

APPROVED

7/16/24

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TOWN OF WALLINGFORD  
PUBLIC UTILITIES COMMISSION  
WALLINGFORD ELECTRIC DIVISION  
100 JOHN STREET  
WALLINGFORD, CT 06492

Tuesday, July 2, 2024

6:00 P.M.

MINUTES

**PRESENT:** Chairman Robert Beaumont; Commissioners Dr. Joel Rinebold and Laurence Zabrowski; Director Richard Hendershot; Electric Division General Manager Jake Arborio; Water and Sewer Divisions General Manager Neil Amwake and Acting Recording Secretary Michelle Bracale

*Absent –Electric Division Business Office Manager Marianne Dill, and Water and Sewer Divisions Business Manager Donald Langenauer*

*Members of the Public – None*

Mr. Beaumont called the Meeting to order at 6:00 P.M., and the pledge of Allegiance was recited.

**1. Pledge of Allegiance**

**2. Consent Agenda**

- a. Consider and Approve Meeting Minutes of June 18, 2024
- b. Consider and Approve Budget Amendment – Water and Sewer Divisions – FY 2024/2025 – Office Furniture and Equipment – Engineering Server

**Motion to Approve Item 2a of the Consent Agenda**

**Made by: Dr. Rinebold**  
**Seconded by: Mr. Zabrowski**  
**Votes: 3 ayes**

RECEIVED FOR RECORD 7/17/24  
AT 3:40 PM AND RECEIVED BY  
Kristen Pango (LS) TOWN CLERK

42 **3. Items Removed from Consent Agenda – 2b.**

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44 2b. Consider and Approve Budget Amendment – Water and Sewer Divisions – FY  
45 2024/2025 – Office Furniture and Equipment – Engineering Server

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47 Mr. Hendershot stated that the new server was received in January 2024 and has not yet been  
48 installed.

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50 Mr. Amwake stated the specifications for the new server were provided to the Engineering  
51 Section by the former Network Administrator in the Fall of 2023. Approximately six weeks  
52 later, the new server was received and was placed on the floor in the server room awaiting  
53 installation by the Data Processing Team. In those six weeks, the former Network Administrator  
54 abruptly retired on January 5, 2024. The Water and Sewer Divisions was waiting on the new  
55 Network Administrator to be hired for the installation of the new Engineering Section server.  
56 The recruitment process was started and the new Network Administrator began work on April  
57 26, 2024. Once settled in, the new Network Administrator was able to look at the new  
58 Engineering Section server that was specified by the previous Network Administrator. The  
59 Water and Sewer Divisions was then advised that the server needed twice as much hard drive  
60 storage, and as much memory that can physically be put into the server itself. With those  
61 directions, the Water and Sewer Divisions had to write a mini specification, post these  
62 specifications on the Bureau of Purchases Purchasing Portal and receive bids. The bids were  
63 received on June 20, 2024 and six days later the Water and Sewer Divisions were requesting for  
64 PUC approval a FY 2024-25 budget amendment. Mr. Amwake pointed out that regardless of  
65 this request, the Water and Sewer Divisions' had no additional money remaining in FY 2023-24  
66 to support the additional hard drive and memory request because when this was budgeted in  
67 January 2023, it was budgeted per the specifications provided by the former Network  
68 Administration with no additional contingency funding. The Water and Sewer Divisions will not  
69 see these parts until mid/late-August with the server to be installed until mid-September. This is  
70 a factor of staffing and procurement in the municipal sector.

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72 Dr. Rinebold confirmed that this has been delayed six months due to personnel.

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74 **Motion to Approve the Budget Amendment – Water and Sewer Divisions – FY 2024/2025 –**  
75 **Office Furniture and Equipment – Engineering Server**

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77 **Made by: Mr. Zabrowski**

78 **Seconded by: Dr. Rinebold**

79 **Votes: 3 ayes**

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83 **Public Question and Answer Period**

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85 None - No Members Present

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87 **Public Question and Answer Period Closed**

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#### **4. Discussion and Possible Action: Energy Risk Management Policy Revision**

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#### **5. Discussion and Possible Action: WED Power Cost Adjustment (PCA) for July 1, 2024 through December 31, 2024**

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Mr. Hendershot stated that the Energy Risk Management Policy presently calls for the Energy Risk Management Oversight Committee (“ERMOC”) to meet four times a year on a quarterly basis. Mr. Hendershot stated that Item No. 4-7 illustrates the change that the ERMOC be required to meet only three times per year, roughly once every four months for a variety of logistical reasons (burden to bring people in).

Dr. Rinebold noted that Item No. 4-7 of the policy also reads and at such other times as called for by the Chairman and questioned if sometimes can there be more than three meetings if needed.

Mr. Hendershot stated that the Committee is not bound to only three meetings. There will be at least three meetings and more meetings can be added if needed.

**Motion to Approve the Energy Risk Management Policy Revision to require the Energy Risk Management Oversight Committee (“the ERMOC”) to meet at least tri-annually (three times per year) and at such other times as called for by the Chairman**

**Made by: Dr. Rinebold**

**Seconded by: Mr. Zabrowski**

**Votes: 3 ayes**

Mr. Hendershot referenced the memorandum dated June 27, 2024 and Ms. Dill’s memorandum dated June 25, 2024 and stated that the current PCA was previously reduced and set to \$0.00 for the period of January through June, 2024 by the Public Utilities Commission on January 2, 2024. As summarized by Ms. Dill’s memo, the calculated PCA for July through December 2024 is \$0.013551 per kWh for Wallingford customers. The PCA is slightly higher for the WED’s North Branford customers to reflect the property taxes the WED pays in that jurisdiction.

Mr. Hendershot stated that Ms. Dill’s memorandum shows the impact of the calculated PCA on a typical WED residential customer and shows the impact of a reduced PCA at only 50% of the calculated value. Mr. Hendershot noted the impact of the full calculated PCA on a typical WED residential customer is an increase of \$10.16 per month. When combined with the previous PUC approved increase to Residential Energy Rates of 4.87% (\$4.50 per month for 750 kWh), the total month-to-month change in residential electric bills will be \$14.66 or 12.92%. If the PCA is adjusted by the PUC to 50% of its calculated value this change is reduced to \$9.58 or 8.44%.

Mr. Hendershot and WED staff can see the merits of either action (passing on the full PCA or electing to modify the PCA to 50% of the calculated value). Ms. Dill and Mr. Arborio were in

134 agreement to apply the full PCA. WED staff estimates that the Division's cash above minimum  
135 position is \$14.1 million. Of this approximately \$5 million is "spoken for" via recently approved  
136 labor contracts, encumbered capital purchases and anticipated additional capital expenditures not  
137 included in the FY 2024-25 budget. Acknowledging these obligations results in "real" cash  
138 above minimum of approximately \$9 million. There is concern that with the upcoming storm  
139 season and other as yet unknown system impacts due to anticipated load growth, the WED's cash  
140 above minimum should not be used to reduce the calculated PCA at this time.

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142 Dr. Rinebold questioned why was 50% selected?

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144 Mr. Hendershot stated that it felt reasonable.

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146 Dr. Rinebold questioned when is the next time we can reconsider a new PCA?

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148 Mr. Beaumont stated six months from now for the period January – June 2025.

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150 Mr. Hendershot stated that every six months the PCA is recalculated from scratch based on how  
151 it has gone and what it looks like going forward. ENE provides a monthly forecast of power  
152 supply costs to WED. In late December 2024 or early January 2025 WED will address the next  
153 PCA with the Public Utilities Commission.

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155 Dr. Rinebold stated that he likes the 50% and being able to move into the PCA slowly but noted  
156 there might be unanticipated expenses.

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158 Mr. Zabrowski stated that the WED made too much money last year on the ROI.

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160 Mr. Arborio stated that the next ROI is predicted to be 2.4%.

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162 There was further discussion on the process of the PCA and assessment of the PCA.

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164 **Motion to Modify the WED Power Cost Adjustment (PCA) to 50% of the Rate 12**  
165 **calculated value (specifically \$0.006776 per kWh) for the period of July 1, 2024 to**  
166 **December 31, 2024**

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168 **Made by: Dr. Rinebold**  
169 **Seconded by: Mr. Zabrowski**  
170 **Votes: 3 ayes**

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174 **6. Executive Session pursuant to Connecticut General Statutes §1-200(6)(A), §1-**  
175 **210(b)(2) and §1-225(f) to discuss the evaluation and performance of the**  
176 **Director of Public Utilities**

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178 **Motion was made to move into Executive Session at 6:58 p.m. pursuant to Connecticut**  
179 **General Statutes §1-200(6)(A), §1-210(b)(2) and §1-225(f) to discuss the evaluation and**  
180 **performance of the Director of Public Utilities**

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182 **Made by: Mr. Zabrowski**  
183 **Seconded by: Dr. Rinebold**  
184 **Votes: 3 ayes**

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186 **Attendance at Executive Session: Chairman Robert Beaumont, Commissioners Joel**  
187 **Rinebold and Laurence Zabrowski and Director Richard Hendershot**

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189 **Time of Executive Session: 6:58 p.m. to 7:54 p.m.**

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193 **7. Discussion and Possible Action: Evaluation and Performance of the Director of**  
194 **Public Utilities as discussed in Executive Session**

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196 **Motion to adjust the salary for the Director of Public Utilities effective January 1, 2024 per**  
197 **the terms of the recently ratified Manager's Union Collective Bargaining Agreement,**  
198 **specifically a one-time salary adjustment of \$3,000.00, plus a general wage increase of 2%,**  
199 **both for calendar year 2024.**

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201 **Made by: Dr. Rinebold**  
202 **Seconded by: Mr. Zabrowski**  
203 **Votes: 3 ayes**

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207 **ADJOURNMENT**

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209 **Motion to Adjourn**

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211 **Made by: Mr. Zabrowski**  
212 **Seconded by: Dr. Rinebold**  
213 **Votes: 3 ayes**

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215 **The meeting was adjourned at approximately 7:59 p.m.**

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217 **Respectfully submitted,**

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219 *Michelle Bracale*

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221 **Michelle Bracale**  
222 **Acting Recording Secretary**

**Respectfully submitted,**

*Laurence Zabrowski /mb*

**Laurence J. Zabrowski**  
**Secretary**