

# CITY OF GROTON UTILITIES COMMISSION

## MINUTES OF REGULAR MEETING

July 28, 2010

A regular meeting of the City of Groton Utilities Commission was held this date at which Mayor Popp, Commissioners DeMuzzio, Duarte, and Dunbar-Rose; Director of Utilities Yateko, Deputy Director-Administrative Services Collard, Deputy Director-Water/PAF Cummings, Deputy Director-Electric Roche; General Manager-Information Technology Blanchette, General Manager-Major Accounts and Rates & Revenue Requirements Conner, General Manager-Customer Care Daniels, General Manager-Commercial Accounts and Power Requirements Mediavilla, General Manager-Water Stevens, General Manager-Electric Operations Surprenant at 10:16 a.m.; and Executive Assistant Gaudette were present.

The meeting was called to order by Mayor Popp at 10:03 a.m.

Commissioner DeMuzzio was appointed Clerk Pro Tem due to the absence of Commissioner Rabitaille.

Dunbar-Rose / Duarte that the minutes of the special meeting of June 16, 2010 be approved. So voted unanimously.

Dunbar-Rose / Duarte that the minutes of the special meeting of June 30, 2010 be approved. The vote on the motion was 3 Ayes, 0 Nays, and 1 Abstention (Commissioner DeMuzzio). The motion carried.

### **Review and Acceptance of Treasurer's Report**

The Treasurer's Report for the month of June showing the following balances was presented by Treasurer Dunbar-Rose.

Checking Account Activity for the month of June:

	<u>Ending Balance</u>
Electric General Fund	\$ 1,649,870
Water General Fund	\$ 135,257
Meter Deposit Fund	\$ 0
Electric Bond Fund	\$ 265
Water Bond Fund	\$ 789

Cash Investment Activity:

	<u>Beginning Balance</u>	<u>Ending Balance</u>
Electric General Fund	\$ 14,268	\$ 14,270
Water General Fund	\$ 0	\$ 0
Money Market Fund	\$ 83,002	\$ 215,640
Meter Deposit Fund	\$ 926,210	\$ 926,361
Electric Bond Fund	\$ 1,863,258	\$ 1,739,518
Water Bond Fund	\$ 887,639	\$ 387,725
Economic Development Reserve Fund	\$ 104,097	\$ 104,114
Electric Restricted Fund	\$ 1,476,529	\$ 1,476,770
Water Restricted Fund	\$ 444,924	\$ 444,996

At the end of the twelfth month, total investment earnings should be at 100% and we are at 84.44%. Earnings for the Electric Division are 9.92%, 124.40% of budget for BL&P, and 38.42% of budget for the Water Division.

Duarte / DeMuzzio that the Treasurer's Report be accepted. So voted unanimously.

### **Communications and Correspondence**

The following communications were received:

- Letter dated June 27, 2010 from the Groton Elks Lodge No. 2163 thanking Groton Utilities for its generous contribution to the Groton Elks Golf Tournament held on June 25, 2010
- Letter dated July 6, 2010 from Mr. Carl Stockwell of Neptune Drive, Groton, expressing gratitude for the help provided by Electric Project Management Engineering Aide David Zito when Mr. Stockwell's phone line was damaged due to construction to upgrade a neighbor's electrical service

Mayor Popp received an e-mail from a customer regarding Groton Utilities' E-Care website. Director Yatcko stated his personal experience with the website was good, and Commissioner Dunbar-Rose said she would establish an account on the website and provide her feedback to General Manager – Customer Care Daniels.

### **Public Communications**

There were no members of the public present.

### **CMEEC Board of Directors Report**

Director Yatcko reported on the June 24, 2010 Board of Directors meeting. A resolution was passed that increased the 50 in 5 Project Capital Costs from \$30 million to \$34 million due to underestimation of site-specific costs. The Board also reviewed the succession plan and an updated compensation package for the incoming Executive Director.

Commissioner DeMuzzio reported on the July 22, 2010 meeting. The Board discussed legislative follow-up for securitization for state issued Economic Revenue Recovery Bonds, financing

options for the TRANSCO project, and succession planning for the Executive Director position. Director DeMuzzio stated he will provide the Commission with a proposed schedule of payments for the TRANSCO project.

### **Review of Monthly Financial Report**

Total Electric Revenue for the Electric Division for the month of June was \$4,338,521 or 3.3% above expectations. In comparison to last year, Total Electric Revenue is 3.5% less. Total Electric Revenue for the Fiscal Year-to-Date was \$55,826,280, or 0.6% above budget and 2.5% below in comparison to last year. Operation & Maintenance Expense for June was \$750,567, or 8.8% above expectations. In comparison to last year, Operation & Maintenance Expense is 42.3% less. Operation & Maintenance Expense for the Fiscal Year-to-Date was \$7,611,369, or 8.0% below budget and 3.3% less in comparison to last year. Depreciation Expense for the month of June was \$120,342, or 7.4% below budget. In comparison to last year, Depreciation Expense was 22.2% less. For the Fiscal Year-to-Date, Depreciation Expense was \$1,477,163, or 5.3% below budget and 1.2% less than last year. Net Income for the month of June was \$402,418 or 25.8% above budget. In comparison to last year, Net Income was 255.5% more. For the Fiscal Year-to-Date, Net Income was \$6,927,774, or 67.1% above budget, and 13.8% more than last year.

Effective January 1, 2010, the State of Connecticut's mandated Conservation Charge was increased from \$0.0019 to \$0.0022 per kWh and is added as a line item to customers' bills. More than \$74,000 was charged to customers in June, excluding the Navy and interruptible loads. This amount is included in revenue and expensed as Conservation Expense. This will be transferred to Groton Utilities' Conservation and Load Management (CLM) Account held at CMEEC in accordance with the Connecticut State Statute. Groton Utilities controls all expenditures from this fund. More than \$165,000 in energy rebates was paid to customers during the month of June, with a total Fiscal Year-to-Date of \$828,688.

Total Water Revenue for the Water Division for the month of June was \$672,447, or 1.5% below budget projections. In comparison to last year, Total Water Revenue is 11.3% more. Total Water Revenue for the Fiscal Year-to-Date was \$7,736,413, or 3.9% below budget and 3.5% more in comparison to last year. Operation and Maintenance Expenses for the month of June were \$701,932, or 16.6% above budget. In comparison to last year, Operation and Maintenance Expenses are 40.3% less. For the Fiscal Year-to-Date, Operation and Maintenance Expenses were \$6,549,234, or 9.4% below budget, and 7.0% less in comparison to last year. Total Operating Expenses for the month of June were \$786,331, or 14.5% above budget. In comparison to last year, Total Operating Expenses are 39.0% less. Total Operating Expenses for the Fiscal Year-to-Date were \$7,607,717, or 7.7% below budget, and 6.0% less in comparison to last year. Net Earnings before Debt Principal for the month of June were \$(71,029) or 788.0% below budget. For the Fiscal Year-to-Date, Net Earnings before Dept Principal were \$351,670 or 1456.5% above a budgeted loss, and 175.0% more than last Fiscal Year-to-Date.

Deputy Director Collard responded to Commissioners' questions regarding end-of-year posting of payments.

## Review of Director of Utilities' Report

The Director of Utilities' Report dated July 28, 2010 was presented as follows:

July 28, 2010

The City of Groton Utilities Commission  
Groton, Connecticut

Ladies and Gentlemen:

\*1. **GUC-10-07-154:** The proposed Operating and Capital Budgets for the Electric Division for Fiscal Year 2010-2011 have been finalized and are ready for final consideration. Following Utilities Commission approval, final copies will be prepared for distribution.

It is recommended that the City of Groton Utilities Commission approve the Operating and Capital Budgets for the Electric Division for Fiscal Year 2010-2011 as presented by Management.

\*2. **GUC-10-07-155:** The proposed Operating and Capital Budgets for the Water Division for Fiscal Year 2010-2011 have been finalized and are ready for final consideration. Following Utilities Commission approval, final copies will be prepared for distribution.

It is recommended that the City of Groton Utilities Commission approve the Operating and Capital Budgets for the Water Division for Fiscal Year 2010-2011 as presented by Management.

\*3. **GUC-10-07-156:** Management recommends migration to the new Springbrook Software Version 7. Migration provides value enhancements to all users: City, Utilities, Thames Valley Communications, and Bozrah Light and Power. Costs would include training, consulting, and migration management services, including custom rewrites if required. The total estimated project cost is \$95,200, and includes a 0% interest payment plan with scheduled payments that cross two (2) fiscal years. The project will be funded by the Software Maintenance Reserve fund.

It is recommended that the City of Groton Utilities Commission authorize Management to sign the migration agreement and issue a purchase order for the purchase of Springbrook Software Version 7 to Springbrook Software, Incorporated, Portland, Oregon for a total amount not to exceed Ninety-Five Thousand, Two Hundred Dollars and No Cents (\$95,200.00) to be paid from the Software Maintenance Reserve Fund and furthermore, that the City Council be apprised of this action with the recommendation that it concur.

4. **GUC-10-07-157:** Due to the severe rain event of March 31, 2010, repairs are needed to sections of the spillway and tailrace at the Poquonnock Dam on Route 1. The work will include installing gravel, stone, and rip rap on three (3) areas of the tailrace and one (1) area on the spillway.

Specifications for the project are written for labor and equipment only. Groton Utilities' will purchase the materials. The estimated cost of the project is approximately \$160,000, of which up to 75% could be reimbursed by the Federal Emergency Management Agency (FEMA).

Management will be prepared to review the project with the City of Groton Utilities Commission at its July 28, 2010 meeting and will seek approval to proceed with the project at the August 25, 2010 meeting.

5. **GUC-10-07-158:** Because there have been inquiries from customers regarding installation of alternative generation equipment of a size that can offset all or a majority of the customer's load, it is necessary to have in place rates that will provide the ability to accommodate these requests. These rates will provide a mechanism that will provide a revenue stream satisfactory to continue to serve the customer with emergency or backup electric services should their alternative generation facilities fail or go offline for some reason. The Exit Rate will also provide us compensation should a customer decide to disconnect from our distribution system.

There will be no direct financial impact on the Electric budget. There may be a positive or negative effect should any customers decide to apply for and be accepted under these rates, depending on the circumstances of the facilities constructed.

Management is prepared to review this project at the July 28, 2010 Utilities Commission meeting and will seek Commission approval at the August 25, 2010 meeting.

6. Water Statistics:

	<u>July 19, 2010</u>	<u>June 7, 2010</u>	<u>July 13, 2009</u>
Water in Usable Storage	2,373 M.G.	2,542 M.G.	2,569 M.G.
Daily Average Pumping Rate (Week)	7.8 M.G.	7.3 M.G.	5.83 M.G.
Annual Running Average per Day to Date (Year)	5.7 M.G.	5.6 M.G.	5.5 M.G.

Electric Statistics:

	<u>June 2010</u>	<u>May 2010</u>	<u>June 2009</u>
kWhs Purchased	43,426,673	38,708,820	43,703,027
System kW Demand	82,341	75,765	79,034

7. During the month of June, a total of 3,134 Groton Utilities customers sustained 846 total minutes without electric power. Ten (10) outages were caused by severe lightning storms and five (5) outages were caused by animal contacts. In comparison to last year, there were eleven (11) more outages or a 36% increase. A total of 106,439 customer minutes were sustained during the month of June, compared to 103,013 minutes last year, accounting for an increase of 3.3% customer minutes without electric power.

8. Energy Assistance Program

Receipt and Allocation of Funds as of June 30, 2010  
(As reported by Town Social Services)

	<u>This Month</u>	<u>To Date</u>
Initial Start-up Funds	N/A	\$ 2,000.00
Customer Donations	\$ 106.99	\$ 136,424.16
Groton Utilities' Matching Funds Paid	\$ 110.74	\$ 64,710.52
Allocation to Customers	\$ 0.00	\$ 202,855.24
Balance on Hand	>>>	\$ 279.44

Last 12 Months

Donations	\$ 9,112.38
Matching	\$ 4,515.16
Distributed	\$ 13,390.70

9. CONN-OSHA Recordable Accidents:

Division	Month of June		Year-to-Date		Prior (2009) Year-to-Date	
	LTA	Non-LTA	LTA	Non-LTA	LTA	Non-LTA
Electric	0	0	0	0	4	4
Water	0	0	0	0	1	1
Sewer	0	0	0	0	0	0
Admin/CC	0	0	0	0	0	2

LTA: Lost Time Accident

Non-LTA – Non-Lost Time Accident

10. System reservoirs are at 92.23 percent of total usable storage, with stream flows below normal levels.

Precipitation recorded for the month of June was 2.90 inches, which is 0.48 inch below the seventy-nine year Groton average for June. Total precipitation for the first six (6) months of 2010 was 31.20 inches, which is 7.28 inches above the seventy-nine year average for the same period.

11. The Summary of Operations at the Water Treatment Plant for the month of June 2010 is available for Commissioner review.

12. At its regular meeting held on July 6, 2010, the City Council **finally** approved an "Ordinance approving revisions to the existing water rate schedule for the City of Groton, Department of Utilities, Water Division, for all water service located within the Groton and Eastern Division Service territory, to be effective for water service billed on and after August 1, 2010".

13. In an effort to help the Town of Ledyard operate and maintain their water system, Groton Utilities' Water Division signed an Interim Operating Agreement with the Town of Ledyard on June 25, 2010.

Groton Utilities is responding to a Request for Proposal to enter into a multi-year contract to operate and maintain the Town of Ledyard Water System and billing.

14. Water Division staff has completed the 2009 Annual Consumer Confidence Report (CCR). The report was mailed prior to July 1, 2010 to Groton Utilities' water customers, the State of Connecticut, Department of Public Health (DPH), and Ledge Light Health District, as required by United States Environmental Protection Agency (EPA) and DPH regulations. Copies will also be mailed to our larger industrial customers, consecutive systems and regional customers, with additional copies being distributed to the Bill Memorial and Groton Public Libraries, Town of Groton Town Hall, and City of Groton Municipal Building. A copy of the certification of mailing from the post office will also be mailed to the DPH prior to the due date of August 9, 2010.

15. There was one (1) water main break and no water service leaks during the month of June as follows:

- 8-inch water main break at 24 Midway Oval on June 12, 2010

16. As part of the Supervisory Control and Data Acquisition (SCADA) Upgrade Project, Groton Utilities' Electric Operations Project Management personnel are working to have the fiber optic network installed by Thames Valley Communications, Inc. (TVC) and have done a final survey of the fiber drop locations. A presentation with pertinent information regarding the project implementation schedule and anticipated costs will be presented at a future Utilities Commission meeting.

17. As part of the 308-Line Upgrade Project, the re-conductor project is complete. On July 2, 2010, Groton Utilities' Substation Electricians energized the underground 35 kV cables and placed Pfizer's load onto the newly installed cables. Groton Utilities' Electric Operations personnel installed 88,062 feet of 35 kV cable and 198 splices. The project is complete and the work order has been closed.

18. As part of the Connecticut Municipal Electric Energy Cooperative's (CMEEC) 50 in 5 Project, Groton Utilities' Operations personnel have completed the installation of underground cables to the generators and connected the generators to the distribution system at the Bridge Street generator site. The generators successfully ran on several occasions during the past month due to the weather and increased demand.

Final preparations are being made to install the overhead 13.8 kV distribution line at the proposed Water Treatment Plant generator site. All the material is in stock, and construction is scheduled to start this month.

19. As part of the Automated Meter Reading (AMR) Smart Grid Project, Groton Utilities' Electric Meter Department personnel continue to work through problems programming meters. An on-site meeting with Sensus representatives is scheduled for July. Groton Utilities' Electric Operations personnel continue to reprogram location identification codes to allow separation at the remote network interface (RNI).

20. As part of the Stockhouse Road Substation Upgrade Project, Groton Utilities' Electric Project Management personnel have approved the wiring diagrams for the construction of the 24/30/40 MVA transformer that will be installed at the Stockhouse Road Substation. Howard Industries has started construction of the transformer, and delivery is expected during the month of September. The engineering design for the modifications to the 2X transformer foundation is

complete. Construction is scheduled to begin this month.

21. Deputy Director Roche and General Manager Surprenant attended a quarterly Utility Services Client day on July 20, 2010, where topics pertaining to recent regulations within the North American Electric Reliability Corporation (NERC) were discussed. Topics included transitioning on Under-frequency Load Shedding (UFLS), Self Certification Schedules, Federal Energy Regulatory Commission (FERC) Notice of Proposed Rulemaking (NOPR) on Bulk Electric System (BES), Aurora Vulnerability, new registrations, Northeast Power Coordinating Council, Inc. (NPCC) Criteria Compliance Program, PRC-023 effective July 1, 2010 and what it means to you, and Protection System Maintenance and Testing in PRC-005.

22. The Conservation and Load Management Program results for the year to date are as follows:

**YEAR TO DATE REPORT ON CONSERVATION & LOAD MANAGEMENT PROGRAMS**

<b>MEASURE</b>	<b># Projects</b>	<b>\$ Incentive</b>	<b>Customer Costs</b>	<b>Annual kWh Savings</b>	<b>Annual Cust Savings</b>	<b>Lifetime kWh Savings</b>	<b>Lifetime Cust Savings</b>
Residential Dwellings Retro	1,441	\$721,074	\$0	1,067,075	\$149,391	10,670,750	\$1,493,905
Appliance Rebates	138	\$8,160	\$97,521	49,244	\$6,894	551,349	\$77,189
Residential HVAC	6	\$5,750	\$97,167	0	\$0	0	\$0
Load Control	0	\$0	\$0	0	\$0	0	\$0
High Efficiency Motors	0	\$0	\$0	0	\$0	0	\$0
Com/Ind HVAC	1	\$3,250	\$0	0	\$0	0	\$0
Com/Ind Lighting	5	\$29,218	\$94,108	199,567	\$27,939	2,973,440	\$416,282
Other	3	\$3,392	\$2,350	0	\$0	0	\$0
<b>Program Totals</b>	<b>1,594</b>	<b>\$770,844</b>	<b>\$291,146</b>	<b>1,315,886</b>	<b>\$184,224</b>	<b>14,195,539</b>	<b>\$1,987,375</b>

The \$\$\$ value of savings is based on \$0.14 cents per kWh and not the actual savings over the lifetime of the conservation measure. This is only an estimate based on today's customer costs.

23. Groton Utilities is working with the Connecticut Municipal Electric Energy Cooperative (CMEEC) and a vendor to create a pilot program that is an enhancement to our very successful Home Energy Savings program for residential customers. This pilot program will offer low or no-interest financing for an enhanced level of energy conservation measures that our customers agree to install in their homes. The pilot is intended to determine the viability of the program as designed and the acceptance level of the target customer base. The pilot program will use conservation funds for the length of the pilot.

24. The City of Groton held its annual auction in April 2010. The Electric Division had two (2) vehicles and the Water Division had one (1) vehicle at auction. The proceeds after the auctioneer's 10-percent commission and advertising expenses totaled \$6,457.33 for the Electric Division and \$1,777.00 for the Water Division.

25. At its regular meeting held on June 24, 2009, the City of Groton Utilities Commission voted to accept a Grant Award from the State of Connecticut, Department of Transportation 2009



Connecticut Clean Fuel Program in the amount of \$173,000.00 (One Hundred Seventy-Three Thousand Dollars and No Cents) of which \$92,600.00 (Ninety-Two Thousand Six Hundred Dollars and No Cents) is included to offset the costs of the purchase of three (3) Ford Escape 4WD Hybrid Electric Vehicles, one (1) Altec-International TA 40 Bucket Truck Hybrid Electric Vehicle and one (1) Chevrolet Silverado 1500 Hybrid Electric Vehicle.

In accordance with Groton Utilities' Vehicle Replacement Policy and Groton Utilities' Policy and Procedures Governing the Purchasing Practices of Groton Utilities, Director of Utilities Yatcko authorized the purchase of three (3) 2010 Ford Escape Hybrid vehicles and one (1) 2011 Chevrolet Silverado 1500 Hybrid vehicle.

Replacement / reassignment of the vehicles will be as follows:

- 2011 Chevrolet Silverado will be assigned to the Electric General Foreman and replace a 2009 Ford Escape (79E).
  - 79E will be reassigned to Project Management and replace a 2006 Chevrolet Colorado (74E).
  - 74E will be reassigned to the Stockroom and replace a 2000 Chevrolet Silverado (78E).
  - 78E will be auctioned.
- 2010 Ford Escape will be assigned to the Meter Shop and replace a 2007 Ford Ranger (99E)
  - 99E will be auctioned due to high mileage
- 2010 Ford Escape will be assigned to Customer Care Meter Readers and replace a 2000 Chevrolet S10 (MR1)
  - MR1 will be reassigned or auctioned
- 2010 Ford Escape will be assigned to Electric Project Management and replace a 2006 Chevrolet Colorado Pickup (76E)
  - 76E will be reassigned to Water Project Management and replace a 2002 Chevrolet Blazer (79W)
  - 79W will be auctioned

26. Groton Utilities employees were honored, along with other City of Groton employees, during an Employee Service Awards ceremony held during the June 16, 2010 Employee Breakfast Meeting. Mayor Dennis L. Popp presented service awards to the following Groton Utilities employees:

Rocco Nasiatka	40 years	John Kufchock	40 years
John Carton	30 years	Lori Gamache	5 years
Ronald Bata	5 years		

27. Management notes with sadness the passing of Mr. Robert A. Rathbun on July 15, 2010. Mr. Rathbun joined Groton Utilities on July 12, 1965 as a Civil Engineer. In July 1996, Mr. Rathbun was promoted to Special Project Coordinator. Mr. Rathbun retired on June 30, 2000 after thirty-five (35) years of service.

28. The bill for purchased power for the month of June 2010 as received from CMEEC is in the amount of \$4,055,173.38. Effective April 1, 2010, the Purchased Power Adjustment (PPA) increased from \$0.007876 per kWh to \$0.008876 per kWh and was applied to customers' billings. For the month of June, \$242,809 was collected to help offset generation costs. For the month of June, a surplus of \$75,546 will be added to the PPA Fund. The PPA Fund is now a credit of \$261,268 and will be monitored and flowed through to customers at a later date. Effective April 1, 2010, the Transmission Cost Adjustment (TCA) was decreased from \$0.00526 per kWh to \$0.00426 per kWh and \$116,535 was collected to help offset a deficit of \$73,080. The net surplus of \$43,455 will be charged to the TCA Normalization Fund. The TCA Fund now is a credit of \$382,079 and includes interest income on the Fund.

29. Monthly reports as received from the Deputy Director-Electric Division, Deputy Director-Water Division, General Manager-Information Technology and Manager-Economic Development are available in the Director of Utilities' office for Commissioner review.

Respectfully submitted,

/s/ Paul Yatcko  
Director of Utilities

### **Old Business**

**Report Item No. \*1, GUC-10-07-154:** Consideration of and Action to approve the Operating and Capital Budgets for the Electric Division for Fiscal Year 2010-2011 as presented by Management

Dunbar-Rose / Duarte that the City of Groton Utilities Commission approve the Operating and Capital Budgets for the Electric Division for Fiscal Year 2010-2011 as presented by Management.

Deputy Director Collard responded to Commissioner DeMuzzio's questions regarding other Electric Revenue, the projected decline in revenue, and the projected increase in expenses. The Commission also discussed setting up a Reserve Fund for the Information and Technology department.

Chairman Popp called for a vote on the motion. The vote on the motion was 3 Ayes, 0 Nays, and 1 Abstention (Commissioner DeMuzzio). The motion carried. Commissioner DeMuzzio abstained from voting as he was unable to attend the special June 30, 2010 meeting at which the Commission reviewed the proposed budget.

**Report Item No. \*2, GUC-10-07-155:** Consideration of and Action to Approve the Operating and Capital Budgets for the Water Division for Fiscal Year 2010-2011 as presented by Management

Dunbar-Rose / Duarte that the City of Groton Utilities Commission approve the Operating and Capital Budgets for the Water Division for Fiscal Year 2010-2011 as presented by Management. So voted unanimously.

### **New Business**

**Report Item No. \*3, GUC-10-07-156:** Consideration of and Action to authorize Management to sign the migration agreement and issue a purchase order for the purchase of Springbrook Software Version 7 to Springbrook Software, Incorporated, Portland, Oregon for a total amount not to exceed Ninety-Five Thousand, Two Hundred Dollars and No Cents (\$95,200.00) to be paid from the Software

Maintenance Reserve Fund and furthermore, that the City Council be apprised of this action with the recommendation that it concur

Dunbar-Rose / Duarte that the City of Groton Utilities Commission authorize Management to sign the migration agreement and issue a purchase order for the purchase of Springbrook Software Version 7 to Springbrook Software, Incorporated, Portland, Oregon for a total amount not to exceed Ninety-Five Thousand, Two Hundred Dollars and No Cents (\$95,200.00) to be paid from funds available in the Software Maintenance Reserve Fund and furthermore, that the City Council be apprised of this action with the recommendation that it concur.

Deputy Director Collard and General Manager Blanchette responded to Commissioners' questions regarding the new version, vendor support and the cost for the annual maintenance support.

So voted unanimously.

**Report Item No. 4, GUC-10-07-157:** Management review of proposed repairs to Poquonnock Dam spillway and tailrace

Deputy Director Cummings reported on the damages sustained at the Poquonnock Dam due to the rain event of March 30 – 31, 2010. The Federal Emergency Management Agency (FEMA) has been onsite and received documentation on the damages and proposed repairs. Minor repairs have been completed, and Management is awaiting Commission approval before proceeding with the remaining repairs.

General Manager Stevens complimented City of Groton Finance Director Hillsberg and Groton Utilities' Operations Manager Valentini on their extensive work documenting the damages.

Deputy Director Cummings and General Manager Stevens responded to Mayor Popp's questions regarding the total cost of the project and the anticipated material costs. Commissioner Duarte also requested a map of the areas to be repaired. Management will provide the proposed project costs and a map of the areas to be repaired at the August 25, 2010 Utilities Commission meeting.

**Report Item No. 5, GUC-10-07-158:** Management review of proposed Customer Exit Rates

General Manager Conner gave an overview of the proposed Exit Rate and Backup Service Rate. Currently, no customers have requested this rate, but inquiries have been made regarding co-generation projects and the installation of generators that could decrease electric revenue from large customers. Some aspects of these tariffs have been included in current contracts with large customers.

**Report Item No. 23:** Management review of Home Energy Savings Enhancement Pilot Program

General Manager Conner informed the Commission of a pilot program that would enhance Groton Utilities' Home Energy Savings Program. It is anticipated that 2,000 living units within Groton Utilities' service territory will participate in the Home Energy Savings Program this year.

Connecticut Light and Power Company (CL&P) and United Illuminating (UI) instituted a customer conservation financing program that went into effect on June 1, 2010. The proposed pilot program will be similar, but not exactly the same, as the CL&P and UI's program. The financing

program entails customer financing of additional conservation measures with 2.9% interest on loans from \$2,500 to \$7,000, and 0% interest on loans above \$7000, for up to 10 years.

**Adjournment**

There being no further business, at 11:48 a.m., Dunbar-Rose / Duarte that this meeting adjourn. So voted unanimously.

Attest:

Edward E. DeMuzzio  
Clerk Pro Tem