

PASCOAG UTILITY DISTRICT - BOARD OF UTILITY COMMISSIONERS

MEETING MINUTES

The regular meeting of the Pascoag Utility District Board of Utility Commissioners will be held on Monday, November 24, 2008 at 6:00 pm in the District office, Pascoag 253 Pascoag Main Street, Pascoag, RI.

Members Present: Chairman Albert Palmisciano, Commissioners William Mageau, Dennis Whitman, and Adrien Trudeau

Members Late: Commissioner Brian Choiniere in at 6:11 pm and Ann Polacek in at 6:06 pm

Members Absent: Commissioner Thomas Partridge

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

Chairman Palmisciano opened the meeting at 6:00 pm.

1. Pledge of Allegiance

2. Public Comment

Bruce Rylah asked what the total cost of the rate increase is to the

District. Mr. Garille told Mr. Bruce Rylah that he could obtain a copy of the rate filing tomorrow morning.

3. Committee Comments

- **Finance Subcommittee**

Mr. Garille spoke about the Gross Receipt Sales Tax issue that the District is currently looking into.

4. Good and Welfare of the District

A. PUC Data Request – Docket No. 1725

Ms. Allaire reviewed the customer shut off information. The average customer balance is around \$170.00. Ms. Allaire stated that 56 residential standard customers were disconnected in the month of October. PUD is beginning to get accounts that are in excess of \$1,000. Pascoag Utility District sent out 1200 disconnection notices. There have been 26 broken agreements for the month of October. Motion to receive and file made by Mr. Whitman, seconded by Mr. Trudeau. The vote in favor was unanimous.

B. Thank You

A thank you note was presented from Ms. Cheri Hall for a donation made by the Pascoag Utility District. Motion to receive and file made by Mr. Whitman, seconded by Mr. Mageau. The vote in favor was unanimous.

C. District Closure on January 2, 2008

Mr. Garille stated that in the past the District has closed when January 2nd lands on a Friday. The employees made a unanimous decision to each take one of their vacation days in order to close the

District office for that day.

D. George Eddy Road

Mr. Garille presented information on the damaged driveway on George Eddy Road. Mr. Garille received an email from Mr. Joseph Garlik, who is the owner of the property that stated that he was returning the check for the damaged driveway because he had paid for the repairs. Motion to receive and file made by Mr. Trudeau, seconded by Mr. Whitman. The vote in favor was unanimous.

E. Christmas Party

The Employee Christmas Party will be held at Bella's on December 6th from 6:00-11:00 pm.

F. New Report by Burrillville EMA

Mr. Garille stated that Pascoag Utility District is working closely with Burrillville EMA to plan for emergencies in the Town of Burrillville. Jason Rhodes has compiled a report on Emergency Management of the Town of Burrillville.

5. Approval of Minutes

- Finance Subcommittee- October 27, 2008**
- Water Subcommittee-October 27, 2008**
- Regular BUC Meeting- October 27, 2008-minutes as corrected**
- Finance Subcommittee-November 17, 2008**
- Special Meeting- November 17, 2008**

Mr. Whitman made a motion to approve the minutes as corrected, seconded by Mr. Choiniere. The vote in favor was unanimous.

6. Unfinished Business

• 08-02 NYPA Transmission Charges

Mr. Garille presented information on the NYPA Transmission Charges. There has been a proposed rate increase. The charges will not go into effect until January 1st. PUD is working with the PUC and sending the data requests they have asked for. PUD is looking at an estimated 8% rate increase. NYPA has raised the rates to Pascoag by 49%. Pascoag has filed an intervention at FERC. This is due to the fact that someone has gamed the system and that drove the rates up. Governor Carcieri was contacted and wrote a letter on our behalf as well as Chairman Elia Germani.

• 08-24 Action Item: Identity Theft Policy

Ms. Allaire stated that PUD has another new requirement. It requires any agency that lends credit, to put into place an identity theft program. Ms. Allaire said that the employees will be trained on this policy. This policy does need to be reviewed and approved by the Board because PUD has a May 1st deadline to comply with. Mr. Choiniere made a motion to approve the Identity Theft Policy, seconded by Mr. Trudeau. The vote in favor was unanimous.

7. New Business

08-27-Write Offs

Ms. Allaire has included in the packet information on the proposed District write offs. The write offs at this point are over \$21,000 for the District. These customers are people who have left the area or were bankruptcies. The District staff will keep trying to collect the past due

amounts. Motion to approve the write offs made by Mr. Choiniere, seconded by Mr. Trudeau. The vote in favor was unanimous.

08-28-NYPA Reserve Margin Gross Up

Mr. Garill presented information on the NYPA Reserve Margin Gross Up. Pascoag Utility District pays NYPA to deliver a contracted amount of power. We do not want to receive a lesser amount than was contracted for and then have to depend on the generators in New England to make up the difference. This is Pascoag's position going forward with NYISO New England. This would amount to an estimated \$10,000 more per month that would be charged to PUD.

08-29-2008 Rate Case and DSM Filing

Ms. Allaire has been contacted by the RIPUC to hold a technical session to review the rate filing on December 2nd. The Pascoag Utility District's hearing date will be December 18th. On the 18th Pascoag Utility District will be having two hearings on their conservation program and then one in the afternoon on their rates. There is no carry over from the DSM program from last year. There will be \$109,000 planned for the DSM budget for next year.

08-30-NPCC Requirement Review

Ms. Allaire stated that the NPCC has reporting requirements that the District must follow each month. The Pascoag Utility District must document the procedures that make them compliant in each area. The NPCC talks a lot about Board participation and Board support. As of right now Pascoag Utility District is in compliance through the end of the year.

08-31-Action Item: Resolution on Contaminate Levels in Pascoag's

Water

Mr. Bernstein presented information on making a resolution on the contaminate levels in Pascoag's water. If and when Pascoag Utility District's wells get recertified, the Board's needs to have a position on what they would determine to be a tolerable contaminate level for the water. Mr. Palmisciano stated that since the District was non-detect before the contamination that it should remain non-detect. Mr. Trudeau said there should be zero tolerance. Mr. Trudeau made a motion that there should be a non-detect level for all contaminants to the water, seconded by Ms. Polacek. The vote in favor was unanimous.

Mr. Choiniere had to step out due to a family emergency.

08-32-New Generating Station Taunton

Mr. Garille presented information on the Taunton Generating Station. The two concerns that the committee decided to explore was whether there was any contamination of the site. The second concern was that membership was originally for 20 years. It has now been changed to 30 years. Taunton also stated that they will be responsible for any contaminant clean up. After 30 years Taunton will offer each utility to stay on for longer if they wish.

Candidacy of Wayne Barber

Mr. Whitman made a motion to add this item to the agenda, seconded by

Mr. Trudeau. The vote in favor was unanimous.

Mr. Barber did file to be a candidate for the Board of Utilities Commissioners. He then called to withdraw his candidacy. After he withdrew, he called back because he had changed his mind and wanted to reinstate his candidacy. Mr. Bernstein stated that because PUD does not have any by-laws in the charter to address this situation, it is up to the Board's to decide how to handle this particular case. Mr. Palmisciano asked if the Board approved this, would it set a precedent. Mr. Bernstein answered that it wouldn't set a precedent and that the By-laws subcommittee would meet after the election to set up a by-law to address this situation in the future. Mr. Whitman stated that he would not have a problem with allowing Mr. Barber to run. Mr. Choiniere stated that he believes since Mr. Barber withdrew he should not be able to run because it now constitutes a new candidate running after the deadline and he should not be able to do so. Mr. Trudeau made a motion to recommend that Mr. Barber be allowed to run, seconded by Mr. Whitman. The vote in favor was as follows: three in favor (Mr. Trudeau, Mr. Whitman and Mr. Mageau, one opposed (Mr. Choiniere), and two abstained from voting (Mr. Palmisciano and Ms. Polacek).

8. Financial Reports

- Electric Department-September 2008**
- Water Department-August 2008**

Ms. Allaire presented information on the Electric and Water Budgets for September 2008.

Motion to approve the Electric Financial Reports as submitted was made by Mr. Choinire, seconded by Mr. Mageau. The vote in favor is

unanimous.

Motion to approve the Water Financial Reports as submitted was made by Mr. Whitman, seconded by Mr Choiniere. The vote in favor was unanimous.

9. Adjournment

Mr. Mageau made a motion to adjourn, which was seconded by Mr. Trudeau. The vote in favor was unanimous. Chairman Palmisciano adjourned the meeting at 7:21 pm.

All meetings of the Pascoag Utility District are subject to the open meetings laws, which include requirements for access by the physically challenged. Anyone wishing to attend these meetings, who may have special needs for access or services such as a sign language interpreter, must contact the District at 568-6222 forty-eight (48) hours prior to the scheduled meeting.

Brian Choiniere, Secretary

Board of Utility Commissioners

Desarae Downs, Recording Secretary