

DEC 27 2018

DEPARTMENT OF  
PUBLIC UTILITIES

1 DRAFT

2 PUBLIC UTILITIES COMMISSION

3 WALLINGFORD ELECTRIC DIVISION

4 100 JOHN STREET

5 WALLINGFORD, CT

6 TUESDAY, December 18, 2018

7 6:30 p.m.

8 MINUTES

9  
10 **PRESENT:** Chair Robert Beaumont; Commissioners Patrick Birney and Joel Rinebold; Director  
11 Richard Hendershot; Electric Division General Manager Tony Buccheri; Office Manager Tom  
12 Sullivan; Water and Sewer Divisions General Manager Neil Amwake; Office Manager William  
13 Phelan; Recording Secretary Cynthia Kleist; Public: Steve Gale; Jared Liu; Lauren Takores,  
14 Record-Journal.

15 Chair Beaumont called the Meeting to order at 6:30 p.m. and the Pledge of Allegiance was  
16 recited.

17 **CONSENT AGENDA**

18 Consider and approve Minutes of December 4, 2018.

19 Motion to approve consent items.

20 Made by: Mr. Birney

21 Seconded by: Mr. Rinebold

22 Vote: 3 ayes

23 **4. Discussion and Action: Approval of the Director's Report for the Month of November 2018**

24 **Mr. Birney: Motion to Approve the Director's Report for the Month of November**  
25 **2018.**

26 **Mr. Rinebold: Second**

27 **DIRECTOR'S OFFICE/DEPARTMENT WORK**

1 Mr. Hendershot reported that he attended a bi-annual meeting of the Gateway Community  
2 College Public Utility Management Advisory Board on November 2; on November 5 and  
3 November 28 Mr. Hendershot attended meetings in Mayor William Dickinson's office regarding  
4 the Town's pending FEMA submittal relative to reimbursement of costs associated with the May  
5 15 high wind event;

6 Mr. Hendershot noted on November 14, that he, along with WED General Manager Buccheri  
7 and Assistant Water Supt. Meskill, met with facilities staff of Choate Rosemary Hall to discuss  
8 issues of mutual interest and concern; on November 20, 2018, Mr. Hendershot along with Mr.  
9 Amwake and AECOM Project Lead Dennis Setzko, met with the Town's Environmental Planner  
10 to review certain aspects of the proposed modifications to the Wastewater Treatment Plant.

### 11 **ELECTRIC DIVISION**

12 Office Building, Garage Bays, etc.

13 Mr. Hendershot noted the opening of the two-part bids in response to the WED's solicitation for  
14 a long-term building plan took place November 16, 2018. He said the Division expects to  
15 complete its evaluation of the proposals by December 20, 2018, at which time the price portion  
16 of the bids will be opened by Purchasing. He said references also have to be checked.

17 Wallingford Renewable Energy (WRE) Solar-PV Interconnection

18 Mr. Hendershot said WRE has submitted its payment of the WED's estimated costs to modify  
19 the existing distribution system to accommodate the proposed solar-PV installations. He said  
20 work orders for all overhead work have been written, and pole replacements have begun;  
21 design of the needed new underground facilities is underway, and major pieces of equipment  
22 have been ordered; the Division's Consultant is working on new and/or revised system  
23 protective device settings; the ISO-NE regional system impact study is expected in January,  
24 2019.

25 Broadview URD Replacement

26 Mr. Hendershot said all trenching, conduit installation, and new transformer pad placement,  
27 including work near the riser poles and initial restoration, are essentially complete; cable pulling  
28 will be scheduled at a later date.

29 Electric Operations worked with CDOT and the State Police to accomplish the replacement of  
30 cable spaces and utility poles, and the removal of several danger trees, associated with the  
31 triple-circuit crossing of Route 15 near Exit 64; the Division is now addressing the long-standing  
32 problem of line access near and in back of Kohl's Plaza.

33

1 Service work during October included five new services, 12 service changes, and no retired  
2 services; Street light work included 104 LED street light conversions and eight street light  
3 repairs; To-date, 1,255 LED streetlights have been installed, with 3,380 HPS streetlights  
4 remaining to be repaired.

5 Mr. Birney asked when all of the LED work would be completed. Mr. Hendershot said the HPS's  
6 are holding up longer than expected and noted it took a long time to get all the material  
7 identified, and award the initial bids and order the material. He estimated there is at least three  
8 more years of work left.

#### 9 Personnel

10 Mr. Hendershot reported the new full-time Account Clerk began work on December 3, 2018; he  
11 noted that as of the end of November, the Division was looking to hire one of the other Account  
12 Clerk candidates on a part-time basis; the Personnel Dept. has scheduled the screening exam  
13 for the Distribution Supt. position for Dec. 7, 2018; Mr. Hendershot said there is already a  
14 candidate list and two-thirds of the interviews are completed.

#### 15 Electric System Metrics

16 Mr. Hendershot noted that system input for November 2018 totaled 48,718 MWh, an increase  
17 of 5.3% from November 2017; maximum system demand for November 2018 was 90.1 MW, an  
18 increase of 10.6% from the November 2017 peak; average system availability index for  
19 November was computed at 99.996%.

#### 20 October Wholesale Power Supply

21 Mr. Hendershot noted that in October 2018, 89.4% of the WED's total energy was hedged,  
22 which was slightly below the forecasted hedging level for October of 91.2%; the WED  
23 purchased 4,782 MWh of "short" energy at prices roughly 9% lower than its averaged hedged  
24 price, which lowered the cost of the total volume of energy purchased to 10-cents per MWh less  
25 than the hedged cost. Mr. Rinebold noted that demand appeared to be up for energy and peak  
26 and asked if there was a reason. Mr. Hendershot noted that October 2018 was warmer than  
27 October 2017.

#### 28 **WATER DIVISION**

29 Mr. Hendershot reported that Water Division crews repaired one water main break; there were  
30 no service leaks during November.

#### 31 Water Main Replacements

1 Contract 35: Mr. Hendershot said that during November, the Contractor installed approximately  
2 680 feet of new DIP water main along South Whittlesey Avenue; a total of 2,250 feet of new  
3 pipe has been installed; water main installation work has been suspended until spring.

#### 4 East Center Street/I-91 Water Main Insulation Repairs

5 Mr. Hendershot reported this work began on November 13 (and was completed on December  
6 5); all work was performed at night because of the need to close various lanes in I-91 while the  
7 pipe insulation was repaired or replaced.

#### 8 Design of Water Main Supports, and Insulation Replacement Engineering Project, at Church and 9 Main Street Bridges, over the Quinnipiac River in Yalesville

10 Mr. Hendershot said this project is on an internal hold while W/S engineering and operations  
11 staff determines the best means to move forward.

12 As noted last month, Water Division crews completed the 2018 water main flushing program  
13 during the first week of November; a bid for developing a new, unidirectional flushing plan for  
14 the water distribution system was awarded.

#### 15 Personnel

16 Mr. Hendershot said the Human Resources Dept. has scheduled tests for the Water Treatment  
17 Operator II and Operator 1 applicants on Dec. 12 and 13 respectively; interviews for the  
18 Maintainer I – Distribution Crew were completed in early November; the preferred candidate  
19 will begin work December 27.

#### 20 Water Division Metrics

21 Mr. Hendershot reported that water production for November totaled 94.8 million gallons, a  
22 decrease of 4.5% from November 2017; Water production for the first eleven months of 2018 is  
23 4% below the same period during 2017; Reservoir storage at month's end was at 91.3% of  
24 total effective impoundment, which is well above the historical average for November of 80.4%;  
25 Precipitation for the month totaled 7.6 inches, which is more than twice the historical average  
26 for November; Precipitation to date for the year was just under 55 inches, which is ten inches  
27 above the historic average for the first eleven months of the year.

#### 28 **WASTEWATER DIVISION**

29 Mr. Hendershot reported that Sewer Division staff responded to and resolved a total of six  
30 WWTP alarms and collection system trouble calls during November.

#### 31 WWTP Facility Plan/Phosphorus Treatment Project

1 Mr. Hendershot noted staff will provided a real-time update of the status later on at this  
2 meeting. He said the project received approval from the Inland Wetlands & Watercourses  
3 Commission on December 5 and was presented to the Planning and Zoning Commission on  
4 December 10; A 50% design milestone public workshop is scheduled as part of the January 2,  
5 2019 PUC meeting.

6 During November, the collection system staff televised nearly 800 linear feet of sewer main and  
7 flushed 6,129 feet of sewer.

#### 8 Personnel

9 Mr. Hendershot noted interviews have taken place with the candidates for Laboratory  
10 Technician. At month's end, the Division was close to selecting a preferred candidate;  
11 Interviews of candidates for the vacant Attendant position also took place in early December.

#### 12 Wastewater Division Metrics

13 Mr. Hendershot pointed out that at the Wastewater Treatment Plant, the average daily flow  
14 during November was just under 8 MGD, a 97% increase from November 2017, noting this was  
15 entirely because of high rainfall during the month; nitrogen discharge for the month averaged  
16 816 pounds per day, well above the November 2017 discharge rate of 440 pounds per day, as  
17 well as the permit level of 269 pounds per day; YTD average nitrogen discharge has been 521  
18 pounds per day vs. 415 pounds per day during 2017; Measurement of phosphorus discharge  
19 ended on October 31 and will resume on April 1, 2019. He noted these figures were also  
20 because of the high rainfall and related Inflow and Infiltration (I/I).

21 Mr. Hendershot noted that going forward, the Division will look into purchasing less nitrogen  
22 credits by achieving a greater level of nitrogen treatment. He said this has been looked into  
23 before and it was decided back then that buying the credits was less expensive than the capital  
24 investment to remove the phosphorus. Mr. Rinebold asked if the Division could sell credits if  
25 they were "above and beyond". Mr. Amwake said this was correct.

#### 26 Private Side I/I Mitigation Program

27 Mr. Hendershot noted that during November, Division staff conducted 66 inspections, which  
28 identified six connections; Also, during the month, two issues were corrected; YTD I/I efforts  
29 have resulted in 492 inspections, 47 connections identified and 39 issues corrected; Since  
30 inception, the I/I program has conducted 1,299 inspections, identified 161 connections and  
31 corrected 93.

32 Mr. Birney said he was impressed with the 66 inspections conducted during November. Mr.  
33 Amwake said staff watches when it starts to taper down in a mini-shed and then letters are  
34 sent out to the next mini-shed. He said a decision was made that if there is a property transfer,  
35 or there is a building permit for more than \$25,000, a personalized letter on formal letterhead is

1 signed by himself and Terry Smith, Sewer Division Superintendent, and then transmitted to the  
2 property owner. He said this is an extra effort so as not to make this just a standardized letter.  
3 Chair Beaumont noted the percentage of connections identified, vs. the percentage that have  
4 been completed this year has been far and away the best year. Mr. Amwake said the Division  
5 has focused on where the inspections are done, using statistics as the basis. He said when he  
6 arrived a two and one-half years ago, areas of I/I inspection were selected based on historical  
7 knowledge.

8 **Vote: 3 ayes**

9 **PUBLIC QUESTION & ANSWER PERIOD – 6:50 p.m.**

10 Mr. Gale asked if there would be a Power Cost Adjustment (PCA) coming up. Mr. Hendershot  
11 said the PCA will be discussed at the next PUC meeting in January. He said this PCA will run  
12 from January through June.

13 Mr. Liu noted that Southington is working on a phosphorus treatment plan for approximately  
14 \$34 million. He asked if the Wallingford project was a comparable job and asked why  
15 Wallingford's project was more expensive.

16 Mr. Amwake pointed out Wallingford's waste water treatment plant was constructed between  
17 1987 and 1989, and since that time there has only been one minor improvement at an  
18 approximate cost of \$5 million. He said there have been zero improvements except for a  
19 nitrogen upgrade. Mr. Amwake said he couldn't comment on Southington's project, but noted  
20 that Meriden's phosphorus upgrade is costing approximately \$47 million and believed  
21 Danbury's phosphorus upgrade was in the \$80 million plus range. He noted this was a larger  
22 plant.

23 Mr. Liu noted the WED seems to do a good job projecting out the cost of electricity, purchasing  
24 it so far in advance. He asked if the Division had any sense when they expect to catch up  
25 regarding renewable energy in terms of this being a cost-effective purchase. He said he  
26 understood that oil and gas are cheaper now. Mr. Hendershot said the Division looks at energy  
27 on a monthly and annual basis. He said for a calendar month, because power is purchased all-  
28 night long, he doesn't know when this will happen. Mr. Liu said he may have misunderstood but  
29 though the Division mentioned purchasing power three years in advance. Mr. Hendershot said  
30 what is used now is the forward curve of energy. He said there is real data about 2023 about  
31 what energy is selling for, which he said is based on natural gas fired generation and this is as  
32 much as is known. He said what sets the price is the forward price for gas.

33 Mr. Liu asked about WED getting back into the business of generating electricity, and the  
34 construction timeline of installing solar and wind and how long it would take to come on-line  
35 meaningfully. Mr. Hendershot noted these were two separate questions and pointed out that if  
36 WED got into the generation business, it would not necessarily be solar or wind because of the

1 economics and the value, noting WED is a summer-peaking utility and a wind or solar facility  
2 may not function when it is needed to function. He said when this could be implemented would  
3 depend on specifics, but his guess would be half a decade. Mr. Liu asked how far in advance  
4 the Division would have to plan if it is decided in five years, this would be cost-effective.

5 **END OF PUBLIC QUESTION & ANSWER PERIOD – 7:55 p.m.**

6 **ELECTRIC**

7 **5. Review of Electric Division Disbursements for the Month of November 2018 – DISCUSSION**  
8 **ONLY.**

9 Mr. Birney commented that he wrote a Letter to the Editor regarding Item #5-12, the Virgin  
10 Islands refund. He said the Letter states what a great job was done in terms of the mutual aid  
11 that WED provided and how dependent we are on other's mutual aid and how the Division is  
12 doing the right thing sending back approximately \$110,000.

13 **WATER/SEWER**

14 **6. Review of Water/Sewer Division Disbursements for the Month of November 2018 –**  
15 **DISCUSSION ONLY**

16 There were no questions.

17 **7. Discussion: Update on WWTP Facility Plan/Phosphorus Treatment Program**

18 Mr. Amwake reported that under the Ballasted Flocculation Phosphorus Removal System RFP,  
19 which was discussed last month, at the time, DEEP had not signed off on our award  
20 recommendation. He said since that time, DEEP signed off and the Kruger (Veolia Water  
21 Technologies) Actiflo ballasted flocculation system was the selected vendor and will be  
22 incorporated into the overall phosphorus design project, based on the qualitative evaluation and  
23 the cost analysis.

24 Mr. Rinebold asked if Kruger was the low bid and the highest value. Mr. Amwake said for the  
25 20-year lifecycle analysis, the Kruger Actiflo came in at \$9.63 million and Evoqua came in at  
26 \$10.37 million. Mr. Rinebold asked about the scoring for the predicted performance. Mr.  
27 Amwake said Kruger did receive the lowest bid and the highest value. He noted the technical  
28 score was worth 40% and Kruger was awarded 40.00 and Evoqua was awarded 26.35. He  
29 pointed out Kruger got 40 for the technical and the full 60 for the cost score; Evoqua got 26.35  
30 for the technical and 53.16 for the cost score. Mr. Rinebold said he believed this was successful,  
31 getting the lowest bid and the highest quality.

32 Mr. Amwake noted that last week, there was a five-day 50% value engineering session which  
33 took place December 10-14, 2018. He noted six experts were flown in from throughout the U.S.

1 for the week long value engineering session. Mr. Amwake said there was an initial kick-off  
2 meeting on Monday and AECOM presented their design which took three hours. He said there  
3 was also a tour of the WWTP and on Wednesday, AECOM came in with Sewer Division staff and  
4 looked at what they believe is the best recommendations based upon the value engineering  
5 team. He noted of the 20 selected, nine only really "had legs". He said they went back to the  
6 pool of the 140 other ideas to pick out another 9 or 10. Mr. Amwake pointed out the value  
7 engineering team likes to have 18 to 20 formal recommendations. Mr. Amwake said on Friday,  
8 the value engineering facilitator walked through the 18 or 19 formal suggestions as well as  
9 informal design suggestions with AECOM and Sewer Division staff.

10 Under Local Approvals, Mr. Amwake said a submission was made to the Inland Wetlands and  
11 Watercourses Commission on November 6, 2018; approval was received at the IWWC meeting  
12 on December 5, 2018 with one condition (Environmental Planner to review erosion control  
13 installation prior to active construction on the site); submission was made to the Wallingford  
14 Planning & Zoning Commission on November 9, 2018; Mr. Amwake and Mr. Setzko of AECOM  
15 presented the project at the December 10, 2018 PZC meeting; staff continue to work with Kacie  
16 Hand, Town Planner, to address any questions, clarifications or concerns prior to the January  
17 14, 2018 PZC meeting.

18 **PUC**

19 **CORRESPONDENCE/COMMITTEE REPORTS**

20 Mr. Hendershot spoke about the correspondence regarding a special meeting to entertain a  
21 formal motion, action and decision regarding the Microgen Project. A Special Meeting was  
22 scheduled for Friday, Dec. 21 at 10 a.m. at 100 John Street.

23 Mr. Hendershot also noted an email correspondence was received today (December 18, 2018)  
24 regarding the results of the RGGI (Regional Greenhouse Gas Initiative) auction. He said had the  
25 proceeds flowed to the utilities as they used to, WED's share would have been between  
26 \$50,000 and \$100,000. He said all of these proceeds are now headed to the State's General  
27 Fund which is \$4,988,000 statewide.

28 **ADJOURNMENT**

29 Mr. Birney made a motion to adjourn the Meeting at 7:14 p.m. Mr. Rinebold seconded the  
30 motion which passed unanimously.

31 Respectfully submitted,

Respectfully submitted,

32

33 Cynthia A.Kleist

Joel Rinebold