

MASSENA ELECTRIC UTILITY BOARD
MINUTES of Tuesday, February 22, 2022
Town of Massena Electric Department – 71 East Hatfield Street

Present:

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

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

1) APPROVAL OF MINUTES:

RESOLUTION:

The Massena Electric Utility Board hereby approves the minutes of the regular meeting of January 20, 2022 as presented.

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

2) OPERATIONS UPDATE: by Matt Gray, Deputy Superintendent

A. Safety: MED experienced no lost time accidents in the month of January. The number of consecutive days without a lost time injury now stands at 553 days. There were also no reportable injuries in January. As of January 31st, MED has been 235 days without a reportable injury.

B. Customer Impact Chart: MED experienced 32,485 Customer Impact Minutes in the month of January. For the second consecutive month, the majority of the monthly CIM can be attributed to hit poles. The other major contributing factor was due to the combination of excessively cold temperatures and overloaded transformers. Given the increase in CIM, the 12-month average has increased slightly to 27,192.

C. Reliability: MED crews had another active month as they responded to 16 calls throughout the month of January. One call affected no customers, six calls affected one customer and nine calls affected more than one customer. In addition, there were four momentary outages throughout the month and ten of the sixteen calls received involved a customer impact. The largest CIM contributor was due to a hit pole on West Hatfield that affected 381 customers for twenty minutes and 75 customers for approximately four hours. In total, the three hit poles in January represented 83% of the monthly CIM. The other major CIM contributors in January were due to overloaded transformers that occurred during times of severe cold weather. MED responded to two transformer outages on Walnut Ave, two transformer outages at the Town Line Road trailer park and one transformer issue on Leslie Rd. In all five cases, the in-service transformers were found to be damaged due to overload and were swapped out with larger units.

D. Work Schedule: Crews have been working on follow-up repairs to issues found during our annual infrared scanning of our overhead facilities. Approximately 25 primary hotspots and 50 secondary hotspots have been found and corrected.

Crews continue to change-out conventional polymer insulators to vise-top polymer insulators with a focus on wind prone areas.

The porcelain cutout change-out initiative is ongoing with crews focusing on this type of work when in-between jobs.

Crews are also moving forward with our Private Area Light LED change-out with a focus on 400W floodlights in the village.

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

A. Write-Offs: None for February

B. Power Comparison Graph: Power cost for January totaled over \$1.9 MM, 2nd highest monthly bill for the Department. Supplemental power costs were \$1.5 MM. 15,000 MWh of incremental energy purchased. Zone D Average Energy rate was \$99.85/MWh. Hourly high of \$272/MWh. Impact to customers PPAC for February & March of over 3¢/kWh, 2019 last time over 3¢/kWh. Peak Demand 49,327, 1st time over 49,000 since 2014, all-time high of 50,604. Peak set 1/22/22 at 9:00 am, low was -28° on 1/21 and -29° on 1/22. MWh purchased, over 29,100, highest monthly total for the Department. Previous high was also Jan 2014-26,900.

C. Cash Flow: The Operating Fund decreased by \$604,300 during January. Decrease was lower than projected due to higher than budgeted receipts. The Operating Fund at month end was \$5.3 MM. January receipts were over \$1.145 MM, due to increased sales related to cold weather and payments from LI-HEAP and other assistance programs. Expenditures for January totaled over \$1.75 MM, slightly less than budgeted.

D. Approval of Bills:

RESOLUTION:

The Massena Electric Utility Board hereby approves the bills as audited by Mr. John Bogosian totaling \$2,849,527.20.

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

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

A. Personnel:

1. Staff Update: Superintendent McMahon advised the board that the staff remains healthy. He also noted that the mask mandate was lifted last week by the Town Supervisor. The mask is still recommended but is no longer required. Superintendent McMahon noted that the staff still seems inclined to keep their distance from one another.

2. **Apprentice Update:** Deputy Superintendent Gray gave an update on the progress of the apprentice linemen. Both apprentices have completed the education component of their training. The remaining steps relate to their time served in grade and approval from NYS. We believe Mr. Raymo has his time in and Mr. Terminelli is about a month behind. Once that is confirmed by NYS they will become journeymen line workers. Mr. Bogosian asked where that would put us when they are topped out. Deputy Superintendent Gray responded that we will have a full complement of 8 first class linemen, 2 of whom are chief linemen.

3. **Summer Intern:** Superintendent McMahon then discussed the need for an intern this summer. He is going to start advertising in March.

4. **Security Update:** Based on the recent robbery at Massena Savings and Loan, Superintendent McMahon advised the board that he and Treasurer Dobbins had both reviewed our procedure on such matters with the front office staff. We will be doing some table top drills and checking our security systems in the near future to further affirm the security of our staff.

B. Finance & Economic Development:

1. **Payment and Delinquency:** Treasurer Dobbins noted that receivables greater than 90 days continued to decrease. He did note that total receivables were higher, in particular the current amounts due. This reflects the higher bills being issued to customers recently that include usage from January. January's usage was significantly higher than previous months and January of 2020 and 2021.

Treasurer Dobbins also indicated that many customers continue to seek help through LI-HEAP. To date only one emergency benefit has been authorized. Staff continues to monitor this and expects a second emergency benefit to be authorized.

2. **Energy Efficiency Programs:** Deputy Treasurer Rochefort reported MED has distributed 283 weatherization kits during the 2021/2022 heating season. An additional 100 kits were distributed through Meals on Wheels in Oct 2021.

We've had an increase of the number of kits given out in February due to the higher bills and cold weather.

3. **Communication:** Superintendent McMahon reviewed steps taken by staff to respond to high bill concerns. Specifically, he has had interaction with the newspaper and TV reporters that cover Massena. He has also been on the radio to spend 20 minutes discussing key issues with WMSA.

Mr. Raiti inquired about adding language to the bill informing customers of recent increases impacting their bill. Treasurer Dobbins indicated that there is space on the bill to include messages. The space is in the middle of the bill and there was little flexibility in the font used, limiting the ability to make the message stand out. Treasurer Dobbins also noted that even though the Purchase Power Adjustment Charge (PPAC) was higher than recent months, it was similar to the PPAC experienced when purchasing power from the previous power supplier. During those months the Department did not send out notifications of the increase. Treasurer Dobbins did note that in 2014, during the Polar Vortex, the Department did include an insert with the bill informing them of the reasons for the high PPAC. The Department chose to include the insert since the PPAC was over 6 cents during one month and then over 4 cents the following month, resulting in bills that were well above what customers had previously experienced.

4. **Arconic Business Park (ABP) Study:** The key point of contact at Arconic has retired. The project is on hold.

C. Engineering & Energy:

1. Cybersecurity: Treasurer Dobbins discussed an agreement with Systems and Software (S&S) to provide cloud services for our financial data. Mr. Gustafson has reviewed the contract and while there are certain issues that he is uncomfortable with he thought it was a pretty standard and acceptable contract. Treasurer Dobbins noted that there is an initial \$26,000 fee and a recurring annual fee of \$20,000 that will escalate. He also explained that that we looked at a variety of alternatives with Adirondack Techs on providing these services. The options included the status quo, a model where we would have a 3rd party host the data, and purchasing servers ourselves to store the data in various locations. After much analysis we determined that the S&S solution is most beneficial to MED.

Mr. Shaw asked if there was a way to confirm that we were actually making the system more secure and not creating points of insecurity by moving the data to the cloud. Treasurer Dobbins plans to discuss with S&S what assurances they can provide that proper security is in place with the S&S cloud system prior to signing the agreement. Mr. Maginn discussed that he is aware of another local business that has moved their information storage to the cloud and is quite pleased with the arrangement. He suggested we may want to call them to confirm. Mr. Gustafson added that his law firm has moved their IT to the cloud. He indicated that it has worked well having someone who is familiar with his business and familiar with information storage requirements handle this service so he can focus on what he does best. Mr. Hart, and Mr. Raiti, noted talking to additional entities utilizing cloud services is advisable and indicated they were in favor of a resolution enabling the Treasurer to enter into the hosting agreement if no issues were identified.

RESOLUTION:

The Massena Electric Utility Board hereby authorizes Treasurer Dobbins to enter into the Third-Party Hosting Service Agreement with Systems & Software, that includes a one-time setup fee of \$26,400 and a yearly Hosting and Managed Services fee starting at \$20,000.

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

Treasurer Dobbins reported that the transition to the IronNet production environment was complete. So far there have been no issues identified. Additional training on the platform is scheduled for early March.

Superintendent McMahon noted that due to events occurring in Ukraine, we have had interaction with 2 federal agencies warning of a possible cyber-attack from Russia.

2. NYPA iSOC: The ISOC equipment is working well. There are still opportunities for greater optimization which we will be working on.

3. Forward Energy Procurement: Mr. Gustafson noted that there have been challenges with setting this up and he, along with staff, are still working through the problems.

4. Smart Water Heaters: We have 5 installed. Now that covid numbers are decreasing we will install the other 5 units in the demonstration project. The units are working well and may be an interesting option for an infrastructure grant.

5. Arbor Issues: Superintendent McMahon noted there was a mix of news. On the bright side the town of Louisville is starting an Arbor committee and has asked me and MED to work with them. On the negative side I have not gotten confirmation from our leasing benefactor, Alcoa that they are going to continue to support us.

6. Grasse River close out: Superintendent McMahon reported that all equipment and spare parts have been delivered, and all bills have been paid.

5) LEGAL ISSUES: *by Eric Gustafson, Attorney:* No update

6) UNFINISHED BUSINESS: - APPA Legislative Rally

Superintendent McMahon advised the board that it appears as though there are a number of worthwhile meetings he can attend in Washington and with the board permission will attend the APPA legislative rally.

RESOLUTION:

The Massena Electric Utility Board hereby authorizes Superintendent Andrew McMahon to attend the APPA Legislative Conference in Washington, February 28 - March 2, 2022.

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

7) NEW BUSINESS: - Massena PD Emergency Answering Service Agreement
* Attached

8) ARTICLES OF INTEREST:

9) SCHEDULE OF EVENTS: Next regular meeting, March 17, 2022 at 1:00 pm

10) PUBLIC COMMENT:

11) EXECUTIVE SESSION:

Motion to move into executive session at 2:19 p.m., for contract negotiations.

Moved by Charles Raiti – Seconded by John Bogosian, All in Favor

Motion to move out of executive session at 2:33 p.m.

Moved by Rene Hart– Seconded by, Richard Maginn All in Favor

Motion to adjourn at 2:35 p.m.

Moved by John Bogosian – Seconded by Charles Raiti, All in Favor