

CITY OF GROTON UTILITIES COMMISSION

MINUTES OF REGULAR MEETING

September 22, 2010

A regular meeting of the City of Groton Utilities Commission was held this date at which Mayor Popp, Commissioners DeMuzzio, Duarte, Dunbar-Rose and Rabitaille; Director of Utilities Yatcko, Deputy Director-Administrative Services Collard, Deputy Director-Electric Roche; General Manager-Customer Care Daniels at 10:22 a.m., General Manager-Commercial Accounts and Power Requirements Mediavilla, General Manager-Water Stevens at 10:06 a.m., General Manager-Electric Operations Surprenant; and Executive Assistant Gaudette were present.

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

Dunbar-Rose / Duarte that the minutes of the regular meeting of July 28, 2010 be approved. The vote on the motion was 3 Ayes, 0 Nays, and 1 Abstention (Commissioner Rabitaille). The motion carried.

Review and Acceptance of Treasurer's Report

The Treasurer's Reports for the months of July and August showing the following balances were presented by Treasurer Dunbar-Rose.

Checking Account Activity for the month of July:

| | <u>Ending Balance</u> |
|-----------------------|---------------------------|
| Electric General Fund | \$ 507,390 |
| Water General Fund | \$ 44,137 |
| 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 | \$ 14,270 | \$ 14,272 |
| Water General Fund | \$ 0 | \$ 0 |
| Money Market Fund | \$ 215,640 | \$ 77,982 |
| Meter Deposit Fund | \$ 926,361 | \$ 926,506 |
| Electric Bond Fund | \$ 1,739,518 | \$ 1,739,790 |
| Water Bond Fund | \$ 387,725 | \$ 387,786 |
| Economic Development Reserve Fund | \$ 104,114 | \$ 104,130 |
| Electric Restricted Fund | \$ 1,476,770 | \$ 1,495,709 |
| Water Restricted Fund | \$ 444,996 | \$ 445,066 |

Checking Account Activity for the month of August:

| | <u>Ending Balance</u> |
|-----------------------|---------------------------|
| Electric General Fund | \$ 1,571,685 |
| Water General Fund | \$ 35,812 |
| 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 | \$ 14,272 | \$ 14,274 |
| Water General Fund | \$ 0 | \$ 0 |
| Money Market Fund | \$ 77,982 | \$ 493,890 |
| Meter Deposit Fund | \$ 926,506 | \$ 926,642 |
| Electric Bond Fund | \$ 1,739,790 | \$ 1,382,431 |
| Water Bond Fund | \$ 387,786 | \$ 387,843 |
| Economic Development Reserve Fund | \$ 104,130 | \$ 104,145 |
| Electric Restricted Fund | \$ 1,495,709 | \$ 1,514,648 |
| Water Restricted Fund | \$ 445,066 | \$ 445,131 |

At the end of the second month, total investment earnings should be at 16.66% and we are at 16.31%. Earnings for the Electric Division are 7.65%, 16.67% of budget for BL&P, and 16.28% of budget for the Water Division.

Rabitaile / Duarte that the Treasurer's Reports be accepted. So voted unanimously.

Communications and Correspondence

The following communications were received:

- Letter dated July 29, 2010 from the American Cancer Society thanking Groton Utilities' for its generous donation of \$1,000.00
- Article from *Treatment Plant Operator* featuring the staff of the City of Groton Pollution Abatement Facility (PAF) and the City of Groton's Intern Program
- Letter dated August 2010 from Mr. Al Restivo, 2010 Jacqueline B. Nixon Community Service Award recipient

Mayor Popp received a request for funds to help purchase uniforms for the Fitch Senior High School Color Guard. The Commission discussed the current donation policy and whether a donation could be made to help offset the cost of the uniforms. Director Yatcko and staff are currently reviewing the policy and the amounts expended for the past three years. Once completed, Director Yatcko will provide the Commission with his recommendations on the policy.

Public Communications

There were no members of the public present.

CMEEC Board of Directors Report

Mayor Popp reported that the Board of Directors is finalizing the selection of a replacement for the Executive Director. There are presently three (3) finalists. Interviews will be held on October 7 and 8, 2010, and it is anticipated a decision will be made at the October Board of Directors meeting.

Commissioner DeMuzzio reported that the TRANSCO project continues to progress and a public announcement is expected within the next thirty (30) days. The Finance Committee is reviewing various financing methods.

Review of Monthly Financial Report

Total Electric Revenue for the Electric Division for the month of July was \$4,916,746 or 11.0% above expectations. In comparison to last year, Total Electric Revenue is 3.2% less. Operation & Maintenance Expense for July was \$625,523, or 14.2% below expectations. In comparison to last year, Operation & Maintenance Expense is 0.5% more. Depreciation Expense for the month of July was \$119,246, or 3.4% below budget. In comparison to last year, Depreciation Expense was 3.1% less. Net Income for the month of July was \$746,270 or 259.3% above budget. In comparison to last year, Net Income was 77.6% more.

Total Electric Revenue for the Electric Division for the month of August was \$4,931,358 or 5.8% below expectations. In comparison to last year, Total Electric Revenue is 15.8% less. Total Electric Revenue for the Fiscal Year-to-Date was \$9,848,104, or 1.9% above budget and 10.0% below in comparison to last year. Operation & Maintenance Expense for August was \$603,593, or 17.2% below expectations. In comparison to last year, Operation & Maintenance Expense is 1.9% more. Operation & Maintenance Expense for the Fiscal Year-to-Date was \$1,229,115, or 15.7% below budget and 1.2% more in comparison to last year. Depreciation Expense for the month of August was \$131,223, or 6.3% above budget. In comparison to last year, Depreciation Expense was 3.0% more. For the Fiscal Year-to-Date, Depreciation Expense was \$250,468, or 1.4% above budget and almost the same as last year. Net Income for the month of August was \$967,880 or 8.3% above budget. In comparison to last year, Net Income was 8.8% more. For the Fiscal Year-to-Date, Net Income was \$1,714,150, or 55.7% above budget, and 30.9% 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 \$87,000 was charged to customers in July, and \$86,000 in August, excluding the Navy and interruptible loads. These amounts are 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 \$366,000 in energy rebates was paid to customers during the month of July, and more than \$97,000 during the month of August, for a total year to date of more than \$463,000.

Total Water Revenue for the Water Division for the month of July was \$874,017, or 33.0% above budget projections. In comparison to last year, Total Water Revenue is 33.4% more. Operation and Maintenance Expenses for the month of July were \$542,036, or 11.8% below budget. In comparison to last year, Operation and Maintenance Expenses are 13.2% more. Total Operating Expenses for the month of July were \$632,160, or 10.1% below budget. In comparison to last year, Total Operating Expenses are 7.4% more. Net Earnings before Debt Principal for the month of July were \$242,850 or 979.5% above a budgeted loss, and 192.5% more in comparison to last year.

Total Water Revenue for the Water Division for the month of August was \$865,708, or 9.2% below budget projections. In comparison to last year, Total Water Revenue is 6.5% more. Total Water Revenue for the Fiscal Year-to-Date was \$1,739,725, or 8.0% above budget and 18.5% more in comparison to last year. Operation and Maintenance Expenses for the month of August were \$521,504, or 15.5% below budget. In comparison to last year, Operation and Maintenance Expenses are 6.2% less. For the Fiscal Year-to-Date, Operation and Maintenance Expenses were \$1,063,540, or 13.7% below budget, and 2.8% more in comparison to last year. Total Operating Expenses for the month of August were \$611,781, or 13.2% below budget. In comparison to last year, Total Operating Expenses are 4.7% less. Total Operating Expenses for the Fiscal Year-to-Date were \$1,243,941, or 11.7% below budget, and 1.1% more in comparison to last year. Net Earnings before Debt Principal for the month of August were \$275,073 or 3.1% above budget. For the Fiscal Year-to-Date, Net Earnings before Dept Principal were \$517,923 or 116.6% above budget, and 90.1% more than last Fiscal Year-to-Date.

Deputy Director Collard reported that the temperatures during the month of July were higher than during the past three (3) years, and August was the highest annual peak in New England since 2006. Deputy Director Collard also responded to Commissioners' questions regarding unbilled and T&D losses for the Water Division for the month of July.

Review of Director of Utilities' Report

The Director of Utilities' Report dated September 22, 2010 was presented as follows:

The City of Groton Utilities Commission
Groton, Connecticut

Ladies and Gentlemen:

*1. **GUC-10-05-150a:** As reported at the May 26, 2010 Utilities Commission meeting, Management is requesting approval to move forward with the Supervisory Control and Data Acquisition (SCADA) System Upgrade Project and permission to spend \$284,000.00 from the approved 2000 Electric Bond Fund. The funds will be used for what has been identified as Phase I of the Electric System SCADA Upgrade.

The current SCADA system has an Intellution iFIX front end with a mix of 4 different remote terminal units (RTUs). Most of the RTUs and modems are 12 years old and showing signs of age. The computer hardware running the current SCADA software, an early 2000 Compaq model, is also starting to have trouble.

The SCADA System Upgrade Project has been divided into three phases. Phase I will provide Groton Utilities' Electric Operations with real-time monitoring and control of critical system equipment, real-time trending of feeder loads, time-stamped events as they occur during outages, and the ability to see everything on-screen as it occurs during storms or system outages. The system will also have the ability to send email or text messages as problems occur.

This upgrade will also enable Groton Utilities' Electric Operations to provide more reliable service to our customers. The end result will be immediate information displays and reporting that will aid us in a quicker isolation and restoration of power to our customers.

It is recommended that the City of Groton Utilities Commission authorize Management to begin Phase I of the Supervisory Control and Data Acquisition (SCADA) System Upgrade Project and expend funds up to the full amount of Two Hundred Eighty-Four Thousand Dollars and No Cents (\$284,000.00) to be paid from the approved 2000 Electric Bond Fund and furthermore, that the City Council be apprised of this action with the recommendation that it concur.

*2. **GUC-10-07-157:** As reported at the July 28, 2010 Utilities Commission meeting, due to the severe rain event of March 31, 2010 and subsequent flooding, repairs are needed to sections of the spillway and tailrace at 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. Repairs to the upper reaches of the Mill Race, downstream of the Poquonnock Reservoir dam, as well as on the dam wing wall, were completed during the month of August by Groton Utilities' Water Division personnel.

Management solicited bids to repair portions of the lower section of the spillway and tailrace at Poquonnock Dam on Route 1 to provide labor and equipment only. Groton Utilities will purchase the material. Five (5) bids were received and opened on Friday, September 10, 2010 as follows:

| | |
|---|-------------|
| Peter S. Turello, LLC 41 Wallback Street New London, CT 06320 | \$22,800.00 |
| B & J Construction Company, INC 646 South Street New Britain, CT 06051 | \$25,990.00 |
| Tim Bonanno, Construction, LLC 36 Olive Street Waterford, CT 06385 | \$27,070.00 |
| CATCO Construction, LLC 72 Cold Springs Road Bristol, CT 06010 | \$36,000.00 |
| Hubert E. Butler Construction Company 984 Portland-Cobalt Road, Route 66 Portland, CT 06480 | \$43,500.00 |

Based on an evaluation of the bids received, Management recommends awarding the contract to Peter S. Turello, LLC, 41 Wallback Street, New London, Connecticut based on its low lump sum bid of \$22,800.00.

It is recommended that the City of Groton Utilities Commission award the contract to repair portions of the lower section of the spillway and tailrace at Poquonnock Dam on Route 1 to Peter S. Turello, LLC, 41 Wallback Street, New London, Connecticut based on its low lump sum bid of Twenty-Two Thousand, Eight Hundred Dollars and No Cents (\$22,800.00) to be funded through short term internal borrowing pending reimbursement from the Federal Emergency Management Agency (FEMA) and furthermore, that the City Council be apprised of this action with the recommendation that it concur.

*3. **GUC-10-07-158:** As reported at the July 28, 2010 Utilities Commission meeting, 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. Therefore, 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 Rates 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. Copies of the proposed Exit Rates are included in each Commissioner's work binder.

It is recommended that the City of Groton Utilities Commission approve the proposed Exit Rates as presented by management.

*4. **GUC-10-09-159:** At its regular meeting held on January 27, 2010, the Utilities Commission authorized Director of Utilities Yatcko to enter into an agreement with David J. Lee for a six-month period beginning March 1, 2010 in the amount of \$2,308 per week for 26 weeks, for a total amount of \$60,008, to be paid from funds available in the Miscellaneous Cost Center 99, Professional Services – Special, in the approved Fiscal Year 2009-2010 Budget. Per the agreement, after six (6) months the agreement can be negotiated and renewed.

It is recommended that the City of Groton Utilities Commission authorize Director of Utilities Yatcko to renew the agreement with David J. Lee for a six-month period beginning September 1, 2010 in the amount of Two Thousand, Three Hundred and Eight Dollars and No Cents (\$2,308.00) per week for 26 weeks, for a total amount of Sixty Thousand, Eight Dollars and No Cents (\$60,008.00), to be paid from funds available in the Miscellaneous Cost Center 99, Professional Services – Special, in the approved Fiscal Year 2010-2011 Budget.

5. **GUC-10-09-160:** Management is reviewing a lighting energy conservation project at the Water Treatment Plant that will improve the existing fixtures and lighting levels within the facility, while saving an estimated \$17,729 per year in energy. Total cost of the project is \$98,440, less a buy down of 50% from Energy Conservation funds, leaving a remaining cost of \$49,220. This translates into a 2.78 year payback.

- There are 328 lighting fixtures in this project
- This project will save 1,519,628 kWhs over its estimated life of 12 years

Due to a math error in the project financials and because we initially figured less buy down dollars, the project initially showed a 10.86 year payback. For that reason, it was not included as a line item in the approved Fiscal Year 2010 - 2011 budget. Management revisited this project due to the condition of the existing WTP lighting and discovered the math error.

Management is prepared to review this project at the September 22, 2010 Utilities Commission meeting and will seek approval at the October 27, 2010.

6. Water Statistics:

| | <u>Sept. 13, 2010</u> | <u>Aug. 16, 2010</u> | <u>Sept. 14, 2009</u> |
|---|-----------------------|----------------------|-----------------------|
| Water in Usable Storage | 2,164 M.G. | 2,264 M.G. | 2,455 M.G. |
| Daily Average Pumping Rate (Week) | 6.1 M.G. | 7.0 M.G. | 6.01 M.G. |
| Annual Running Average per Day to Date (Year) | 5.7 M.G. | 5.8 M.G. | 5.6 M.G. |

Electric Statistics:

| | <u>August 2010</u> | <u>July 2010</u> | <u>August 2009</u> |
|------------------|--------------------|------------------|--------------------|
| kWhs Purchased | 47,520,828 | 50,279,830 | 48,991,497 |
| System kW Demand | 85,984 | 87,099 | 87,882 |

7. Groton Utilities' Callouts for August accumulated to 38 requests for assistance by our customers. Fourteen (14) of those requests were the result of electric power interruptions. Seven (7) of the interruptions were caused by weather, three (3) by tree contact, one (1) by a balloon, one (1) by animal contact, and two (2) are unknown. Thirteen (13) outages were long term duration, accounting for 284,044 Customer Minutes lost with one (1) outage of momentary proportion. Last year's outages, for comparison purposes, accumulated to 76,265 Customer Minutes or a 3.7 to 1 ratio.

During the month of July, Electric Operations received 62 Call Outs. These Call Outs involved 29 long term and 5 momentary electric power interruptions for Groton Utilities' customers. Customer Minutes measured without power accrued to 376,153 for the month compared to 91,313 minutes for the same month last year, resulting in an over 4 to 1 ratio for comparison purposes. Seventeen (17) outages were caused by storms, four (4) from tree contact, one (1) from a human cutting down a tree, two (2) from animal contact, and nine (9) from overhead facilities failure and one (1) from a underground facilities failure.

8. Energy Assistance Program

Receipt and Allocation of Funds as of August 31, 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 | \$ 597.30 | \$ 137,381.01 |
| Groton Utilities' Matching Funds Paid | \$ 179.78 | \$ 64,943.52 |
| Allocation to Customers | \$ 802.31 | \$ 204,292.39 |
| Balance on Hand | >>> | \$ 32.14 |

Last 12 Months

| | |
|-------------|--------------|
| Donations | \$ 8,646.65 |
| Matching | \$ 4,706.73 |
| Distributed | \$ 14,704.61 |

9. CONN-OSHA Recordable Accidents:

| Division | Month of August | | 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 84.10 percent of total usable storage, with stream flows below normal levels.

Precipitation recorded for the month of August was 2.96 inches, which is 1.19 inches below the seventy-nine year Groton average for August. Total precipitation for the first eight (8) months of 2010 was 38.46 inches, which is 6.98 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 August 2010 is available for Commissioner review.

12. At its regular meeting held on August 2, 2010, the City Council authorized Groton Utilities' Management to sign the migration agreement and issue a purchase order for the purchase of Springbrook Software Version 7 to Springbrook Software, Inc., 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.

13. During the month of August, testing was performed on the Water Treatment Plant filters. Granular Activated Carbon (GAC) caps were tested for absorptive capacity. Three (3) of the seven (7) filters currently in service require maintenance in the form of replacement. Funds for the maintenance and replacement of the filters are included in the approved fiscal year 2010-2011 budget. Management will provide the Commission with a maintenance schedule and estimated costs.

14. There were two (2) water main breaks and one (1) water service leak during the month of August as follows:

- Two (2) 8-inch water main breaks at Groton Long Point right-of-way on August 12, 2010
- 8-inch water main break at Knoxville Court on August 13, 2010
- 1-inch water service leak at 150 Bridge Street on August 31, 2010

In the Ledyard Water System, there was one (1) water main break and no water service leaks during the month of August as follows:

- 2-inch break at 6 Powder Horn Drive on August 31, 2010

15. As part of the Supervisory Control and Data Acquisition (SCADA) System Upgrade Project, Groton Utilities' Electric Operations Project Management personnel are working with Thames Valley Communications, Inc. (TVC) on the fiber optic network. TVC has completed approximately 60% of the pre-work to pull fiber into the substations. Mule tape was pulled into locations, and lashing has been hung. The fiber is expected to be run to the final destinations and terminated in the stations during the month of September.

16. As part of the 13.8 kV Voltage Conversion Project, Groton Utilities' line crews have been working on North Road. During the month of August, two (2) air brake switches were installed, various insulators were replaced, and open wire secondary cables were replaced with triplex cable in preparation of converting the area distribution voltage from 8.32 kV to 13.8 kV. The project is scheduled to continue through the fall. The 13.8 kV Voltage Conversion Project is an approved 2001 Electric Bond Fund project.

17. As part of the 322-Line Upgrade Project, Groton Utilities' Electric Operations personnel, with assistance from Groton Utilities' Water Division personnel, have installed the 35 kV underground manhole. Construction is scheduled to continue during the month of September, with installation of the underground conduits and the 35 kV underground cable.

18. As part of the Connecticut Municipal Electric Energy Cooperative's (CMEEC) 50 in 5 Project, Groton Utilities' Meter Technicians have installed programmed meters for the four (4) generator sets at the Fort Hill Farms site in Norwich. The meters for the City of Groton Water Treatment Plant site are expected to be installed in early September.

19. As part of the Automated Meter Reading (AMR) Smart Grid Project, Groton Utilities' Electric Meter Department personnel continue to install meters in Groton, and Groton Utilities' Electric Division linemen are assisting in Bozrah. An additional 675 Form 2S residential meters will be ordered for Bozrah in September, and 450 Form 2S network meters will be ordered for Groton. Repeaters have been received and are expected to be installed during the month of September to enhance communications in remote locations in Bozrah and Lebanon. Electric Operations personnel continue to reprogram location identification codes to allow separations at the remote network interface (RNI).

20. As part of the Stockhouse Road Substation Upgrade Project, modifications to the concrete containment pad are 80% complete. The containment pad is being built in preparation of the installation of the new 2X transformer. The flooring and walls of the containment pad are complete. Installation of the remaining steel grids is scheduled to be completed during the month of September. The manufacturer of the 2X transformer, Howard Industries, has scheduled delivery of the transformer during the first week of October.

21. As part of Groton Utilities' compliance with the North American Electric Reliability Corporation (NERC), two (2) NERC Compliance Monitoring and Enforcement Program (CMEP) Data and Administration Application (CDAA) Self Certifications are due by September 7, 2010. The Self Certifications were completed and submitted in the month of August. Also during the month of August, a teleconference was held for Connecticut Municipal Electric Energy Cooperative (CMEEC) utility members and Mr. Brian Evans-Mongeon of Utility Services, LLC, regarding the Under Frequency Load Shedding Compliance Program (UFLS).

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

| MEASURE | # Projects | \$ Incentive | Customer Costs | Annual kWh Savings | Annual Cust Savings | Lifetime kWh Savings | Lifetime Cust Savings |
|-----------------------------|-------------------|---------------------|-----------------------|---------------------------|----------------------------|-----------------------------|------------------------------|
| Residential Dwellings Retro | 1,532 | \$775,879 | \$0 | 1,067,075 | \$149,391 | 10,670,750 | \$1,493,905 |
| Appliance Rebates | 226 | \$13,260 | \$144,255 | 82,425 | \$11,540 | 941,290 | \$131,781 |
| 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 | 2 | \$4,150 | \$6,000 | 0 | \$0 | 0 | \$0 |
| Com/Ind Lighting | 6 | \$39,524 | \$123,780 | 264,825 | \$37,076 | 3,953,440 | \$553,482 |
| Other | 4 | \$83,360 | \$166,075 | 23,178 | \$3,245 | 230,000 | \$32,200 |
| Program Totals | 1,776 | \$921,922 | \$537,278 | 1,437,503 | \$201,250 | 15,795,480 | \$2,211,367 |

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. The bill for purchased power for the month of August 2010 as received from CMEEC is in the amount of \$4,329,170.49. 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 August, \$279,484 was collected to help offset generation costs. For the month of August, a surplus of \$97,442 will be added to the PPA Fund. The PPA Fund is now a credit of \$439,085 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 \$134,137 was collected to help offset a deficit of \$197,868. The net deficit of \$63,731 will be charged to the TCA Normalization Fund. The TCA Fund now is a credit of \$278,207 and includes interest income on the Fund.

24. 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

Regarding Report Item No. 19, Commissioner DeMuzzio asked if the AMR project was being reimbursed by CMEEC. Deputy Director Collard replied that CMEEC is billed every month and the process is working well.

Old Business

Report Item No. *1, GUC-10-05-150a: Consideration of and Action to authorize Management to begin Phase I of Groton Utilities' Electric Division's Supervisory Control and Data Acquisition (SCADA) System Upgrade Project and expend funds up to the full amount of Two Hundred Eighty-Four Thousand Dollars and No Cents (\$284,000.00) to be paid from the approved 2000 Electric Bond Fund and furthermore, that the City Council be apprised of this action with the recommendation that it concur

Dunbar-Rose / Rabitaille that the City of Groton Utilities Commission authorize Management to begin Phase I of Groton Utilities' Electric Division's Supervisory Control and Data Acquisition (SCADA) System Upgrade Project and expend funds up to the full amount of Two Hundred Eighty-Four Thousand Dollars and No Cents (\$284,000.00) to be paid from the approved 2000 Electric Bond Fund and furthermore, that the City Council be apprised of this action with the recommendation that it concur.

General Manager Surprenant gave a PowerPoint presentation on the proposed SCADA System Upgrade Project and the benefits to Groton Utilities' customers. Commissioner DeMuzzio asked if any of the work would be done in-house. General Manager Surprenant replied that in-house work would be done and the labor charged to the approved bond fund. The Commission discussed the difference between sole source vendors and preferred vendors. Commissioner DeMuzzio asked if the other CMEEC members had similar SCADA systems. Deputy Director Roche reported that Norwich Public Utilities, the Town of Wallingford, and the Mohegan Sun all currently have the same system and all have used Advanced Control Systems (ACS). Additionally, CMEEC's control room also utilizes ACS software and services.

So voted unanimously.

Report Item No. *2, GUC-10-07-157: Consideration of and Action to award the contract to repair portions of the lower section of the spillway and tailrace at Poquonnock Dam on Route 1 to Peter S. Turello, LLC, 41 Wallback Street, New London, Connecticut based on its low lump sum bid of Twenty-Two Thousand, Eight Hundred Dollars and No Cents (\$22,800.00) to be funded through short term internal borrowing pending reimbursement from the Federal Emergency Management Agency (FEMA) and furthermore, that the City Council be apprised of this action with the recommendation that it concur

Rabitaille / Duarte that the City of Groton Utilities Commission award the contract to repair portions of the lower section of the spillway and tailrace at Poquonnock Dam on Route 1 to Peter S. Turello, LLC, 41 Wallback Street, New London, Connecticut based on its low lump sum bid of Twenty-Two Thousand, Eight Hundred Dollars and No Cents (\$22,800.00) to be funded through short term internal borrowing pending reimbursement from the Federal Emergency Management Agency (FEMA) and furthermore, that the City Council be apprised of this action with the recommendation that it concur. So voted unanimously.

Report Item No. *3, GUC-10-07-158: Consideration of and Action to approve the proposed Exit Rates as presented by Management

Rabitaille / Duarte that the City of Groton Utilities Commission approve the proposed Exit Rates as presented by Management. So voted unanimously.

New Business

Report Item No. *4, GUC-10-09-159: Consideration of and Action to authorize Director of Utilities Yatchko to renew the agreement with David J. Lee for a six-month period beginning September 1, 2010 in the amount of Two Thousand, Three Hundred and Eight Dollars and No Cents (\$2,308.00) per week for 26 weeks, for a total amount of Sixty Thousand Eight Dollars and No Cents (\$60,008.00), to be paid from funds available in the Miscellaneous Cost Center 99, Professional Services – Special, in the approved Fiscal Year 2010-2011 Budget

Dunbar-Rose / Duarte that the City of Groton Utilities Commission authorize Director of Utilities Yatchko to renew the agreement with David J. Lee for a six-month period beginning September 1, 2010 in the amount of Two Thousand, Three Hundred and Eight Dollars and No Cents (\$2,308.00) per week for 26 weeks, for a total amount of Sixty Thousand Eight Dollars and No Cents (\$60,008.00), to be paid from funds available in the Miscellaneous Cost Center 99, Professional Services – Special, in the approved Fiscal Year 2010-2011 Budget. So voted unanimously.

Report Item No. 5, GUC-10-09-160: Management review of Water Treatment Plant Lighting Energy Conservation Project

General Manager Mediavilla gave an overview of the proposed Lighting Energy Conservation Project at the Water Treatment Plant. Energy and Conservation funds will cover 50% of the project with a payback of 2.78 years.

Adjournment

There being no further business, at 11:36 a.m., Dunbar-Rose / Rabitaille that this meeting adjourn. So voted unanimously.

Attest:

David A. Rabitaille
Clerk