

Electric Utilities Task Group
Monday, August 25, 2014
Town Hall, Old Town Road
12: 30 p.m.

Present: Members: Barbara MacMullan, Everett Shorey, Bill Penn
Also present were Deepwater Liaison, Bryan Wilson, BIPco representatives, Al Casazza and Cliff McGinnes, Renee Meyer from the Block Island Times, First Warden Kim Gaffett and Town Manager Nancy Dodge

Meeting was called to order by Barbara MacMullan at 12:30 p.m.

1. Public Comment – none
2. Approval of minutes, July 28, 2014

Bill Penn moved to approve the minutes of July 28, 2014 seconded by Everett Shorey.
Ayes 3 (Penn, Shorey, MacMullan) Nays 0

3. Review and act on making public the minutes from prior closed sessions
These minutes were not yet available. Town Manager Nancy Dodge will work on this.
A work session will be held when these minutes become available.

4. Deepwater Update
Mr. Wilson reported that they are waiting to hear from BOEM and the Army Corp of Engineers.
Mention was made that the fiber-optic portion of the cable was authorized by the Town Council.

5. Review potential future issues for Town Council consideration related to post cable scenarios.
This item had been forwarded to the Town Council. Ms. Gaffett said they would be on an agenda.

6. Review and act on updated analysis of electricity costs.
This item is attached in draft form. Everett Shorey will do minor revisions suggested by the group.

Mr. Penn moved to approve the Update on Electricity Costs for Block Island Under Various Alternative Supply Scenarios after revisions. This was seconded by Barbara MacMullan.
Ayes 3 (MacMullan, Shorey, Penn) Nays 0

7. Review fixed versus variable costs in BIPco's cost structure.
 - FERC Form 1 costs categories were discussed
 - generator maintenance may change
 - BIPco's cost structure will be fixed at approximately 75%
 - How will rate structure with a fixed cost distribution company work.
 - Conservation – how does this get worked into rate structures
 - policy questions for rate design

This item will be on the next agenda. Mr. Shorey will do research on policy issues to be included in a rate structure change.

8. Review and act on recommendation to Town Council on street light acquisitions.

The attached newspaper article from Chris Warfel was discussed. It was acknowledged that this was a good deal for the mainland because they had the resources to maintain the lights. It was not a good idea for the Town to own the lights because it would cost them more than the current contract of approximately \$13,000 to buy the equipment and hire the personnel to maintain the lights. Everett Shorey will draft a memo to the Town Council for next month's meeting explaining this. Mention was made of the RUS grant that BIPco received to replace the streetlights. Also mentioned was legislation being sponsored to provide funds for distribution upgrade.

Next meeting: September 22, 2014

At 1:35 p.m. Mr. Penn moved to adjourn, seconded by Mr. Shorey and voted unanimously.

Minutes accepted:

Bonny Ryan