

MASSENA ELECTRIC UTILITY BOARD
MINUTES of Thursday July 21, 2022
Town of Massena Electric Department – 71 East Hatfield Street

Present:

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

Chairman Shaw opened the meeting at 12:59 p.m.

1) APPROVAL OF MINUTES:

RESOLUTION:

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

Moved by John Bogosian - Seconded by Richard Maginn - All in Favor

2) OPERATIONS UPDATE: by Matt Gray, Deputy Superintendent

Mr. McMahon gave the operations update for Mr. Gray.

A. Safety: MED experienced a lost time accident on June 8th when an Employee's finger was crushed while loading a reel of wire on an arbor bar. This incident ends the number of days without a lost time incident at 680 days. The Employee was brought to the Emergency Room where they received six stitches and a splint due to a bone fracture in the fingertip. At the present time, the Employee is still out of work per their Doctor's orders so that the bone in the finger can heal properly. However, a follow-up exam is scheduled for Thursday July 21st. The Employee is expected to make a full recovery and should be able to return to work shortly. As of June 30th, MED has been 22 days without a lost time accident.

There were no reportable injuries in June. This brings the number of days without a reportable injury to 385 days.

B. Customer Impact Chart: MED experienced 3,369 Customer Impact Minutes throughout the month of June. The largest Customer Impact was due to a blown Lightning Arrestor in and around the Baldwin Ave area. Given that our monthly CIM continues to trend downward and coupled with the expiration of some of the larger CIM tallies that we have seen over the last 12-months, our 12-month average has decreased significantly to 10,280.

C. Reliability: MED Crews responded to twelve calls in the month of June. Of the calls received, one call affected no Customers, four calls affected only one Customer and seven calls affected more than one Customer. Seven of the calls received contributed to the monthly CIM total. The largest Customer Impact was the previously mentioned outage in the Baldwin Ave area that affected 48 Customers for 37 minutes. There was an uptick in the number of incidents due to

blown Lightning Arrestors in the month of June. These issues can be attributed to the larger storms that hit the area throughout the month. The other CIM contributors in June were the result of animal contacts or tree issues. In general, the majority of the CIM contributors in June were of low Customer impact and easily resolved.

D. Work Schedule: Crews have finished the pole replacements in the vicinity of the Raquette River Bridge on State Highway 37c.

The service upgrades at Massena Central Schools are now complete with the services at Jefferson, Nightengale, and Madison Schools having been upgraded. In each case, the scope of work included removing the old underground wire to the transformer vault, installing new underground cable to the new transformer pad outside and then terminating the transformer. Each scheduled outage was completed a full day ahead of schedule.

Crews continue their work to replace original equipment on Perkins Rd.

Crews have begun the LED light upgrade at Bushnell Field.

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

A. Write-Offs: Treasurer Dobbins acknowledge that the write-offs were high again in July. Each customer on the list has moved out of the service territory and no longer has an active service with the Department. Treasurer Dobbins noted that many were terminated for non-payment in recent months and in several cases had moved out prior to the termination. A total of 47 accounts were written-off. Treasurer Dobbins reported that the final bill was returned by the Post Office for 10 of the accounts, an indication that the individual no longer resided there and that there was no forwarding address.

RESOLUTION:

The Massena Electric Utility Board hereby authorizes the write-off of bad debt totaling \$24,669.15 as audited by Mr. Rene Hart.

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

B. Power Comparison Graph: Power cost for June totaled \$287,455. Supplemental Power costs was over \$100,000, 2,753 MWh of incremental energy purchased. Zone D Average Energy rate was \$36.75/MWh. Higher than May 2022, and prior months. Transmission costs were a credit for June. Large credit projected for June. Impact to customers- PPAC credit projected for August. Peak Demand for June was 28,860 kW, similar to previous years. Peak set June 26th at 4:00pm. MWh purchased, over 15,000, slightly higher than 5-yr max.

C. Cash Flow: The Operating Fund increased by \$411,345 during June. The Operating Fund at month end remained over \$6 MM. June receipts were \$1,123,500, \$220,800 more than budgeted. Continued to see higher sales through the first half compared to previous years. L1-HEAP and other assistance programs payments also contributed to higher receipts. June expenditures totaled over \$712,160, most expenditures were less than budgeted for the month.

Treasurer Dobbins also reviewed the Cash Flow comparison to June of 2021 and graph enclosed showing the monthly changes to the fund balance in recent years. The comparison and graph both show the fund balance in excess of \$6.5 million, which is higher than projected through June 30, 2022. Higher than expected sales through the 1st half of the year contributed to the increase and has offset the initial decline to the operating fund during Jan and February.

D. Approval of Bills:

RESOLUTION:

The Massena Electric Utility Board hereby approves the bills as audited by Mr. Rene Hart totaling \$640,837.29.

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 informed the board that the injured MED employee is still recovering but is expected back soon and to have a full recovery.

Mr. McMahon advised the board that management is reaffirming covid basic safety practices with staff. We're also evaluating if proper PPE is on hand if covid numbers continue to trend up. Mr. Hart expressed concern for the employee and asked if the event was being used to remind the other employees of the importance of safety. Mr. McMahon assured Mr. Hart that this is the case.

2. Security Update: Mr. McMahon told the board that the town will offer active shooter training in the fall and MED will be participating in that training.

Mr. McMahon and Mr. Dobbins are working with Massena Police Department to do a table top exercise in the near future. Coordinating schedules has been difficult thus far.

Staff has reached out to both Altec security and Barclay locksmith in Canton to discuss the possible installation of remote locking doors for the customer entrance. Mr. Hart asked the purpose of such a door. Mr. McMahon explained that during MPD's initial site walk through they made this recommendation for the remote locking door. MPD's concern is that someone who might rob MED could be inclined to leave and go back in to MED if they saw police when they went outside. The doors will preclude them from reentry to MED and creating a hostage situation.

B. Finance & Economic Development:

1. Payment and Delinquency:

Treasurer Dobbins noted that the total receivables are down. The balances owed that are 60 and 90 past due now reflect balances owed on bills from this past winter, not receivables related to COVID collection restrictions.

Treasurer Dobbins also reported that LI-HEAP was closing earlier than expected. In early June the State indicated that LI-HEAP would remain open until the end of August. Prior to the meeting, the State notified participating utilities that the 2021-2022 program would now end on July 20th. Treasurer Dobbins noted that this was unfortunate for many customers who were eligible for another benefit from LI-HEAP.

Now that most assistance programs have ended, and the majority of the remaining past due amounts relate to recent receivables, Treasurer Dobbins recommend that the Department reinstitute the collection of late fees. These fees were waived at the start of the pandemic and now that collection restrictions have expired or been repealed, the Department can commence collection of these fees again.

RESOLUTION:

The Massena Electric Utility Board hereby resolves to reinstate the collection of late fees effective September 1, 2022.

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

Treasurer Dobbins noted that a notification will be sent with the August bills indicating that the late fee will be charged on amounts remaining past due after the September due dates.

2. Energy Efficiency Programs: Nothing to report

3. Communication: Mr. McMahon advised the board that he would be bringing Jeff Loomis of energy answers on air with him during his next on-air appearance. He will have Mr. Loomis describe how the audit works and what the improvements will mean.

Mr. McMahon then showed a series of photos taken of a demonstration at the police athletic league (PAL). MED's operations staff went over to the PAL building and met with approximately 40 day-campers age 8 to 14. MED personnel demonstrated the use of bucket trucks, PPE, climbing poles and a trailer that showed how the electrical system works. Mr. Raiti and Mr. Shaw both commented that these types of outings are important to build community understanding of what MED does and to use it as a platform to explain the difference between IOU's and municipal electric business model and its importance to the community.

C. Engineering & Energy:

1. Cybersecurity: Mr. Dobbins noted no significant changes but that we continue to work on initiatives previously outlined.

2. Forward Energy Procurement: Mr. McMahon relayed to the board that he expected to have a new proposal from NextEra for review in the coming weeks. Concurrently Mr. McMahon has a Zoom meeting scheduled to discuss whether NYPA can fulfill this service for us.

3. Arbor Program: MED is identifying new locations to plant trees this fall as part of the NYPA Arbor Day program. Mr. McMahon passed around some art work from Raegan Romeo that she did to celebrate Arbor Day. Her drawing and poem were put in a thank you ad that appeared in the Massena Courier Observer and North Country Now. The advertisement thanked Raegan as well as our sponsors Alcoa, NYPA and Curran Renewable.

4. NYSERDA submittals: Mr. McMahon said that he has not had any updates on our proposals and there has been no word on when we will.

5. CAC/IIJA path forward: These programs remain silent as well. Mr. McMahon though is having Joe Putney do a more detailed assessment of Ash Trees in our service territory that may be a threat to electrical reliability as well as public safety. Having this assessment done in advance of the programs will help MED and Massena be prepared to act if an appropriate window does open.

MED is also working with NYPA and EPRI on a potential Air Source Heat Pump Project (ASHP). ASHP has historically not been a good application for cold weather localities like ours. However, the advanced heat pumps may work and EPRI would like to do a demonstration project in upstate NY.

- 5) LEGAL ISSUES: *by Eric Gustafson, Attorney:* No update
- 6) UNFINISHED BUSINESS:
- 7) NEW BUSINESS:

RESOLUTION:

The Massena Electric Utility Board hereby approves Mr. McMahon's request to attend the NEPPA conference in Stowe, Vt. August 14-17, 2022.

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

CAC submittal:

Mr. McMahon noted that NYAPP had submitted comments on the Climate Action Councils proposal. There were 25,000 comments submitted state wide. While many of them were form letters, there were many individual organizations like our trade association that wrote unique comments. The central theme of NYAPP's remarks was that the goals of CAC are noble the timeline, financial implications and potential reliability impacts need to be considered more thoroughly. The present proposal will yield an inefficient transition that nobody will find acceptable. Mr. Raiti had sent an article to the board that outlined some of the difficulties with EV's. This article provided by Mr. Raiti fit well with NYAPP's written comments as it spoke to the significant challenges with a total change in technology.

Mr. McMahon also pointed out two articles he had provided in the packet where customers are petitioning their energy suppliers to keep facilities open for fear of reliability impacts. Mr. McMahon indicated that this is becoming a more frequent occurrence as customers are starting to realize the risk of shutting down dispatchable generating resources.

Mr. McMahon confirmed with the board that they supported purchasing a new vehicle on state contract. It was slightly more expensive than the original budget number but it met our needs operationally at a time when we are having difficulties with our fleet. Mr. Hart asked to have further detail on this issue. Mr. McMahon replied that this new vehicle will take a passenger vehicle out of the normal operational rotation that has over 90,000 miles and has been in the shop for over 3 weeks. We are having similar problems with our Diggers and Buckets.

RESOLUTION:

The Massena Electric Utility Board hereby approves the purchase of vehicle through state contract not to exceed \$42,500.

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

Finally, Mr. McMahon noted that Gov. Hochul has recommended Justin Driscoll to be the permanent CEO of NYPA. Mr. McMahon has had numerous meetings with Mr. Driscoll in the past few months since he became interim CEO.

8) ARTICLES OF INTEREST:

9) SCHEDULE OF EVENTS: Next regular meeting, Thursday, August 18, 2022

10) PUBLIC COMMENT:

11) EXECUTIVE SESSION: N/A

Motion to adjourn at 1:53 p.m.

Moved by James Shaw- Seconded by Richard Maginn -All in Favor