



DRAFT

N O R W I C H
BOARD OF PUBLIC UTILITIES' COMMISSIONERS
REGULAR MEETING

April 27, 2010

The Regular Meeting of the Norwich Board of Public Utilities' Commissioners was held on Tuesday, April 27, 2010 in the Board Room of Norwich Public Utilities located at 16 South Golden Street, Norwich.

Item 1. The Meeting was called to order at 6:02 P.M. by Vice Chairman Diana Boisclair.

Present: Vice Chairman Diana Boisclair, Secretary Frank Demicco, Commissioner Alan Remondi and Commissioner Larry Goldman. Also in attendance were: General Manager John Bilda; NPU Staff Members Steve Sinko, Chris LaRose, Kerri Kemp, Jeff Brining, Jeanne Kurasz and Michele Addabbo. Chairman James Sullivan joined the meeting at 6:05 P.M.

Item 2. Fifteen-Minute Public Comment Period. There were no comments from the public.

Item 3. Minutes of the Regular March Meeting, held on Tuesday, March 23, 2010. Commissioner Remondi, seconded by Commissioner Goldman moved to approve the Minutes of the Regular March Meeting, which was held on Tuesday, March 23, 2010, as written. Unanimously approved.

Item 4. Action Items.

a) Public Hearing – Proposed Revisions to the Natural Gas, Electric and Water Rates. In accordance with Norwich City Charter Requirements, Chapter XII, Section 10, as amended, at 7:00 P.M. Chairman Sullivan declared the public hearing opened on the proposed revisions to the natural gas, electric and water rates.

General Manager Bilda presented information to the Board regarding the proposed rate changes.

Chairman Sullivan asked for public comment. The following is a summary of comments made in response;

David Crabbe, 47 Prospect Street – Mr. Crabbe commented on the American Resource and Recovery Act (ARRA), NPU bill increase in 2009, and NPU and NCDC. Mr. Crabbe presented to the Board a copy of an article related to taxes and their impact on businesses in the state.

Rodney Bowie, 62 Roosevelt Avenue – Mr. Bowie stated his concern about the rate increase driving business out of town. He recognized the professional management of NPU, but stressed the need to keep rates low. He has tenants that are experiencing hard times paying bills. He commented on the need for NPU to address customers not paying bills. He stated that wages are going down, except for NPU and the City. He realizes NPU needs to run and encourages NPU to do what it can.

Roberta Paro, 246A Yantic Street – Ms. Paro stated she recognizes that a substantial number of people are not getting raises, but she feels that investing in technology and resources will strengthen the community and benefit everyone in the long run. She suggested NPU think about ways to help people pay the rates.

Jim Schutt, 8 Cherry Hill Road – As a property owner of a commercial laundry business, Mr. Schutt stated he can't see raising rates because people are having a tough time. Mr. Schutt stated he felt General Manager Bilda's presentation was excellent, but it's hard. He doesn't want people to leave town because they can't afford to stay. He also recognized that we need to look to the future, but encourages the Board to find a better way. He feels NPU needs to make Norwich a place people want to come to.

Andy Depta, 105 Vergason Avenue – He stated he understands the need for efficiency, but the timing is wrong. It is a tough economy, there are a lot of foreclosures and people can't afford their utilities. He recommends implementing the rate increases piecemeal. He knows the Board will approve the rate increases, but hopes it can be done in a way that has the least amount of impact. He researched the Smart Grid and is not for it and feels it is unconstitutional. He is not interested in budget comparisons to others, NPU needs to be cheaper. He mentioned the Mayor's focus on economic development to make Norwich self-sufficient and thinks the rates are counter to the mayor's initiatives. DIMP is an unfunded mandate, government should pay for it. Suggested Norwich connects to the regional water system. He is against the rate increase and feels it is bad timing, and suggests waiting until the economy improves and rate payers can afford it.

Ruth Randolph, 149 Cliff Street – Ms. Randolph stated that she didn't see any alternative to the rate increase and believes it has to be done. She mentioned that she keeps her bill down by being energy efficient.

Donald Williams, 11 Teddy Lane – Mr. Williams thanked NPU for the contribution to the taxes and utility users. He asked for clarification on how the PPA and PGA would be impacted by the rate increase. General Manager Bilda explained the difference between the rates and the wholesale power and gas prices. Mr. Williams also stated he is in favor of the Smart Grid project and believes it will allow him to control his use of electricity and allow NPU to regulate cash based on consumer use.

Kathleen Murphy, 227 Boswell Avenue – Praised General Manager Bilda on a wonderful presentation, but asked not to raise rates at this time when people have limited incomes, their salaries are frozen and there are increases everywhere. She questioned the necessity at this time and although she recognizes the advantage of technology, suggests NPU waits.

John Blackburn, 15 Alice Street – Mr. Blackburn feels it is better to wait because now it is difficult for everyone. He stated it is wrong to put the increases on the back of the rate payers. He agrees that infrastructure needs replacing, but not this year.

Dave Barry, Roath Street – Mr. Barry commented on the NPU building, equipment, vehicles and quality of staff, but stated it is not an appropriate time for advancement. He suggested the Board contact the governor to seek help from President Obama for citizens impacted by flood damage. He questioned the matching payment program. General Manager Bilda explained that the program is still in existence for qualifying customers and is designed under DPUC hardship qualifications to turn non-paying customers into paying customers.

Chairman Sullivan called twice for additional comments from the public.

George Shockey, Asylum Street – Mr. Shockey commented that NPU is not tightening its belt and has new trucks and raises. But he hasn't seen a raise in years. His bill is too high and feels it is outrageous what he pays for utilities in this town.

Chairman Sullivan thanked the public for attending the meeting and stated it is an important part of the process, then called three times for additional comments from the public. Hearing none, he declared the Public Hearing closed at 7:55 P.M.

b) Approval of Fiscal Year Budget 2010-2011.

General Manager Bilda discussed the budget with the Board, and advised them that NPU is managing expenses to match revenue, and cutting expenses where necessary. Commissioner Goldman asked if this is the first time the Board would approve the budget prior to rates being set. Commissioner Remondi commented that this was a good budget, and that the improvements in technology would help to improve efficiency. He discussed the budgets sub-categories increasing. General Manager Bilda responded that NPU builds the budget around weather normalized sales, and on the capital side tangible things can be cut, and the operational side is being adjusted all the time. He advised the Board that NPU is receiving 50 cents on the dollar to build the Smart Grid and leveraging technology, and that it should be built sooner than later. Steve Sinko and Chris LaRose provided additional information.

Hearing no further discussion, Chairman Sullivan called for a vote.

Commissioner Goldman seconded by Secretary Demicco moved to approve the Fiscal Year Budget 2010 – 2011. Upon roll call vote the ayes and nays were as follows:

AYES

NAYS

Chairman Sullivan

Vice Chairman Boisclair

Secretary Demicco

Commissioner Goldman

Commissioner Remondi

Chairman Sullivan thereupon declared the motion approved 4 to 1.

Item 5. Performance Reports. The following performance reports were provided to the Commissioners for their review:

a) Financial Reports: The March 2010 financial statements were presented to the Board for their information. Informative.

b) Collections Reports: Informative.

c) Customer Satisfaction Indicators: Informative.

Item 6. NPU Tactical Information. The following tactical reports were provided to the Commissioners for their review:

a) Operations & Construction Report. Chris LaRose discussed damage to the dams in regard to the recent flooding and reported looking to FEMA for help. NPU will know more regarding the damage in June when the water subsides.

b) Customer Communications Calendar. Informative.

c) Energy Efficiency Update. Informative.

d) Construction Status Report. Informative.

- e) ConnSMART Update. Chris LaRose updated the Board on the project plan, and informed them that NPU has a plan for all identified risks.
- f) Control Room Update. Informative.
- g) PGA/PPA. There are no changes to the PGA or PGA this month.
- h) Other.
 - General Manager Bilda provided the Board with revised job descriptions for Apprentice Field Service Technician, Field Service Technician, and Senior Field Service Technician their review.

Commissioner Remondi, seconded by Commissioner Goldman moved to recess the Board meeting at 8:01 P.M. to enter into the Sewer Authority Meeting. Unanimously approved.

The meeting resumed at 8:11 P.M.

Item 7. Executive Session Vice Chairman Boisclair seconded by Commissioner Larry Goldman moved to enter into Executive Session at 8:11 P.M. to Discuss Confidential Trade Secret & Commercially Valuable Confidential or Proprietary Information Not Subject to Inspection or Public Disclosure Pursuant to Section 1-210[5] and 7-232a of the CT General Statutes. Unanimously approved. General Manager Bilda and staff members Chris LaRose and Steve Sinko were asked by the Board to stay for the purpose of providing proprietary information.

The Board arose from Executive Session at 8:45 P.M.

There were no votes taken during Executive Session.

Item 8. Other Business. None.

Item 9. The next Regular Meeting is scheduled to be held on Tuesday, May 25, 2010.

Commissioner Goldman, seconded by Vice Chairman Boisclair moved to adjourn the Meeting at 8:45 P.M.

Attest:

Frank Demicco
Secretary