and DeMuzzio) and 3 Nays (Commissioners Adelman, Barber and Winslow). **Motion carried.**

Agenda Item 8C – BUC-16-01-03: Consideration of and action to approve a template Electric Power Interconnection Agreement to comply with the State of Connecticut, Department of Public Utility Regulatory Authority (PURA) interconnection standards and to authorize Management to execute the Interconnection Agreements as needed

Commissioner Dunbar-Rose moved, **Commissioner Duarte** seconded that the Bozrah Utilities Commission approve a template Electric Power Interconnection Agreement to comply with the State of Connecticut, Department of Public Utility Regulatory Authority (PURA) interconnection standards and to authorize Management to execute the Interconnection Agreements as needed. **Motion carried.**

Commissioner Adelman stated he believed the Bozrah Utilities Commission meetings were originally supposed to be held at the Town Hall, but as the building wasn't handicapped accessible at the time, the meetings were held at the Senior Center. As the Town Hall is now fully accessible, he recommended holding the Commission meetings at the Town Hall, instead of moving them to the Bozrah Office. It was agreed the Commission would discuss the location of future meetings at the October meeting, in order to keep the remaining scheduled meetings from having to be held as Special meetings due to a location change.

Commissioner Barber stated ratepayers have inquired about how Bozrah is staffed during storm events, what the procedure was, and who makes the necessary decisions. Manager Roche replied that Management discuss the situation with staff and makes the decision. Commissioner Barber said the Bozrah Selectmen had offered the use of the Firehouse in the event staff needed access to showers, cooking equipment, or housing.

Commissioner Barber asked if the previous Economic Development position was budgeted. General Manager Collard replied the remaining budgeted amount from the previous position was deferred into a reserve account was used to encourage development by helping offset development costs, such as for Collin & Jewels recent development. Commissioner Barber asked if the position would be funded in the future. General Manager Collard stated it could be refunded in the next budget, if that was the desire of the Commission. Director Gaudet noted that Bozrah customers benefit from all Groton

Utilities staff, including Key Accounts and Project Management staff. Both companies work together with the customer regarding development.

9. **ADJOURNMENT**

There being no further business, at 10:07 a.m., **Commissioner Adelman** moved, **Commissioner Duarte** seconded a motion to adjourn. **Motion carried.**

Attest:

Paul A. Duarte
Clerk