

1 **DRAFT**

2 PUBLIC UTILITIES COMMISSION
3 WALLINFORD ELECTRIC DIVISION
4 100 JOHN STREET

5 WALLINGFORD, CT

6 Tuesday, May 7, 2019

7 6:30 p.m.

8 **MINUTES**

9
10 **PRESENT:** Chair Robert Beaumont; Commissioners Joel Rinebold & Patrick Birney; Electric
11 Division General Manager Tony Buccheri; Walter Syzmanski, Energy Efficiency and Conservation
12 Specialist, Recording Secretary Cynthia Kleist; **Public:** Steve Gale; Jared Liu.

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

15 **1. Pledge of Allegiance**

16 **2. CONSENT AGENDA**

- 17 a. Consider and approve the Minutes of April 16, 2019

18 **Motion to approve consent items:**

19 **Made by: Mr. Birney**

20 **Seconded by: Mr. Rinebold**

21 **Vote: 3 ayes**

22 **3. Items Removed from Consent Agenda – None**

23 **ELECTRIC**

24 **4. Discussion and Action: Electric Division - Budget Transfer – Account 594 –**
25 **Distribution Maintenance**

26 Mr. Buccheri noted the April 26, 2019 memo from Tom Sullivan, Business Office Manager, which
27 stated the budget transfer seeks an additional \$7,000 in Account 594 Distribution Maintenance
28 – Underground Lines. Mr. Sullivan said in his memo this account includes line department labor,

1 overhead, and supplies utilized in maintenance of underground distribution line. He said in his
2 memo a review of the activity to date along with a projection for the balance of the fiscal year
3 indicates that additional funds will be needed to complete the year.

4 Mr. Sullivan said in the memo that funds are available for this transfer 367 – Distribution Plant –
5 Underground Lines where the line department activity has been less than budgeted due to the
6 shift in their resources to other functions, such as, the maintenance account.

7 **Mr. Birney: Motion to approve the Fiscal 2018-2019 budget transfer for reasons**
8 **stated on the record tonight and in Mr. Sullivan’s April 26, 2019 memo. Mr. Rinebold**
9 **seconded the motion.**

10 **Vote: 3 ayes**

11 5. Discussion and Action: Budget Transfer – Account 583 – Distribution Operation –
12 Overhead Lines

13 In his April 26, 2019 memo, Mr. Sullivan explained this budget transfer seeks an additional
14 \$12,000 in Account 583 – Distribution Operations – Overhead Lines. Mr. Sullivan said in his
15 memo that this account includes line department labor, overhead supplies and tools that are
16 utilized in operations work on the Division’s overhead distribution lines. Mr. Sullivan’s memo
17 goes on to state that a review of the activity to date along with a projection for the balance of
18 the fiscal year indicates that additional funding will be needed to complete the year. Mr. Sullivan
19 stated in his memo that funds are available for this transfer 364 – Distribution Plant - Poles
20 Towers Fixtures – where the line department activity has been less than budgeted due to the
21 shift in their resources to other functions, such as the operations account.

22 **Mr. Birney: Motion to approve the budget transfer for fiscal 2019 – 2019 based on**
23 **Mr. Sullivan’s April 26, 2019 memo and for reasons stated on the record tonight. Mr.**
24 **Rinebold seconded the motion.**

25 **Vote: 3 ayes**

26 6. Discussion and Possible Action: Electric Division – AT&T – Signatory Authorization

27 Mr. Buccheri explained this is the standard Pole Attachment Agreement between Wallingford
28 Electric Division and Teleport Communications America. He explained this Agreement will allow
29 Teleport Communications America to attach their facilities to WED poles within the public Right-
30 Of-Way and is not for small cell installation. He said WED is still working on a small cell
31 installation Agreement with one of the attachers. He noted this is the standard third-party
32 Agreement that WED has in place with other telecommunication providers and this Agreement
33 has been reviewed by both Teleport Communications America’s legal counsel and the Town of
34 Wallingford Law Department.

1 Mr. Buccheri said he went back and forth with Teleport and their attorneys and noted they had
2 some changes they wanted to make to the Agreement, but he told them this was a standard
3 Agreement with everyone else. He said one minor change was made on page 5, paragraph B,
4 fourth line from the bottom, where the word "reasonable" was added to the sentence "all
5 reasonable costs incurred". He said this is seeking signatory agreement for the Director to sign.
6 He noted that the arbitration language was removed.

7 Mr. Rinebold asked what this was for, noting the Agreement looked fine. Mr. Buccheri explained
8 this was for communication cables. Mr. Rinebold asked why this wasn't stated and why was this
9 turned into a guessing game of what they are trying to do with the Town's assets. He said they
10 don't state what they are doing or what it is for in terms of their build-out plans. Mr. Buccheri
11 said he asked and received their build-out plans. He said this is the standard Agreement with
12 the definitions for the equipment that can be installed under the agreement. He said what was
13 done with the small cell Agreement was that all of this language was stripped out and specific
14 definitions of small cell equipment was added. He said this Agreement is entitled "Small Cell
15 Attachment Agreement" which is separate from this Agreement, which is a Legacy Agreement.

16 Mr. Rinebold said he is fine with the language and this is well written, but can't tell from the
17 Contract, who these people are, what they are doing, why they are doing it, what their build-
18 out is. Mr. Buccheri pointed out there is language in the Agreement that if the attachment of
19 their facilities causes us to have to replace a pole prematurely, it is on their cost. Chair
20 Beaumont suggested trying to get more of a description in the cover letter. Mr. Birney said he
21 forgotten that Mr. Rinebold had raised this issue in the past. He said the Town has a full-time
22 legal staff that could easily put in a whereas clause and specifics of the deal. He said this
23 doesn't need to be boilerplate. He said he had no issues having a specific whereas clause or
24 two whereas clauses in this Agreement to identify what is being done. Mr. Birney said he had
25 no issue with having any action on this postponed for a week or two so the whereas clauses
26 could be revised.

27 **THIS ITEM WAS TABLED.**

28 **PUC**

29 7. Correspondence – None

30 8. Committee Reports

31 Mr. Birney reported on the May 6, 2019 Implementation Committee Meeting of the Plan of
32 Conservation and Development and said it was a terrific meeting noting Mr. Liu was in
33 attendance. Mr. Birney said the utilities were the shining star as result of Mr. Syzmanski's
34 annual 2018 conservation report, of which people had a lot of questions and excitement about
35 the work. Mr. Birney spoke about an initiative that Patrick Reynolds from the Board of
36 Education, who is looking to advance to mirror what the Water and Sewer and Electric Divisions
37 did to reduce electric costs. He said the other issued raised involved what Mr. Amwake had

1 mentioned regarding the shift in the Inflow and Infiltration program to the downtown. Mr.
2 Birney said there are two eager members of Wallingford Center, Inc. who are ready to speak
3 with Mr. Amwake regarding the issue of I/I issues downtown. Mr. Birney said he had the good
4 fortune of working on the POCD 16 years ago. He said this time around, the Town Planner and
5 the PZC thought it was a good idea to have a POCD Implementation Committee. He said there
6 is a lot of excitement and real live activity. Chair Beaumont said the I/I issue downtown is
7 significant because there is no place for the water to go. Mr. Rinebold said it is fabulous and
8 very fortuitous that the PUC has a representative on the Implementation Committee and
9 encouraged bringing anything forward that could help us to help them.

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

11 Mr. Gale congratulated the PUC and the WED on prevailing in the arbitration against CMEEC. He
12 noted in March there was 1.7% less energy usage, but a peak of 17% higher and wondered
13 how this happened. Mr. Rinebold this has been a prevailing trend in CT. Mr. Gale asked how the
14 peak can go so high for one month. Chair Beaumont explained March is a transition month, and
15 if it was extremely colder than usual, this would be a reason. He said he would follow up on
16 this.

17 Mr. Gale asked how the peak is determined. Mr. Beaumont said it is an instantaneous draw. Mr.
18 Rinebold said a good example would be summertime peak, noting that many people now have
19 central air conditioning which requires a large demand. He said it may be an efficient system,
20 but when everyone comes home at 5 p.m. and turns everything on, there is a spike, which is
21 the peak. He said averaged out over time, it is less energy. He said peaks are increasing and
22 with some of the conservation and load management work, we are seeing either energy
23 reduced or the rate of increases slowing down, but peaks continue to grow which makes it
24 difficult for resources to keep up. Mr. Rinebold said now the resources providers must have the
25 resources to meet the peak, which otherwise aren't needed for longer periods of time.

26 Mr. Rinebold said there are technologies being brought into consideration, and is a problem
27 system operators are faced with all over the country and the more urbanized it is, the more
28 challenging it is.

29 Mr. Liu asked about the CMEEC arbitration being final. Chair Beaumont said the
30 arbitration award is final, it just needs to be certified by the Court. He said both sides in the
31 settlement agreed that neither of them would contest anything and it would seem to be a
32 matter of formality to have the Court approve this. He said the \$3.67 million has been received
33 by May 6. Mr. Liu asked about the upper limit being sought, noting he saw an article in the
34 paper quoting Mayor Dickinson that the Town was seeking \$18 million. Chair Beaumont said
35 there was a different interpretation and ended up coming down between \$9.5 million and \$11
36 million. Mr. Liu asked if WED had any debts or outstanding amounts owed to CMEEC. Chair
37 Beaumont noted that CMEEC is the agent in CT for the New York Power Authority (NYPA),

1 which is based on the number of residential customers. He said they get a fee for this which he
2 noted "magically" dropped from more than \$5.00 per megawatt per hour to 25 cents per
3 megawatt hour. Chair Beaumont said NYPA was not directly impacted in the arbitration itself.
4 He said the other issue was in regards with the Pierce Plant, which WED can get out of the end
5 of on 12.31.21. He said WED opted to get out of Microgen this past year. Chair Beaumont said
6 CMEEC reduced the costs on Pierce dramatically between 2018 and 2019 to the tune of
7 approximately \$400,000 less. He said if this continues, this will be significant to us with regards
8 to savings. He said both of these issues are on an ongoing basis.

9 Mr. Liu noted the arbitration referred to the "Wallingford CEO" and wanted to know who this
10 would be. Mr. Buccheri said he would get information on this. Mr. Gale noted that Wallingford
11 owns 60% of the poles and AT&T owns the others. Mr. Buccheri stated it was Frontier. Mr. Gale
12 asked why AT&T need an Agreement to attach wires to poles they don't own, or previously
13 owned. Mr. Buccheri said AT&T doesn't own the poles. He said AT&T left the wires and poles
14 business and sold it off to Frontier. He said this Teleport Communications is an affiliate of AT&T
15 and does work all over the country. He said this Agreement is for wires but noted AT& T is
16 getting into 5G and small cell antennas and will be coming to us with this very soon.

17 **Public Q&A closed at 7:02 p.m.**

18 **ADJOURNMENT**

19 Mr. Birney made a motion to adjourn the Meeting at 7:02 p.m. Mr. Rinebold seconded the
20 motion which passed unanimously.

21

22 Respectfully submitted,

Respectfully submitted,

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24 Cynthia A. Kleist

Joel M. Rinebold

25 Recording Secretary

Secretary

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