

MASSENA ELECTRIC UTILITY BOARD
MINUTES of Tuesday February 21, 2023
 Town of Massena Electric Department – 71 East Hatfield Street

Present:

James Shaw	Andrew McMahon, Superintendent
Charles Raiti	Jeffrey Dobbins, Treasurer
Richard Maginn	Matt Gray, Deputy Superintendent
John Bogosian -via Zoom	Margo Rochefort, Deputy Treasurer
Rene Hart	Patrick Facticeau, Town Liaison
Eric Gustafson, Attorney	Debra Willer, Town Liaison
	David Grant, Public

Chairman Shaw opened the meeting at 1:02p.m.

1) APPROVAL OF MINUTES:

RESOLUTION:

The Massena Electric Utility Board hereby approves the minutes of the regular meeting of January 23, 2023 as presented.

Moved by Charles Raiti - Seconded by Rene Hart - All in Favor

2) OPERATIONS UPDATE: by Matt Gray, Deputy Superintendent

A. Safety: MED has not had a lost time injury since June 8th. Our consecutive days without a lost time accident now stands at 237 days.

There were no reportable injuries in January. This brings the number of days without a reportable injury to 600 days.

B. Customer Impact Chart: MED experienced a below average amount of Customer Impact Minutes in the month of January with 26,418 minutes recorded. The largest Customer Impacts were calls received because of an ice event at the start of the month. With the decrease in CIM, as compared to last month's total, the 12-month average has decreased to 30,537.

C. Reliability: MED Crews fielded a heavy call volume throughout the month of January. An ice event that occurred on 1/4 and 1/5 accounted for nearly twenty-five calls received. The majority of the calls were due to trees on service drops and involved no Customer impact. Of the three calls that affected multiple Customers, the largest impact was due to a tree contact and blown fuse on the Mill Rd that affected 46 Customers for three-hours twenty minutes. In all, the Ice event accounted for 23,700 CIM.

The other two large CIM contributors for January were a damaged cutout on Brouse Rd that affected sixty-two Customers for twenty-seven minutes and a transformer failure on Willow St that affected twelve Customers for one-hour fifteen-minutes

The remainder of the calls in January were relatively minor and involved no Customer impact.

D. Work Schedule: As was the case in December, MED Crews addressed many would-be hazards throughout much of the service area due to ice loading. Most were situations where ice loaded branches were resting on service drops or secondary wire.

MED Crews are nearing the completion of the multi-year porcelain cutout change-out program. As the Crews work to replace these items, they are finding evidence of premature failure. If left in operation these units would more than likely have an impact on our reliability going forward. Crews have begun addressing issues found during this year's infrared scanning initiative. The goal is to have these issues addressed by mid-March.

3) FINANCIAL REPORTS: by *Jeffrey Dobbins, Treasurer*

A. Write-Offs:

RESOLUTION:

The Massena Electric Utility Board hereby authorizes the write-off of bad debt totaling \$2,699.98 as audited by Mr. Rene Hart.

Moved by Rene Hart - Seconded by Richard Maginn - All in Favor

B. Power Comparison Graph: Power cost were under \$700,000, low end for January. Supplemental power costs were only \$267,840, down from \$607,800 in December. 8,500 MWh of incremental energy purchased. Zone D Average Energy rate was \$31.50/MWh, very different from December. Impact to customers – Base PPAC for February of < 1.0¢/kWh, Supplemental PPAC of 2.45¢/kWh. MWh purchased, over 22,680, lower than expected for January. Last year was the max for the Department at over 29,110 MWh. Peak demand 37,890 MWh, low end for Jan., very mild month. Typically, over 40,000 kW in January. Last time below 40,000 was January 2017.

C. Cash Flow: The Operating Fund decreased by \$710,210. Decrease was more than projected due to lower receipts. The Operating Fund at month end was \$5.8 MM. January receipts were over \$1.0 MM. Sales were lower in December contributing to the lower receipts. Billings in January were up and will result in receipts being higher than budgeted for February. Expenditures totaled over \$1.77 MM, \$190,000 less than budgeted.

Treasurer Dobbins responded to a question regarding insurance premium increases and the impact on the Department. He noted that yes, all lines of coverage did see increases, and that many of those increases ended up less than expected (Excess Liability, Auto Physical Damage and Liability, Cybersecurity and Workers' Compensation). He then explained that the property coverage on the substations was going to more than double, and negate the underbudget amount shown for the other coverages. The 2023 market was a difficult market for this type of coverage, contributing to the significant increase. Treasurer Dobbins also noted that an appraisal done in 2022 increasing the value of the property included in the coverage, adding to the projected increase for this coverage.

D. Approval of Bills:

RESOLUTION:

The Massena Electric Utility Board hereby approves the bills as audited by Mr. Rene Hart totaling \$1,178,898.91.

Moved by Rene Hart – Seconded by John Bogosian - All in Favor

4) COMMITTEE REPORTS: by *Andrew McMahon, Superintendent*

A. Personnel

1. Staff Update: Mr. McMahon noted that there were no notable activities among the staff this month. He also advised the Board that he would be beginning the process of hiring summer interns in the near future.
2. Security Update: Mr. McMahon and Mr. Dobbins explained that the security upgrades to the main front doors were nearly completed, except for one part which would be installed this week. Subsequent to completing this task we will begin to make arrangements for table top security drills.

B. Finance & Economic Development

1. Energy Efficiency Programs: Treasurer Dobbins reported that a couple of residential audits had been performed, as well as an audit to some of the buildings owned by the Massena Housing Authority. The Housing Authority is planning to update their lighting at all of their facilities. Mr. Hart noted that the committee intends to meet with Energy Answers in the coming weeks to discuss the overall program and what changes/improvements can be made.

RESOLUTION:

The Massena Electric Utility Board hereby approves two \$50.00 residential energy credits.

Moved by Rene Hart - Seconded by Charles Raiti - All in Favor

2. Economic Development Update: Mr. McMahon informed the board that he had met with Maribel Cruz of NYPA the previous week. Due to retirements and reorganizations at NYPA Maribel is now in charge of municipal relations for NYPA as well as economic development projects that will impact MED. Their discussion focused on the economic development projects in the community on CR42 and at the Alcoa West plant.

C. Engineering & Energy

1. Cybersecurity/IRON NET: Mr. Dobbins explained that we have fully terminated our relationship with IronNet for cybersecurity monitoring. We have had meetings with NYPA to discuss next steps to provide similar protection, including a presentation by Dragos to implement their cyber monitoring software and hardware. This program will be at no charge to MED and Mr. Dobbins intends to reach out to Dragos next week to discuss next steps for implementation.

Mr. Shaw interjected that the recent PE training he participated in had a presentation on cybersecurity that he found enlightening. One of his takeaways was that those attacking IT infrastructure are primarily motivated by money. Those attacking the OT (substations etc.) are primarily nations or bad actors looking to disrupt nations.

2. Forward Energy Procurement: Mr. McMahon reminded the board that we had secured an energy position for 5MW at \$51/MW. We will be reviewing the success of this activity and our approach going forward at a subsequent meeting.

3. EAB extra work: We continue to address some of the most dangerous ash trees in our service territory although work has slowed down due to weather conditions.

4. NYSERDA Submittals: Two of our proposed projects for NYSERDA funding have received preliminary approval. We are hopeful to have signed agreements by next month's meeting.

5. Grant Funding CAC/IIJA/IRA: Significant grant money appears to be coming closer to being available. NYAPP has a working group to help identify projects and best uses.

Mr. McMahon also noted that in the process of looking at proposed capital projects for 2023 Mr. Gray contracted vendors about the possibility of AMI metering (instead of updating the existing AMR system). This is something that may be a possibility for grant funding and could have multiple operational benefits.

Finally, as a part of a periodic review of inventory Mr. McMahon reported that while some transformers had been ordered a few months ago there are certain sizes that we are beginning to deplete to concerning levels. Mr. Gray explained that they had done outreach to a number of vendors and found that many would not quote new transformers or have quotes that were 3 years out on equipment that used to be 16 weeks. As a result of these supply chain issues the max/min levels of many Transformers need to be considered critically low in the opinion of staff. We found one vendor who was willing to supply many of the required transformers in 26 weeks. The transformers we have identified as being most critical will cost under \$56,000.

RESOLUTION:

The Massena Electric Utility Board hereby authorizes the purchase of additional transformers for inventory. This total purchase is not to exceed \$56,000.

Moved by Charles Raiti - Seconded by John Bogosian - All in Favor

5) LEGAL ISSUES: *by Eric Gustafson, Attorney:*

6) UNFINISHED BUSINESS:

- Nextera Conference

Mr. McMahon reported that due to travel challenges he opted not to attend this conference.

- APPA Legislative Rally

Mr. McMahon informed the board that due to hotel availability and some personal matters it appeared that he would not be attending the legislative rally.

7) NEW BUSINESS:

Mr. McMahon reported that he attended the same training that Mr. Shaw had last week to maintain their professional engineering licenses. Mr. McMahon explained the session he was most interested in was on “networked ground source geothermal heating district” which may provide benefit for communities like Massena. He noted that if this technology works out it could provide the community a path to move away from natural gas as a fuel source without significantly increasing the electric load.

8) ARTICLES OF INTEREST:

9) SCHEDULE OF EVENTS: BST Annual Audit March 20-23, 2023
Next regular meeting scheduled for March 23, 2023

10) PUBLIC COMMENT:

11) EXECUTIVE SESSION:

Motion to move into executive at 2:00 p.m.

Moved by John Bogosian – Seconded by Rene Hart- All in Favor

Motion to move out of executive session at 2:15 p.m.

Moved by Charles Raiti– Seconded by Richard Maginn -All in Favor

Motion to adjourn at 2:17 p.m.

Moved by Charles Raiti – Seconded by Richard Maginn- All in Favor