

The regular meeting of the Pascoag Utility District Board of Utility Commissioners was held on Monday, October 24, 2005, in the District office, 253 Pascoag Main Street, Pascoag, RI.

Members Present: Albert Palmisciano, Brian Choiniere, William Mageau, Thomas Partridge, Ann Polacek, Adrien Trudeau, Dennis Whitman

Also in Attendance: William Bernstein, Esq., Theodore Garille

1. Pledge of Allegiance

2. Good and Welfare of the District

A. Comparison of RI Water Utilities Rates

Chairman Palmisciano reviewed a list of rates from the water utilities in Rhode Island, noting the comparison was prepared at the request of Commissioner Polacek. Following discussion on the other utilities' rates, it was decided to distribute the comparison as a handout at the annual meeting on December 12, 2005.

B. Review of Proposed Schedule for Annual Meeting – December 12, 2005

Ms. Allaire reviewed the schedule with the Board; there was no discussion.

C. Public Utility Commission Data Request – Docket No. 1725

Mr. Garille reviewed the report summarizing terminations of service for the period ending September 30, 2005. He added that the six-month moratorium begins on November 1 when the rules for service terminations for non-payment become more strict. He noted that the staff continues to work with customers by arranging for payment plans. Mr. Choiniere made a motion to receive and file the report which was seconded by Mr. Whitman. The vote in favor was unanimous.

3. Approval of Minutes

Mr. Choiniere made a motion to approve the minutes of the Regular Meetings held August 22, 2005 and September 26, 2005. The motion was seconded by Mr. Whitman and the vote in favor was unanimous.

4. Unfinished Business

A. Broadband Over Power Line Technology

Chairman Palmisciano reviewed a proposal received from Uptown Services, Inc., to conduct a feasibility study for providing broadband services over existing power lines. There was discussion on the proposed cost of \$45,000 to conduct the study, as well as how the study could be financed. There was additional discussion on the need for an additional cable TV/internet provider and if there would sufficient support to go forward. Mr. Whitman made a motion not to pursue the project at this time. The motion was seconded by Mr. Trudeau. The vote in favor of the motion was unanimous.

B. Gridcom Agreement

Mr. Garille reviewed the proposed agreement which involves installing fiber optic cable, antennas, and hubs on existing electric/telephone poles to provide cell-phone reception. He noted the antennas and hubs would generate income for the Electric Division via attachment fees, adding that there are no costs to the District because all services provided would be reimbursed. Mr. Choiniere made a motion to empower the General Manager to enter into an agreement with Gridcom pending approval from Attorney Bernstein. The motion was seconded by Mr. Partridge. Following discussion, Mr. Choiniere amended his motion, empowering the General Manager to enter into an agreement with Gridcom following Attorney Bernstein's recommendation to sign the contract. Mr. Partridge seconded the amended motion. The vote in favor of the amended motion was unanimous.

5. Committee Comments

A. Finance Subcommittee Review of 2006 Budgets

Chairman Palmisciano reviewed the proposed 2006 Electric and Water Department budgets reviewed by the Finance Subcommittee. He noted that the Electric Department budget is subject to the final contract prices for purchased power adding that negotiations for these contracts have been on-going and are close to completion, but that a 15% increase was included in the budget as an estimate.

6. New Business

A. Resolution 05-005: Vote to approve the 2006 Electric and Water Department Budgets (to be presented at the 2005 Annual Meeting)

Mr. Choiniere made a motion to accept the Finance Subcommittee's recommendation of the 2006 Electric and Water Department Budgets, subject to the review of the purchased power contracts by the Subcommittee. The motion was seconded by Mr. Partridge. The vote in favor was unanimous.

B. Resolution 05-006: Vote to approve the 2006 Annual Meeting Agenda

Mr. Partridge made a motion to approve the 2006 Annual Meeting Agenda, which was seconded by Mr. Mageau. The vote in favor was unanimous.

7. Financial Reports

A. Electric Department – August, 2005

B. Water Department – August, 2005

Ms. Allaire reviewed the financial reports, noting that the electric department reached an all-time high peak usage approaching 12 megawatts in August. In addition, the high demands for power in July and August resulted in high power bills for that period and the rate stabilization fund was used to pay those power bills. Mr. Garille commented that the District is seeing an increase in demand due to new construction and stressing the need to plan for this additional demand in the new power contracts to avoid purchasing power on the spot market. Mr. Mageau made a motion to receive and file the

reports, which was seconded by Mr. Partridge. The vote in favor was unanimous.

8. Public Comment

There was no public comment.

9. Executive Session

Ms. Polacek made a motion to go into executive session for the purpose of discussion or considerations related to matters relating to investment of public funds pursuant to RIGL 42-46-5(a)(5). The motion was seconded by Mr. Partridge. The vote in favor was unanimous. The Board entered into executive session at 7:00 pm.

Mr. Mageau made a motion to return to open session, which was seconded by Mr. Partridge. The vote in favor was unanimous. The Board reconvened in open session at 7:25 pm. There were no votes taken in executive session.

10. Adjournment

Mr. Whitman made a motion to adjourn, which was seconded by Mr. Trudeau. The vote in favor was unanimous. Chairman Palmisciano adjourned the meeting at 7:27 pm.

Sharon McDonald, Recording Secretary

Brian Choiniere, Secretary

Board of Utility Commissioners