

Approved 4/20/21

1 **DRAFT**

2 **SPECIAL MEETING**

3 **PUBLIC UTILITIES COMMISSION**

4 **WALLINGFORD TOWN HALL**

5 **ROOM 315**

6 **45 S. MAIN STREET**

7 **WALLINGFORD, CT 06492**

8 **Monday, March 29, 2021**

9 **6:30 P.M.**

10 **MINUTES**

**TOWN OF
WALLINGFORD**

APR 5 2021

**DEPARTMENT OF
PUBLIC UTILITIES**

11 **PRESENT:** Chairman Robert Beaumont; Commissioners Patrick Birney; Director Richard
12 Hendershot; Electric Division General Manager Tony Buccheri; Water and Sewer Divisions
13 General Manager Neil Amwake; Water & Sewer Divisions Business Office Manager Brian
14 Naples; Recording Secretary Bernadette Sorbo and PLM Mayhew Seavey

15 *members of the public – None*

16 Mr. Beaumont called the Meeting to order at 6:30 P.M., and the pledge of Allegiance was
17 recited.

18
19 **1. Pledge of Allegiance**

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23 **2. Open Workshop**

24
25 Mr. Hendershot introduced Mayhew Seavey and stated that Mr. Seavey is a longtime consultant
26 at PLM.

27
28 Mr. Buccheri thanked everyone for attending the Cost of Service Study. Mr. Buccheri also
29 thanked Mr. Seavey and Mr. Naples for all of their hard work to date for preparing the
30 presentation.

31
32 Mr. Seavey presented a PowerPoint for the Cost of Service Study. See attached for a copy of the
33 presentation.

34
35 **Questions and Comments**

36
37 Mr. Birney stated that the rates have not been discussed in five years. Mr. Birney questioned if
38 there is some type of analysis that was provided to the PUC to use a seasonal rate methodology?

39 Mr. Seavey stated that the rationale behind all rate making are that rates reflect cost. If there are
40 major seasonal variations in costs, then it makes sense to have seasonal rates. The power
41 markets in New England for the last decade have had far less seasonal variation in the cost of
42 power to the point where the power companies no longer use seasonal rates.

43

44 Mr. Hendershot stated that in a discussion outside of this workshop the load shape data being
45 used is from Eversource CT. Mr. Hendershot questioned if this was correct?

46

47 Mr. Seavey confirmed that this is correct.

48

49 Mr. Beaumont referenced the taxes on the 2021 budget and questioned why are they \$200,000
50 more on a going forward basis?

51

52 Mr. Seavey stated that he did not recall how the \$350,000 was derived on the taxes.

53

54 Mr. Hendershot stated that he will look into this and get back to the PUC on that matter.

55

56 Mr. Birney questioned why there is no attention in the cash reserves calculations in regards to the
57 impact the PCA may have on the minimum cash reserve requirements?

58

59 Mr. Seavey stated that the PCA is self-funding and self-reconciling. If there are short falls those
60 get recovered when the PCA is adjusted. The PCA does not affect cash balances in the long run.

61

62 Mr. Birney referenced page 42 and questioned how the PCA numbers were calculated for FY
63 2022 to FY 2025?

64

65 Mr. Seavey stated that it is calculated by taking the total purchase power cost and dividing it by
66 the total kWh sales and then subtracting the base power cost that is embedded in the rates (9.939
67 cents). The difference in the PCA is either a charge or a credit.

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69

70 **ADJOURNMENT**

71

72 **Motion to adjourn the Cost of Service Study Workshop**

73 **Made by: Mr. Birney**

74 **Seconded by: Mr. Beaumont**

75 **Votes: 2 ayes**

76

77 The Cost of Service Study Workshop was adjourned at approximately 7:47 p.m.

78

79 Respectfully submitted,

Respectfully submitted,

80

81

82

83 Bernadette Sorbo

Patrick M. Birney

34 Recording Secretary

Vice-Chairman