

MASSENA ELECTRIC UTILITY BOARD
MINUTES of Monday, January 23, 2023
Town of Massena Electric Department – 71 East Hatfield Street

Present:

James Shaw
Charles Raiti
Richard Maginn
John Bogosian - Zoom
Rene Hart -Phone
Eric Gustafson, Attorney

Andrew McMahon, Superintendent
Jeffrey Dobbins, Treasurer
Matt Gray, Deputy Superintendent
Margo Rochefort, Deputy Treasurer
Patrick Facteau, Town Liaison
Debra Willer, Town Liaison

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 December 19, 2022 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 206 days.

There were no reportable injuries in December. This brings the number of days without a reportable injury to 569 days.

MED Crews worked roughly two hundred and fifty overtime hours during the two storm events in December without any safety incidents. This is especially noteworthy as the majority of this time included working in less than ideal weather conditions.

B. Customer Impact Chart: MED experienced its largest amount of Customer Impact Minutes in the last 13-months with 104,678 minutes throughout the month of December. The largest Customer Impacts were due to two separate weather events that involved heavy wet snow and wind. Although the impacts were numerous, the longest duration outage was one hour and thirty minutes. Given the large increase of Customer Impact Minutes, our 12-month average has increased to 31,043. Up from 24,392 last month.

C. Reliability: MED Crews responded to a large number of calls throughout the month of December. The majority of calls involved tree contacts due to snow load and wind. MED crews dealt with many instances of snow-laden trees on wire throughout the month. During the month of December, MED Crews responded to twenty-one calls that involved a Customer impact and addressed seven momentary outages.

The snowstorm that occurred from 12/16 through 12/18 involved approximately one-hundred calls, eleven of which involved a Customer Impact. The total CIM for this weather event was comparatively low at 16,290. The largest incident during this storm was a blown fuse due to tree contact on Mill Rd that affected 46 Customers for one hour and then again for one-hour 30 minutes.

The second weather event that brought blizzard like conditions on 12/23 and 12/24 involved over 87,000 Customer Impact Minutes. The largest Customer impact was due to blown fuses at the Beach on SH 131 that affected 332 customers for over an hour on two separate occasions. The cause of the outages was linked to wind and conductor gallop. The second largest impact was due to primary off an insulator on Haverstock Road and the trip to lockout of Breaker 3306. This outage affected 553 Customers for sixty-six minutes.

The remainder of the calls received in December were mainly due to Customer issues with the exception of a tree contact on Brighton that affected twenty-three Customers for forty-minutes.

D. Work Schedule: Crews installed a three hundred foot primary underground line extension to serve the Java Vet Clinic on State Highway 56.

As a follow-up to both storms, MED Crews addressed many would-be hazards throughout much of the service area. Each circuit was thoroughly inspected to ensure that all issues had been addressed.

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 \$2,547.75 as audited by Mr. Rene Hart.

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

B. Power Comparison Graph: In addition to the Power Comparison Graph Treasurer Dobbins also distributed, and reviewed, a graph outlining the financial impact the storm around the Christmas holiday had on the cost of power for December. Treasurer Dobbins noted that the Peak Demand, 39,470 kW, and the total MWh purchased, 21,790, were both in the low end of what is expected in December. The cost for December was significantly higher compared to December 2019, 2020 and 2021. (*Graph Attached)

The driver of the increase was the higher hourly cost for power during the storm and the days subsequent to the storm. The second graph showed that hourly prices at the start of the month were well below \$50.00. By the end of the month the average hourly price was nearly \$70.00 / MWh. He noted that from Dec 23 – Dec 27 the average hourly price over \$90.00 / MWh. On Dec 26th the average hourly price was \$272.00 / MWh and the maximum hourly price for that day was \$373.00 / MWh at 5:00 pm.

Due to the extreme prices in late December power costs for the month totaled \$911,550, which included \$607,830 for Supplemental Power. The impact to customers in January is a Base PPAC of 1.4¢ / kWh and a Supplemental PPAC of 5.8¢ / kWh.

C. Cash Flow: The Operating Fund decreased by \$193,000. For the year the Operating Fund increased by \$630,300. This was \$808,700 more than expected due to increase in sales. The Operating Fund at month end was over \$6.5 MM. December receipts were over \$665,950, \$260,250 lower than budgeted for the month. YTD \$13.75 MM in receipts, \$1.43 MM more than budgeted. Increase in sales and power costs during the 1st half of 2022 was the primary driver for higher receipts. Expenditures totaled \$859,000 this was \$223,687 less than budgeted.

D. Approval of Bills:

RESOLUTION:

The Massena Electric Utility Board hereby approves the bills as audited by Mr. Rene Hart totaling \$1,581,866.69

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 reported that the health of the staff is good at this point, however he also noted that the conference that he just attended with Mr. Shaw and Mr. Raiti there had been 4 known covid cases amongst the attendees. On a separate matter Mr. McMahon also advised that he has been requested for jury duty in the first week of February.

2. Security Update: Mr. McMahon and Mr. Dobbins informed the board of the progress of the security update in the front office with crash bars being installed on the main entry doors.

B. Finance & Economic Development

1. Energy Efficiency Programs: Treasurer Dobbins indicated that he had nothing new to report.

C. Engineering & Energy:

1. Cybersecurity/IRON NET: Mr. McMahon informed the board that we will no longer be using IronNet to monitor network traffic. Mr. Maginn asked if we were going to do any cyber security. Mr. Dobbins explained that we still have a firewall that would be protecting our internal network but we would not be using the IronNet to monitor traffic. Mr. McMahon explained that we will be looking for other options in the future but IronNet had done some things that both he and Mr. Dobbins thought were unacceptable. It was also noted that 4 of the 5 municipalities that had participated in the NYPA program have opted out of the IronNet service and that NYPA would be discontinuing their relationship with them as well.

MED will continue to work collaboratively with NYPA to find worthwhile add-ons to our cybersecurity protection.

2. Forward Energy Procurement: Mr. McMahon discussed the process that he had been through with NYPA in the past month since approval of the ability to procure forward energy positions through NYPA. In the beginning of January, the price of February 24x7 energy dropped to

\$51/MWH which was below the \$55 threshold that the board had agreed to in December. This 24x7 price had been nearly \$100 a few months ago but with the steep decline in the price of natural gas, the price of energy has also declined. Staff and Chairman Shaw executed the \$51 position on 5 MWs for February at the beginning of the month.

3. EAB extra work: Staff and our contractor PTS continue to coordinate with homeowners on the removal of high danger Ash trees. Homeowners continue to be receptive to the removal. MED will work with these homeowners in replacing the tree canopy in an acceptable manner in the months to come.

4. NYSERDA Submittals: MED was successful in two out of three submittals but we are still working with NYSERDA to complete the Letter of Intent.

5. Grant Funding CAC/IIJA/IRA: Staff is continuing to wait for guidance on requirements of major pending grant programs.

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

6) UNFINISHED BUSINESS:

- NYAPP January Meeting

Mr. McMahon noted that there was a great deal of discussion on pending grant programs being a double-edged sword. Potential benefit for communities but related administrative and operational burden. Systems also talked about the feasibility of Climate Action Council Goals. Mr. Shaw shared with the attendees his estimate of personal KWH used per year which would grow by 5x if the CAC view of beneficial electrification were to take hold. He explained that only a portion of the energy he consumed is presently electricity but if natural gas is removed from the home and vehicles are charged with electricity rather than gas stations there is significantly more electricity being used. MED and other utilities will have to significantly expand their transmission and distribution system.

7) NEW BUSINESS:

Superintendent McMahon reviewed the afterhours Telephone Answering agreement received from the Village. He indicated that the Police Department has performed this duty for a number of years and the service has worked well for the Department. He also noted that the proposed rate for 2023 is the same as last year. (* Annual agreement attached)

RESOLUTION:

The Massena Electric Utility Board hereby approves the annual agreement between Massena Electric Department and Village of Massena Police Department for emergency telephone answering, during 2023, and to pay the sum of \$7,750.00 for the services.

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

Superintendent McMahon advised the board that there are meetings he would like to attend, the Nextera Conference in Florida, February 15th-17th and the APPA Legislative Rally in Washington, February 26 - March 1, 2023.

RESOLUTION:

The Massena Electric Utility Board hereby authorizes Superintendent Andrew McMahon to attend The Nextera Conference in Florida, February 15 – February 17, 2023

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

RESOLUTION:

The Massena Electric Utility Board hereby authorizes Superintendent Andrew McMahon to attend the APPA Legislative Rally in Washington, February 26 - March 1, 2023.

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

8) ARTICLES OF INTEREST:

- 9) SCHEDULE OF EVENTS: Next regular meeting, February 16, 2023
Annual Audit scheduled for March 20, 2023

10) PUBLIC COMMENT:

11) EXECUTIVE SESSION:

Motion to move into executive at 2:12 p.m.

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

Motion to move out of executive session at 2:13 p.m.

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

After motion to move out of executive session

RESOLUTION:

The Massena Electric Utility Board motions to increase the salary of the MED Management personnel as follows effective January 1, 2023:

Andrew McMahon to \$177,857, Jeffrey Dobbins to \$117,864, Matthew Gray to \$116,427 and Margo Rochefort to \$74,380.

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

Motion to adjourn at 2:35 p.m.

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