

1 **APPROVED OCTOBER 19, 2021**

2 PUBLIC UTILITIES COMMISSION
3 WALLINGFORD ELECTRIC DIVISION

4 100 JOHN STREET

5 WALLINGFORD, CT

6 Tuesday, September 21, 2021

7 6:30 P.M.

8 **MINUTES**
9

10 **PRESENT:** Chairman Robert Beaumont; Commissioner Joel Rinebold; Director Richard
11 Hendershot; Electric Division General Manager Tony Buccheri; Electric Division Office
12 Manager Marianne Dill; Water & Sewer Divisions General Manager Neil Amwake, Water &
13 Sewer Divisions Business Manager Brian Naples, Mayor William W. Dickinson; Energy
14 Efficiency Conservation Specialist Donald Mauritz; Town Attorney Gerald E. Farrell, Sr.;
15 Recording Secretary Bernadette Sorbo

16 *Members of the public – Lauren Takores (Record Journal)*

17 *Absent – Commissioner Patrick Birney*

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

20 **1. Pledge of Allegiance**

21
22 **2. Consent Agenda**

- 23
24 a. Consider and approve the minutes of September 7, 2021
25

26 **Motion to approve the Consent Agenda**

27
28 **Made by: Mr. Rinebold**

29 **Seconded by: Mr. Beaumont**

30 **Votes: 2 ayes**
31

32 **Items Removed from Consent Agenda**

- 33
34 b. Consider and approve Budget Amendment – Sewer – Transportation Equipment
35

36 **Motion to move the Public Hearing from Item No. 7 to Item No. 3 on the agenda**
37

38 **Made by: Mr. Rinebold**
39 **Seconded by: Mr. Beaumont**
40 **Votes: 2 ayes**
41

42 **3. PUBLIC HEARING – Revised Electric Rate 13 – Miscellaneous Charges & Fees**

43

44 Mr. Buccheri stated that this public hearing is to add the primary cable riser installation
45 assistance fee to Rate 13 Miscellaneous Charges and Fees. Mr. Buccheri referenced the
46 memorandum dated September 1, 2021 and he briefly outlined the reason for the addition of the
47 fee to Rate 13. Currently when a new customer is to be served via a primary riser it is the
48 customer's responsibility to install the conduit from the pad-mounted transformer to the riser
49 pole including terminating the cable at the transformer and on the pole side. In order to complete
50 this work, the customer must hire a qualified high voltage contractor. Going forward WED will
51 change the process regarding customers to be served via a 3-phase cable or 1-phase underground
52 15 kV class cable to a pad-mounted transformer. If the riser pole for the pad-mounted
53 transformer is built under energized 13.8 kV distribution lines, the following will now occur:

- 54 • WED will assist the customer's electrical contractor with the attachment of the
55 riser conduit to the pole and with pulling either the 3-phase or 1-phase
56 underground cable up the riser pole.
 - 57 • The customer's electrical contractor will make up the cable terminations at the
58 pad-mounted transformer.
 - 59 • The contractor will provide the cable terminators for WED to install at the riser
60 pole.
- 61

62 Mr. Buccheri advised that this is a safety item. WED currently assists contractors in doing this
63 work but this change will confirm that it is WED's responsibility to do this work and that WED
64 will be paid to do this work.

65 **Motion to end Public Hearing**

66

67 **Made by: Mr. Rinebold**
68 **Seconded by: Mr. Beaumont**
69 **Votes: 2 ayes**
70

71 **4. Discussion and Possible Action: Approval of Director's Report for the Month of** 72 **August 2021**

73

74 Mr. Beaumont questioned did the reservoir storage of 92.0% at month's end change?
75

76 Mr. Amwake stated that effective impoundment has been between 92.0% and 95.0% this
77 summer.
78

79 **Motion to approve the Director's Report for the month of August 2021**

80

81 **Made by: Mr. Rinebold**
82 **Seconded by: Mr. Beaumont**
83

84 **Votes: 2 ayes**

85

86

87 **5. Discussion and Action: Sewer Division – Budget Amendment – Structures and**
88 **Improvements**

89

90 Mr. Amwake stated that the Sewer Division’s adopted FY 2021-2022 budget included funding of
91 \$50,000.00 to purchase and install an oil-water separator (OWS) at the WPCF Garage. The
92 OWS is required per State of Connecticut Department of Energy and Environmental Protection
93 (DEEP) regulations. DEEP has indicated to the Sewer Division that the OWS should be installed
94 and operational by the conclusion of the WPCF Upgrades Project (Spring 2022). Bids for the
95 project were opened on September 9, 2021. The five bids ranged from \$67,500.00 to
96 \$226,400.00, more than the budgeted amount. As the design was refined the burial depth of the
97 oil-water separator increased necessitating greater excavation and shoring expenses, and the
98 removal and replacement of an existing slab adjacent to the existing pipe gallery, plus additional
99 piping inside the existing pipe gallery. Since there was only \$50,000.00 approved in the budget
100 the Sewer Division is requesting the PUC’s approval of a budget amendment of \$24,250.00,
101 which includes a 10% contingency on the low bid.

102

103 **Motion to approve the Budget Amendment to move \$24,250.00 from Cash to Structures**
104 **and Improvements as specified in the materials**

105

106 **Made by: Mr. Rinebold**

107 **Seconded by: Mr. Beaumont**

108 **Votes: 2 ayes**

109

110 **6. Discussion and Action: Sewer Division – Resolution – John Chamberlain**

111

112 Mr. Amwake stated that Mr. Chamberlain was with Town of Wallingford Sewer Division for 30
113 years as a Sewer Collections Maintainer II. Mr. Chamberlain was a hard worker who took the
114 lead with the CCTV truck and helped with the inflow and infiltration inspection program. Mr.
115 Amwake wished Mr. Chamberlain the best

116

117 **Motion to approve the resolution for John Chamberlain**

118

119 **Made by: Mr. Rinebold**

120 **Seconded by: Mr. Beaumont**

121 **Votes: 2 ayes**

122

123 **Motion to modify the agenda pursuant to Article I Section I to add WPCF Upgrades**
124 **Project Update into the agenda as Item 6(b)**

125

126 **Made by: Mr. Rinebold**

127 **Seconded by: Mr. Beaumont**

128 **Votes: 2 ayes**

129

130 **6(b). WPCF Upgrades Project Update**

131
132 Mr. Amwake updated the Commission on the construction of the WPCF Project.

133
134 At the Secondary Settling Tanks (SST), the formwork and reinforcing steel for the wall sections
135 is complete. All (10 of 10) of the SST wall sections have been poured. Last month only 7 of the
136 10 wall sections were poured. The concrete for the influent trough has been placed. The
137 Contractor is currently installing the formwork for the effluent trough, with the reinforcing steel
138 having already been placed. Removal of the concrete knockout at the west end of the existing
139 influent pipe gallery for extension of the SST influent pipe gallery to serve SST5&6 is complete.
140 Construction of the gallery extension walls is complete, with formwork for the gallery roof
141 currently being constructed.

142
143 At the Secondary Pump Station, installation of the electrical system for the building continues.
144 Installation of the interior natural gas piping is complete.

145
146 At the Tertiary Phosphorous Building, the installation of process piping in the lower level
147 continues. Installation of the lamella plates in both settling tanks (trains) is complete. Electrical
148 work in the lower level of the TPB is ongoing, along with HVAC on both the upper and lower
149 levels. Installation of the interior natural gas piping is complete.

150
151 At the UV Disinfection/Post Aeration Building, the electrical work for the UV system continues.

152
153 At the existing Personnel Electrical Building, the electrical work is ongoing. Masonry work, both
154 CMU and brickwork, for the new people doors on the north and east sides of the PEB is
155 complete. It is noted that installation of the doors is outstanding at this time.

156
157 For the site work, the excavation of the electrical duct banks near the fuel island is complete.
158 Installation of the electrical duct banks west of the SPS is ongoing. Installation of the plant drain
159 system piping northwest of the SPS is in process.

160
161 Construction Contract Payment Applications – C. H. Nickerson

162	Original Contract Sum	\$45,507,000.00	
163	Net Change by Change Orders	<u>\$160,715.49</u>	<i>(No Change this Month)</i>
164	Contract Sum to Date	\$45,667,715.49	As of August 15, 2021

165
166 Construction Contract Schedule

167	Original Completion Date	February 10, 2022	
168	Net Change Schedule Days	<u>7</u>	<i>(No Change this Month)</i>
169	Contract Completion Date	February 17, 2022	As of August 15, 2021

170
171
172 **8. Discussion and Action: Adoption of Revised Electric Rate 13 – Miscellaneous**
173 **Charges & Fees**

174
175 **Motion to make provisions to Rate 13 as specified**

176 **Made by: Mr. Rinebold**
177 **Seconded by: Mr. Beaumont**
178 **Votes: 2 ayes**
179

180 **9. Discussion: Update on WED Customer Refunds of CMEEC Arbitration Award**
181

182 Mr. Buccheri referenced the memorandum dated September 16, 2021 and stated that the CMEEC
183 Refund Settlement has resulted in a credit of \$3,157,571 YTD through August of 2021. The
184 refund credit began in October of 2020 with a budgeted refund settlement amount of \$3,670,000
185 and on average has provided WED customers with a \$287,000 per month credit. The monthly
186 amounts shown in the memo vary. The projected amount credited after the September forecast
187 would be between 93%-95% of the total credit amount. The remaining amount of the refund
188 settlement credit will not be enough to cover the entire month of October to WED customers, as
189 October 2020 and November 2020 were \$272,757 and \$252, 901 in credit respectively. The
190 WED is monitoring this and will not provide a credit in October.
191

192 **10. Discussion: Data Center Project Administrative Fee**
193

194 Mr. Hendershot summarized Mr. Seavey's memorandum. Mr. Seavey stated that the proposed
195 \$5.00/MWh fee is significantly more than adequate to cover all the expenses that are not
196 explicatively covered by the agreement. Mr. Seavey pointed out the likely scenario that the
197 \$5.00/MWh fee will cause the Division to earn a rate of return greater than 8% in the years after
198 purchase and sales to GotSpace of market price power. Should this contingency happen it would
199 be a policy decision for the PUC to address at that time.
200

201 Mr. Beaumont stated that necessary adjustments can be made in the future if needed.
202
203

204 **11. Discussion and Possible Action: Approval of Proposed Market-Priced Power**
205 **Supply Agreement Between the Town/WED and GotSpace Data Partners, LLC**
206

207 Mr. Beaumont referenced Mr. Birney's memorandum and read the memorandum to the PUC on
208 behalf of Mr. Birney's absence from the meeting.
209

210 **BEGINNING OF MEMORANDUM**
211

212 As I have previously noted, I am unable to attend the Public Utilities Commission's ("PUC")
213 September 21, 2021 regularly scheduled meeting due to of out of town, work-related travel.
214

215 On Tuesday, September 14, 2021, I reviewed and provided written comments and questions
216 related to the initial draft of the Proposed Market-Priced Power Supply Agreement Between the
217 Town of Wallingford/Wallingford Electric Division and GotSpace Data Partners, LLC (the
218 "Proposed PSA").
219

220 The Public Utilities Commission held a special, duly noticed hearing related to the Proposed
221 PSA on September 14, 2021. During that initial meeting, WED Staff, the Town Attorney and

222 Attorney Robert O'Neill, WED's outside attorney, discussed at length the comments and
223 questions that I raised related to the Proposed PSA. Additional questions and comments that
224 were raised during the September 14, 2021 hearing, by other PUC Commissioners and me, were
225 also addressed, either at the hearing or through the second iteration of the Proposed PSA, which I
226 received on September 20, 2021.

227
228 On September 21, 2021, I provided additional, non-substantive comments and suggested
229 revisions to the Proposed PSA. It is my understanding based upon non-privileged
230 communications with the Town Attorney that these additional, non-substantive changes will
231 likely be incorporated into the final draft Proposed PSA.

232
233 Additionally, I have reviewed the Assessment of Rate Impact of Providing Service to GotSpace
234 Memorandum (the "Memorandum") prepared by Electric Power Engineering ("EPE"), dated
235 September 20, 2021, and have had discussions with WED Staff related to the EPE's analysis and
236 the conclusions reached in the Memorandum.

237
238 Based on my review of the current Proposed PSA, the Memorandum, the discussions and
239 discourse that occurred during the September 14, 2021 PUC meeting, and subsequent
240 communications with WED Staff and the Town Attorney, I would be prepared to vote in favor of
241 approving the Proposed PSA if I attended the September 21, 2021 regular PUC meeting.

242
243 **END OF MEMORANDUM**

244
245 Attorney Farrell noted that with all of the requested revisions to the agreement, the agreement
246 resulted in a very comprehensive agreement that is beneficial to the Town and Attorney Farrell
247 stated that he believes this agreement protects the Town from unforeseen circumstances if they
248 arise. This is a good agreement for the Town. Attorney Farrell was able to speak with Attorney
249 Fasano in regards to the agreement. Attorney Fasano had not heard back from his expert but was
250 advised from Attorney Farrell that this agreement was going to be voted on at the meeting.
251 Attorney Fasano did not object to this and requested that the PUC vote yes.

252
253 Attorney Farrell advised that the only revision that Attorney Fasano may not have seen is the one
254 if ISO NE has a certain circumstance as to what happened in Texas. If prices went out of sight
255 and suddenly it became apparent that WED's security with GotSpace and/or its assignee's have
256 certain remedies that would protect the Town from catastrophic losses. Our job as Town
257 Attorney's and Outside Attorney's is to make a deal that is beneficial to the Town but also to
258 protect it from losses. Attorney Farrell advised that he believes these safeguards are in the
259 agreement.

260
261 Mr. Beaumont thanked Attorney Farrell and staff for all of the work that was put into this
262 agreement.

263
264 **Motion to approve the Proposed Market-Priced Power Supply Agreement Between the**
265 **Town/WED and GotSpace Data Partners, LLC, subject to non-substantive changes by the**
266 **Department of Law and the Town Council.**

267

268 **Made by: Mr. Rinebold**
269 **Seconded by: Mr. Beaumont**
270 **Votes: 2 ayes**

271
272 **Public Question and Answer Period**

273
274 No members of the public present

275
276 **Public Question and Answer Period Closed**

277
278 **ADJOURNMENT**

279 **Motion to adjourn**

280
281 **Made by: Mr. Rinebold**
282 **Seconded by: Mr. Beaumont**
283 **Votes: 2 ayes**

284
285 The meeting was adjourned at approximately 7:04 p.m.

286
287 Respectfully submitted, Respectfully submitted,

288
289 *Mary Lombardo*
290 *for*
291 Bernadette Sorbo
292 Recording Secretary

293
294
Joel Rinebold
Secretary