

1 DRAFT

2 PUBLIC UTILITIES COMMISSION

3 WALLINGFORD ELECTRIC DIVISION

4 100 JOHN STREET

5 WALLINGFORD, CT

6 TUESDAY, June 5, 2018

7 MINUTES

TOWN OF
WALLINGFORD

JUN 11 2018

DEPARTMENT OF
PUBLIC UTILITIES

8
9 **PRESENT:** Chair Robert Beaumont; Commissioners Patrick Birney & Joel Rinebold; Director
10 Richard Hendershot; Electric Division General Manager Tony Buccheri; Office Manager Tom
11 Sullivan; Water and Sewer Divisions General Manager Neil Amwake; Office Manager William
12 Phelan; Recording Secretary Cynthia Kleist; Walter Szymanski, Energy Efficiency and
13 Conservation Specialist, Wallingford Electric Division.

14 Chair Beaumont called the Meeting to order at 6:30 p.m. and the Pledge of Allegiance was
15 recited.

16 **1. Pledge of Allegiance**

17 **2. CONSENT AGENDA**

- 18 a. Consider and approve Minutes of May 18, 2018
19 b. Consider and approve Minutes of May 24, 2018
20 c. Consider and approve attendance at the 2018 NEPPA conference

21 Mr. Hendershot pointed out that Item #2C of his memo is in error. He noted that he failed to
22 consider the cost of the conference itself which is \$700 each. Mr. Hendershot said the \$1,000
23 estimate for himself, given that he wanted to spend two nights, was closer to \$1,300, and if a
24 Commissioner wanted to go for the entire duration of the conference it would cost
25 approximately \$1,700. The Commission stated they were fine with leaving Item #C on the
26 Consent Agenda.

27 **Mr. Birney made a motion to approve the Consent Agenda taking into consideration**
28 **the comments by Mr. Hendershot regarding Item 2C. Mr. Rinebold seconded the**
29 **motion.**

30 **Vote: 3 ayes.**

- 31 **3. Items Removed from the Consent Agenda – None.**

1 **WATER/SEWER**

2 **4. Discussion and Action: Water Division – Budget Transfer – Maintenance of Meters**

3 Mr. Amwake explained this item involved a request for a budget transfer for approximately
4 \$21,000 to move money from Maintenance of Mains to Maintenance of Meters. In his May
5 25, 2018 memo, Mr. Phelan explained that during the current Fiscal Year, particularly during
6 the winter season, labor efforts attributable to meter maintenance were substantially
7 greater than budget forecasts. He noted in his memo, as a result, an additional
8 appropriation will be required to ensure that funds are available for the remainder of the
9 fiscal year. Funds are available for this transfer due to less than budgeted labor efforts in
10 the following account:

Account #	Account Name	Amount
#43100673	Maintenance of Mains	\$21,000

13 Mr. Amwake noted that regarding the maintenance of meters, there was a cold snap at the
14 end of the calendar year between Christmas and New Year and in the beginning of January,
15 2018 during which time period there was 35 frozen meters and 11 frozen services. He said
16 the regular time and overtime charged to this labor account was greater than what was
17 anticipated based upon the historical average. He said this is why the transfer is being
18 requested.

19 **Mr. Birney made a motion to approve a budget transfer increasing Account**
20 **#43100676, Maintenance of Meters, in the amount of \$21,000 through a**
21 **corresponding decrease to Account #43100673, Maintenance of Mains for**
22 **reasons stated on the record tonight and in Mr. Phelan’s May 25, 2018 memo.**
23 **Mr. Rinebold seconded the motion.**

24 **Vote: 3 ayes**

25 **ELECTRIC**

26 **5. Discussion and Action: Electric Division – Approval of Revision to Policy No. E-2,**
27 **Commercial and Industrial Customer Energy Conservation Incentive Policy.**

28 Mr. Hendershot explained this is updating housekeeping. He noted that Mr. Syzmanski has
29 gone through this document with a fine-tooth comb and has proposed modestly significant
30 enhancements if not improvements. Mr. Syzmanski in his May 25, 2018 memo stated he
31 took the initiative to revise Policy E-2 to incorporate the following clarifications:

- 32 1. Incentives for C&I customer submitted projects will be based on the retail rate under
- 33 which the customer is currently billed.

- 1 2. Any incentive paid will be based on the specific customer account where the project was
2 completed.
- 3 3. The WED does not guarantee the energy, cost savings and/or reduction in monthly
4 demand anticipated in any proposed projects.
- 5 4. The WED is not responsible for oversight and/or monitoring of removed products and/or
6 equipment containing hazardous materials as a result of the implementation of an
7 approved project.
- 8 5. All electrical work must be completed by or performed under the direction of a State of
9 Connecticut licensed E-1 electrician.
- 10 6. Payment of an incentive may be contingent on documentation of responsible recycling
11 fluorescent lamps.
- 12 7. All lighting products must be approved by one or more professional trade or equivalent
13 organizations.

14 Mr. Birney asked why the seven points were proposed, and was there anything left off the
15 table; anything that should have been included and wasn't, because of discussion with the
16 General Manager and Director. Mr. Syzmanski said he didn't leave anything off the table. He
17 said he went through this document because he believed there were points that were not
18 sufficiently defined in the previous edition of the policy and this is why he felt compelled to
19 make these changes and submit them to the PUC.

20 Mr. Rinebold said this was a nice tune up and everything seemed to be reasonable. He noted
21 that in three places, the approval process was set forth. He asked if we wanted to retain some
22 discretion if something out of the ordinary arose. He asked if there should be wording "is
23 approved subject to the review of the Energy Efficiency Specialist for consistency with policy".
24 Mr. Rinebold said discretion that provides certainty for customers is good, but we may find
25 ourselves in a place where we wish we had some discretion. He cited in the policy page 5-6,
26 appendix "A", halfway down. He said the same verbiage is on page 5-7 about four lines from
27 the bottom of the page. Mr. Rinebold said this was repeated again on page 5-8, approximately
28 5 to 6 lines from the bottom.

29 Mr. Hendershot noted this was legacy language and is nothing that Mr. Syzmanski changed. Mr.
30 Hendershot said the language in the document is describing three different types of projects.
31 He said each one of these projects might be handled differently at different times and a full
32 description of each thing is done at that time. Chair Beaumont said flexibility is not necessarily a
33 bad thing. Mr. Hendershot said that historically, this language has not been a problem. Mr.
34 Rinebold said money could be put into a project that could be condemned next week and why
35 are we doing this. Mr. Szymanski gave an example noting that if a customer installs an air
36 compressor and we pay an incentive on the compressor, then the customer decides to leave
37 Wallingford and takes the compressor outside the franchise, where does that leave Wallingford.
38 Mr. Rinebold said this could be a reason. He said this might also be something that doesn't

1 meet the spirit of the criteria of the policy. He said he is trying to provide some discretion for
2 staff.

3 Mr. Birney said he agrees with what Mr. Rinebold is saying, the ability for there to be a check
4 and a balance. Mr. Rinebold suggested that after the word "approved", language be added
5 which states something like "subject to review by the Energy Efficiency and Conservation
6 Specialist". Mr. Buccheri noted that page 5-8; the wording is close to what Mr. Rinebold was
7 referring to. Mr. Buccheri suggested modifying this verbiage to include "by the EECS (Energy
8 and Conservation Specialist)" and have this language on page 5-6. He said this was different
9 than the other two references. Mr. Rinebold said he would open this up and give the WED more
10 discretion by stating "subject to review and determination by the EECS per consistency with
11 WED policy and criteria". Mr. Hendershot noted on page 5-6 and suggested "pending the review
12 and approval" be added. Mr. Birney said the language is already there and noted if one looks at
13 page 5-8, the concept is already there with an additional "and in accordance with the terms and
14 conditions of the policyand with the approval of the EECS".

15 The Commission agreed to table this item so as to work on revisions. Mr. Hendershot pointed
16 out that the first two things described in this document: lighting fixtures and control
17 replacements/retrofits/heating ventilation and air conditioning ("HVAC") installations are very
18 often prescriptive programs and didn't know if they can all be inspected. Mr. Syzmanski said
19 most are inspected. He said he does pre and post inspections on the lighting. He said if
20 someone installs a new compressor, he makes a point of going out and checking.

21 **NO ACTION TAKEN**

22 **PUBLIC QUESTION & ANSWER PERIOD – 6:50 p.m. – NO QUESTIONS. PUBLIC Q&A** 23 **CLOSED AT 6:50 p.m.**

24 **6.** Discussion and Action: Budget Appropriation – Retained Earnings to Distribution
25 Operations – Load Dispatch, Distribution Maintenance – Overhead Lines and
26 Administration and General Employee Pension and Benefits.

27 In his May 30, 2018 memo, Mr. Sullivan explained that this budget appropriation is seeking
28 additional funds for three operating accounts that were impacted by the restoration work done
29 as a result of the storm which occurred on May 15, 2018. Account 561 – Distribution Operations
30 – Load Dispatch – covers the expenses incurred in our System Operations Center and will need
31 an additional \$21,000 to cover costs incurred and estimated for the balance of the fiscal year.
32 Account 593 - Distribution Maintenance – Overhead Lines which includes the costs for the
33 Electric Division's labor directly involved in the restoration, mutual aid crews brought in to assist
34 in the restoration, additional tree-trimming crews, meals, lodging and materials will need an
35 additional \$770,000 to cover costs to date and for the balance of the year. Account 926 –
36 Administrative and General Employee Pension and Benefits which includes the impact of the
37 pension and payroll taxes associated with the additional labor, will need an additional \$15,000

1 to cover expenses through the fiscal year end. These changes total \$806,000 to date and the
2 amendment is requesting that amount be appropriated from Retained Earnings to the above
3 mentioned accounts.

4 Mr. Birney said he applauded the fact the information was obtained so quickly after the storm
5 and questioned if a budget transfer at this time was premature. He wondered if the WED was
6 expecting more costs and will there be another appropriation before the end of the fiscal year.
7 Mr. Hendershot said he didn't believe so and noted this was the only time to do this before the
8 end of the fiscal year. He said he didn't think this would be radically different within the next
9 two weeks. He said it is not unusual to amend the budget post June 30th. Chair Beaumont
10 commended everyone who was involved in this storm restoration effort and noted a
11 phenomenal job was done. Mr. Birney echoed Chair Beaumont's comments.

12 **Mr. Birney made a motion to approve the budget appropriation based on comments**
13 **made on the record at tonight's meeting and Mr. Sullivan's May 30, 2018**
14 **memorandum. Mr. Rinebold seconded the motion**

15 **Vote: 3 ayes**

16 **PUC**

17 **7. Correspondence**

18 Mr. Hendershot shared with the PUC a letter from Mayor William Dickinson regarding the May
19 15, 2018 storm response. The letter reads as follows:

20 "Dear Rick:

21 On behalf of the Town of Wallingford, I would like to thank you and the Electric Division for the
22 outstanding efforts shown during the aftermath of the violent storms of May 15. The
23 Wallingford Electric Division and mutual aid crews worked non-stop after the storm to restore
24 power to the 6,500 customers affected by the storm in both Wallingford and Northford. Your
25 efforts to develop a plan to begin the massive restoration efforts and to then restore the
26 electricity to all customers able to receive power in just 6 ½ days is remarkable. This has been
27 a challenging process and we commend you all for your resolve.

28 Your efforts and commitment to help the citizens of our community are very much appreciated.
29 We are very proud of the Electric Division and thank you all again for a job well done!"

30 Sincerely,

31 William W. Dickinson, Jr.

32 Mayor

1 Mr. Birney said he appreciated seeing this. Mr. Hendershot said this was not a typical disaster.

2 8. Committee Reports

3 Mr. Hendershot told the Commission that at their first meeting in July (July 3) the Power Cost
4 Adjustment (PCA) would be discussed. The Committee said it had no problem with meeting on
5 July 3, the evening before the July 4th holiday. Mr. Beaumont asked Mr. Rinebold and Mr. Birney
6 if they would be interested in attending the NEPPA conference in August. Both Commissioners
7 said they couldn't attend, but were interested in having Chair Beaumont attend. Mr. Rinebold
8 said he looked at the agenda, and said it would be a good conference, being a meeting of utility
9 executives and commissioners to exchange ideas. Mr. Birney said he attended an energy
10 conference in New England two years ago with Mr. Hendershot and Mr. Adair. He said this
11 conference was very informative and asked Chair Beaumont to keep an eye out for another one
12 of these conferences, which he said he would like to attend.

13 **Adjournment**

14 Mr. Birney made a motion to adjourn the Meeting at 7:01 p.m. Mr. Rinebold seconded the
15 motion which passed unanimously.

16

17 Respectfully submitted,

Respectfully submitted,

18

19 Cynthia A. Kleist

Joel Rinebold

20 Recording Secretary

Secretary

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22