

PASCOAG UTILITY DISTRICT - BOARD OF UTILITY COMMISSIONERS

The regular meeting of the Pascoag Utility District Board of Utility Commissioners was held on Monday, January 22, 2007, in the District office, 253 Pascoag Main Street, Pascoag, RI.

Members Present: Chairman Albert Palmisciano, Vice-Chair Ann Polacek, Commissioners Brian Choiniere, William Mageau, Thomas Partridge, Adrien Trudeau, and Dennis Whitman

Also in Attendance: Theodore Garille, General Manager; William Bernstein, General Counsel

Chairman Palmisciano opened the meeting at 6:00 pm.

1. Pledge of Allegiance

Mr. Partridge requested a motion to add an agenda item under Committee Comments to discuss the District's health coverage. Mr. Whitman made a motion adding medical insurance coverage for the district. The motion was seconded by Mr. Mageau. The vote in favor was unanimous.

2. Good and Welfare of the District

A. PUC Data Request – Docket No. 1725

Ms. Allaire reviewed the information, noting no customers had been shut off for the period ending December 31, 2006. Mr. Choiniere made a motion to receive and file the information, which was seconded by Mr. Partridge. The vote in favor was unanimous.

B. Renegotiated Water Tower Lease/Nextel

Mr. Garille reported that with the merger of Sprint and Nextel, a request to negotiate a decrease in rental costs was received. A new lease has been signed for a five year guarantee, rather than the month-to-month agreement which was previously in place. In addition, Mr. Garille reported that another lease renegotiation request has been received as a result of the cellular company mergers.

C. Communications

There were no communications before the Board.

3. Approval of Minutes

- Water Subcommittee – November 27, 2006**
- Regular Meeting – November 27, 2006**
- Annual Meeting – December 11, 2006**
- Reorganization Meeting – December 18, 2006**
- Special Meeting – January 4, 2007**
- Facilities Subcommittee – January 17, 2007**

Chairman Palmisciano noted the Building Subcommittee has been renamed the Facilities Subcommittee. Mr. Trudeau made a motion to approve all minutes as submitted. The motion was seconded by Mr.

Whitman. The vote in favor was unanimous.

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4. Committee Comments

• Facilities Subcommittee

Mr. Whitman, the Facilities Subcommittee Chairman, reviewed the meeting held on January 17th to open bids for the District Perimeter Fence. The bids received were from North Smithfield Fence, \$28,633.50; Wood and Wire, \$32,258.00. Mr. Trudeau made a motion to accept North Smithfield Fence's bid; the motion was seconded by Mr. Mageau, and the vote in favor was unanimous. Mr. Trudeau made a motion to approve the Facilities Subcommittee's recommendation to accept the bid of \$28,633.50 from North Smithfield Fence. The motion was seconded by Mr. Mageau. The vote in favor was unanimous.

• Employee Benefits Subcommittee

Mr. Partridge, the Employee Benefits Subcommittee Chairman, reported that the District has solicited bids from United Healthcare

and Blue Cross. After reviewing the various plans, the Subcommittee recommended using Blue Cross' Healthmate plan, with a deductible of \$250. Mr. Garille noted that these figures may be subject to adjustment following a review of the questionnaire regarding hospitalizations and employee population.

5. Unfinished Business

A. Superior Court Decision

Mr. Bernstein reported that the Judge's decision regarding ExxonMobil's motion to dismiss the District's lawsuit has been decided in the District's favor. He added the discovery phase will continue and the assignment for trial could occur this summer.

6. New Business

A. Affordable Energy Plan

Mr. Garille explained the Plan, which was proposed by the RI Legislature to address the ever-rising number of service disconnections for non-payment. This plan directs that electric and gas companies will formulate a plan to handle the people classified by the State as "very poor". The plan calls for the utility to provide up to a 50% reduction in rate for this classification, as well as up to a 50% debt forgiveness. The legislature has created a fund to pay for this, which is funded by the gross receipts tax; Pascoag does not contribute to this tax. Several questions have been brought to the PUC, however, the plan is due by April.

B. Electric Subcommittee

Chairman Palmisciano reported that the subcommittee would be comprised of Ann Polacek, William Mageau, and Thomas Partridge for the primary purpose of investigating alternative energy sources, renewables, and energy contracts.

7. Financial Reports

• Summary of 2006 Activity

Ms. Allaire reviewed the unaudited numbers for 2006. Mr. Choiniere made a motion to receive and file, which was seconded by Mr. Whitman. The vote in favor was unanimous.

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• Electric Department – November, 2006

Mr. Mageau made a motion to receive and file, which was seconded by Mr. Trudeau. The vote in favor was unanimous.

• Water Department – November, 2006

Mr. Choiniere made a motion to receive and file, which was seconded by Mr. Trudeau. The vote in favor was unanimous.

8. Public Comment

A member of the public wished the Board a Happy New Year.

A question was asked if the water consumption had dropped since the MTBE problem. Mr. Garille responded that although there was an initial drop, the usage has remained constant.

9. Adjournment

Mr. Whitman made a motion to adjourn, which was seconded by Mr. Mageau. The vote in favor was unanimous. Chairman Palmisciano adjourned the meeting at 6:55 pm.

Brian Choiniere, Secretary

Board of Utility Commissioners

Sharon McDonald, Recording Secretary