

## **PASCOAG UTILITY DISTRICT - BOARD OF UTILITY COMMISSIONERS**

**The regular meeting of the Pascoag Utility District Board of Utility Commissioners was held on Monday, February 4, 2008, 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 and Dennis Whitman**

**Members Absent: Commissioner Adrien Trudeau**

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

**Chairman Palmisciano opened the meeting at 6:00 pm.**

**Mr. Palmisciano stated he needed a motion to add an item to committee comments. Item B would be electric sub-committee reports. There would be 2 items under that, one would be for Niagra relicensing and the Dominion contract.**

**A motion was made by Commissioner Partridge, seconded by Commissioner Mageau. The vote in favor was unanimous.**

## **1. Pledge of Allegiance**

## **2. Public Comment**

**None**

## **3. Good and Welfare of the District**

### **A. PUC Data Request- Docket No. 1725**

**Ms. Allaire stated for the period ending November 30, 2007, PUD disconnected 0 residential standard customers and 2 residential protected status customers. The average customer balance for disconnections would need to be \$200 or greater. PUD had no accounts terminated for non-payment in excess of \$1,000 during this period. PUD sent a total of 129 disconnection notices for the period ending November 30, 2007. Pascoag entered into 2 written agreements and 49 verbal agreements with its standard customers. Pascoag currently has 9 written agreements for customers who qualify for financial hardship protection.**

**Commissioner Choiniere made a motion to receive and file the information, which was seconded by Commission Whitman. The vote in favor was unanimous.**

### **B. Correspondence**

**Mr. Garille stated a letter from Burrillville HS had been received for a donation to the BHS Parents Grad Party Committee. We have**

**approved a \$50.00 donation as we have done in the past.**

**Commissioner Choiniere made a motion to receive and file the information, which was seconded by Commission Whitman. The vote in favor was unanimous.**

### **C. Update on 2008 Rates**

**Ms. Allaire stated that in December PUD appeared before the PUC and requested that PUD's rates remain the same for the next 6 months. At the recommendation of Division the commission approved a 2% rate increase. In November and December PUD felt that they would have an over collection of approximately \$140,000 which would go towards funding the purchase power restricted fund account. PUD also received interruptible KWH in the month of November and December from NYPA, which was not expected at all. PUD was able to sell power back into the pool. The over collection went from a projection of \$140,000 to \$268,000. That money will enable PUD to fund the purchase power restricted fund 100% by the end of December. PUD had \$64,000 in the fund. \$235,000 of the 268,000 will go back into the fund and that will put the fund at 100%. PUD will have a carryover of approximately \$33,000 that will flow back to customers when a rate adjustment is done in July.**

**Ms. Allaire reviewed the back up that was attached. Schedule J-1 showed that PUD is about \$185,000 under budget. Schedule J-3 which is the expenditure, PUD is under budget by close to \$500,000.**

**That equates to about 9%.**

**Commissioner Mageau made a motion to receive and file the information, which was seconded by Commission Choiniere. The vote in favor was unanimous.**

#### **D. GNEF Update**

**Mr. Garille updated the Commissioners on the GNEF. Our goal this year is to raise \$600,000 and it is projected that we will be able to help about 3,000 families.**

#### **E. National Grid Transmission Tariff**

**Division had recommended and the PUC approved a rate increase. PUD had been notified by National Grid that transmission costs were going to rise by approx. \$126,000 this year compared to the projected \$96,000. PUD asked that this tariff not become effective until July. Although the request was not granted, the tariff will become effective April 1st, 2008.**

#### **F. Update on NYPA Interruptible Power**

**Ms. Allaire did not recall ever receiving interruptible power this late in the year. She stated that it typically happens in the spring. Ms. Polacek asked when our contract with Dominion expires, Mr. Garille stated in 2010.**

#### **G. 2008 DSM Program**

**Ms. Allaire stated that PUD's DSM program was approved by Division and Commission without a hearing. This past year PUD was able to use up all of its' DSM budget, where in the past there used to be a big carry over. PUD's big project in 2007 was the library and for 2008 PUD will be working on the old library that will be converted into offices. The Burrillville high school gym will also be getting retrofitted lighting. Ms. Allaire commented that the customers were really taking advantage of the DSM program. Well 5 also qualified for a rebate as well.**

**Commissioner Choiniere made a motion to receive and file the information, which was seconded by Commission Partridge and Commissioner Mageau. The vote in favor was unanimous.**

#### **H. New Vehicles**

**Mr. Guertin stated that PUD had received its' new bucket truck. A new**

**pickup truck had also been received for the line crew and both are lettered. The linesmen are still waiting for the radio for the pickup and bucket truck. There was a scrape on the bucket truck's shim but it has been repaired and does not affect the operation. Mr. Lima has ordered his new pick up. The pickup truck was a \$7,000 savings and the bucket truck was a \$50,000 reduction. All three vehicles are being paid for in cash.**

## **H. Thank You**

**PUD had received two thank you notes, one from the Bicentennial Commission and one from the Harrisville Fire Department. Commissioner Mageau made a motion to receive and file the information, which was seconded by Commission Whitman. The vote in favor was unanimous.**

## **J. Newsletter**

**Ms. Allaire stated that the Commissioners are welcome to add any information they may have to the PUD newsletter each month. Commissioner Choiniere made a motion to receive and file the information, which was seconded by Commission Partridge. The vote in favor was unanimous.**

## **4. Approval of Minutes**

### **• Annual Meeting – December 10, 2007**

**Commissioner Partridge made a motion to approve all minutes as submitted. The motion was seconded by Commissioner Mageau. The vote in favor was unanimous.**

### **• Re-Organization Meeting – December 17, 2007**

**Commissioner Partridge made a motion to approve all minutes as submitted. The motion was seconded by Commissioner Choiniere. The vote in favor was unanimous.**

## **5. Committee Comments**

## **A. EE Benefits Sub-Committee (Aflax / Medical Coverage)**

**Mr. Garille stated that the Benefits Subcommittee had met. Mr. Jim Borah**

**Inc. solicited information on our behalf for our medical rates and we projected a 15% increase. Although that was projected, there will be no increase with United Health Care. The committee recommended that we stay with the same plan. It cannot be voted on it as it was not on the agenda. It will be put on the Agenda for the February 25th meeting. Mr. Partridge stated that a representative from AFLAC came in and the general consensus was that we should pole the employees as to whether they would like to participate in this program.. PUD would need at least three employees to participate in order to join. Mr. Garille poled the employees and found there was no interest from the employees to participate in AFLAC.**

## **B. EE Electric Sub-Committee**

**o Dominion Contract – the Board had previously voted to empower the general manager to continue to negotiate and sign a contract for demand. At that time the projected cost was 6.15 per kwm, Mr. Garille negotiated thru ENE with Dominion for 2.4 megawatts of capacity for this district from the year 2010 thru 2015. PUD was able to reduce it from 6.15 to 5.85 per kwm.**

### **o Niagra Relicensing Intervention**

**Mr. Garille stated that we receive preferred power from Niagra. There**

is a group in upstate NY that has now filed an objection with FERC to set aside and void the Niagra contract. If they were to succeed PUD would lose its' Niagra allocation. Mr. Garille had asked Mr. John Coyle, PUD's council in Washington, to file an intervention with FERC on our behalf. If this goes any further, PUD will be present at any hearing that may result from this.

## **6. Unfinished Business**

### **A. Update Well #5**

Mr. Garille stated that Well #5 is on line. Chlorine analyzer and dialer were corrected on Friday and the Well ran all weekend. Well #5 has provided approximately 100,000 gallons per day for the last 4 days. DEM gave PUD a permit to come on line with some conditions that will be cleared up by spring. Mr. Garille would like the water sub-committee to consider a formal ribbon cutting ceremony. The well cost an excess of \$700,000 and we have expended approximately \$51,000 in rate payer's money, far less than PUD was approved to spend.

### **B. Update on STAG Grant**

Ms. Allaire stated we received the additional \$9,700 PUD requested. PUD has paid Dankris everything but retainage at this point, approximately \$8,800. PUD has paid Dankris \$579,851, of that \$340,816 was USDA and \$187,343 was Stag Grant money and \$51,000 was from the restricted fund. The retainage PUD still owes Dankris will be covered by the additional money from the STAG Grant. PUD

still has another \$200,000 left in the STAG grant for another project. The STAG grant must be used in the next four years.

## **7. New Business**

N/A

## **8. Financial Reports**

### **• Water Department –November 2007**

The last quarter that was billed was October 31st. PUD's revenue is slightly

above projection. Operating expenses are at 88% of budget.

### **General**

administrative are at 86% of budget. Net income of \$639,000, we have

over \$528,000 in grant money. As of November 31st the restricted fund

has \$39,000. In December PUD put another \$10,000 in, but some of this

money will be used for the well.

### **• Electric Department – November 2007**

The revenue is at 99%. Our purchased power expense, which is a driving factor behind the electric budget, is at 90%. All of our expenses are under budget. The net adjusted income is \$531,000 with a note that \$235,000 will go into the purchase power restricted fund which will reduce this line item.

**Commissioner Partridge made a motion to receive and file, which was**

**seconded by Commissioner Mageau and Commissioner Whitman. The vote in favor was unanimous.**

**Mr. Garille stated for the next BUC meeting we will need to discuss the 2006A project, United Health Care Vote and the New Web Site.**

## **9. Executive Session**

**Commissioner Partridge made a motion to move to executive session. This was seconded by Commissioner Mageau. 6:50 pm.**

**Commissioner Choiniere made a motion to adjourn and seal the records.**

**This was seconded by Commissioner Mageau and Commissioner Whitman**

**Chairman Palmisciano adjourned the executive session at 7:33 pm.**

## **10. Adjournment**

**Commissioner Choiniere made a motion to adjourn, which was seconded by Commissioner Partridge. The vote in favor was unanimous. Chairman Palmisciano adjourned the meeting at 7:35 pm.**

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**Brian Choiniere, Secretary  
Board of Utility Commissioners**

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**Kris Fanning, Recording Secretary**