



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

December 15, 2009

The Regular Meeting of the Norwich Board of Public Utilities' Commissioners was held on Tuesday, December 15, 2009 in the Training Room at the NPU's office located at 16 South Golden Street, Norwich.

Item 1. The Meeting was called to order at 6:05 P.M. by Chairman James Sullivan.

Present: Chairman James Sullivan, Vice Chairman Diana Boisclair, Secretary Frank Demicco and Commissioner Alan Remondi. Also in attendance were: General Manager John Bilda; NPU Staff Members Steve Sinko, Chris LaRose, Jeff Brining and Jeanne Kurasz.

Item 2. Fifteen-Minute Public Comment Period. The following members of the public addressed the Board:

Roberta Paro, 246A Yantic Street - Ms. Paro expressed her support of the proposed Smart Grid program, which uses smart technology to save energy. She is for clean energy and clean air.

Ernie Cohen, 136 Hunters Road - Mr. Cohen endorses the Smart Grid program. He suggested NPU investigate ways to store energy, including leasing energy storage equipment to customers which he feels would be a good business venture. Mr. Cohen also stated he is still concerned about the location of the diesel generators on Salem Turnpike and Old Salem Road. He provided the board with a list of locations that he feels could be potential sites for relocating the generators.

Chairman Sullivan expressed his appreciation to Mr. Cohen and Ms. Paro for their effort and encouraged them to continue discussions with General Manager Bilda on this subject.

Item 3. Minutes of the Special November Meeting, which was held on Tuesday, November 23, 2009. Vice Chairman Boisclair, seconded by Commissioner Remondi moved to approve the Minutes of the Special Meeting, which was held on Tuesday, November 23, 2009. Unanimously approved.

Item 4. Action Items.

- a) Smart Grid Resolution. General Manager Bilda provided the Board with a summary of the Smart Grid project and asked the Board for their support of the Resolution authorizing NPU to move forward with this project. Vice Chairman Boisclair, seconded by Secretary Demicco moved to approve the Smart Grid Resolution. Unanimously approved.

**NORWICH PUBLIC UTILITIES
RESOLUTION**

**Resolution Approving Grant Matching Costs for
DOE Smart Grid Funding Opportunity**

WHEREAS, The DOE issued a request for applications for a competitive, merit-based approach for providing funds to organizations for qualifying smart grid investment projects to advance smart grid functions; and

WHEREAS, CMEEC and the participating municipal utilities including Norwich Public Utilities (NPU) were awarded \$9.2 million of Grant funding from the DOE's Smart Grid Investment Grant funding opportunity; and

WHEREAS, This Commission believes the proposed smart grid project will provide significant long-term benefits to our customers and is thus an appropriate use of ratepayer dollars; and

WHEREAS, NPU and the participating municipal utilities filed a grant application with the understanding that such filing did not obligate any applicant to commit to any proposed project until such time as the Commission authorizes the grant matching funds and the DOE approves a final contract; and

WHEREAS, Norwich Public Utilities was awarded \$1,637,350 and has the opportunity to obtain more funding if other CMEEC initial participants do not participate;

NOW THEREFORE BE IT RESOLVED, That the Commission approves the NPU matching requirement for the DOE Grant Award in an amount of \$1,637,350. The matching requirement will come from cash expenditures over the next three years except to the extent NPU can provide DOE-accepted in-kind services and property which will reduce the amount of matching cash expenditure required; and

BE IT ALSO RESOLVED, That the Commission approves NPU management to seek additional DOE Grant Award amounts and corresponding additional matching requirements in the case where other participants choose not to assume their full responsibilities under the Grant; and

BE IT ALSO RESOLVED, That the Commission directs NPU management to seek DOE-acceptable alternative means for funding the aforementioned matching cash expenditure requirements which will provide the greatest economic benefit and the least adverse impact on the Smart Grid Investment Grant project and create the greatest benefit for NPU customers; and

FURTHER BE IT RESOLVED, That the Commission desires the highest degree of collaboration with the other Connecticut Municipals that management deems appropriate.

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

- a) Financial Reports: The November 2009 financial statements were presented to the Board for their information.
- b) Collections Reports: Stephen Sinko updated the Board on collection activities. General Manager Bilda commended the collections team on the good job being done to improve collections.
- 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. Informative.
- b) Water Division Report. Informative. General Manager Bilda updated the Board on the current Water Supply Plan activities and plans to proceed with a new 5-year Water Supply Plan.
- c) Communications Calendar. Informative.
- d) Energy Efficiency Initiatives. Informative.
- e) Construction Status Report. Informative.
- f) Control Room Update. Informative.
- g) PGA/PPA. There are no changes to the PGA or PGA this month.
- h) ARRA Stimulus Grants. General Manager Bilda discussed the status of the Clean Cities and the Broadband grants.
- i) 50 in 5. General Manager Bilda discussed the status of the permits and siting approval. He also informed the Board that he has been meeting with opponents of the project and discussed how the project will be impacted if approvals are delayed.
- j) Other.
 - Green Tier Offering. Jeff Brining summarized the Green Tier energy charge that allows customers to purchase green energy.
 - Norwich Energy Plan. As requested by Mayor Nystrom, General Manager Bilda and the Senior Team are working to incorporate Norwich's Energy Plan into NPU's strategic objectives.

Vice Chairman Boisclair seconded by Secretary Demicco motioned to recess the meeting at 6:50 p.m. and enter into the Sewer Authority Meeting.

The Board Meeting resumed at 7:10 p.m.

Item 7. Executive Session Vice Chairman Boisclair seconded by Commissioner Remondi moved to enter into Executive Session at 7:00 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, Stephen Sinko, Jeff Brining, and Jeanne Kurasz were asked by the Board to stay for the purpose of providing proprietary information.

The Board arose from Executive Session at 7:15 p.m.

There were no votes taken during Executive Session.

Item 8. Other Business. Commissioner Remondi seconded by Chairman Sullivan motioned to extend General Manager Bilda's employment contract for an additional five year term, effective January 20, 2011 through January 20, 2016, and to increase the General Managers salary by \$20,000. Unanimously approved.

Item 9. The next Regular Meeting is scheduled for Tuesday, January 26, 2010.

Vice Chairman Boisclair, seconded by Commissioner Remondi, moved to adjourn the Meeting at 7:59 p.m. Unanimously approved.

Attest:

Frank Demicco
Secretary