

**MASSENA ELECTRIC UTILITY BOARD**  
**MINUTES of Thursday, March 23, 2023**  
 Town of Massena Electric Department – 71 East Hatfield Street

Present:

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

Andrew McMahon, Superintendent  
 Jeffrey Dobbins, Treasurer  
 Matt Gray, Deputy Superintendent  
 Margo Rochefort, Deputy Treasurer  
 Patrick Facticeau, Town Liaison  
 Debra Willer, Town Liaison  
 David Grant – via Zoom

William Freitag, BST – via Zoom  
 Jeremy DeBarr, BST  
 Trevor Carroll, BST

Chairman Shaw opened the meeting at 1:01p.m.

Jeremy DeBarr of BST presented to the MEUB the draft financial statements and discussed the status of the 2022 Audit. Initial audit work started in January remotely and Mr. DeBarr noted that all onsite field work was complete. Mr. DeBarr reported that there were no findings, changes or adjustments to the financial statements provided by management and the audit opinion was an unqualified, clean opinion. This opinion indicates that the statements provided by the Department are presented properly in accordance with Generally Accepted Accounting Principles. Bill Freitag of BST then reviewed the statements and highlighted various elements of the statements.

1) APPROVAL OF MINUTES:

RESOLUTION:

The Massena Electric Utility Board hereby approves the minutes of the regular meeting of February 21, 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 8<sup>th</sup>. Our consecutive days without a lost time accident now stands at 265 days.

There were no reportable injuries in January. This brings the number of days without a reportable injury to 628 days.

B. Customer Impact Chart: MED experienced an above average amount of Customer Impact Minutes in the month of February with 57,900 minutes recorded. The largest Customer Impact was the result of a broken primary tap on Circuit 2303. With the elevated amount of Customer Impact minutes recorded in February, the 12-month average has increased to 35,338.

C. Reliability: MED Crews responded to a relatively low amount of calls throughout the month of February. Crews responded to five calls in total. One call affected no Customers, two calls affected one Customer and two calls affected more than one Customer. Of the calls received two calls contributed to our monthly CIM total.

The largest Customer impact was the result of a broken primary tap on circuit 2303. The odd nature of this call, or the fact that there was no fault and therefore no operation of the protective equipment, coupled with the remote location of the affected pole contributed to the delay in restoring power. Once the issue was found, the unaffected portions of circuit 2303 were transferred to adjacent circuits while repairs were made. This call affected five hundred twelve Customers for ninety minutes and one hundred fifty-four Customers for seventy-five minutes.

D. Work Schedule: Crews have completed the follow-up work in regards to the annual infrared scanning. The total number of primary and secondary hotspots found was on par with previous years.

Crews are nearing completion of the porcelain cutout replacement project on the 23kV circuits. The majority of cutouts left to be replaced involve a scheduled outage.

Crews are working to address areas where conductor sag needs to be adjusted. This issue was brought to light during the wind and snowstorms that occurred over the previous winter season.

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 \$2,083.36 as audited by Mr. Rene Hart.

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

B. Power Comparison Graph: Power cost were over \$820,000, higher than Jan. 2023, and down compared to Feb. 2022. Feb. 2022 costs were over \$1.2 Million, 5-yr max on graph. Supplemental power costs were \$373,000, down from \$730,500 in Feb. 2022. Due to high Peak, load share was lower in February. Over 10,500 MWh of incremental energy purchased during the month. Zone D Average Energy rate was \$28.50/MWh. Hedge in place for 5 MW at \$51.15 resulted in average incremental rate of \$35.40. Additional cost for the Hedge totaled \$72,800. Impact to customers – Base PPAC for March of 2.0¢/kWh, Supplemental PPAC of 3.3¢/kWh. MWh purchased, over 21,155, very similar to previous years. Temperatures during the remainder of the month were milder, resulting in lower usage. Peak demand 47,017 kW, highest recorded Peak for Feb. Set on Feb. 3<sup>rd</sup> at 6:00, cold snap at the start of the month. Reference 2<sup>nd</sup> graph, showing daily incremental cost and MW.

C. Cash Flow: The Operating Fund increased by \$184,000. The Operating Fund at month end was \$6 MM. February receipts were \$1.38 MM. Sales were higher in January. Customers have been slower paying due to billings in January being higher than last year. Payments have been better in March and customers continue to go to L1-HEAP for assistance. L1-HEAP is scheduled to close next week. Interest revenue remains up due to increases to the Federal Fund Rate. Expenditures totaled over \$1.197 MM, this is \$945,000 less than budgeted.

D. Approval of Bills:

RESOLUTION:

The Massena Electric Utility Board hereby approves the bills as audited by Mr. Rene Hart totaling \$1,171,782.48

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

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

## A. Personnel

1. Staff Update: Mr. McMahon reported that the staff was healthy and there were no notable developments.

Mr. McMahon relayed that he would begin advertising for summer help this year. He expected to only hire one intern.

2. Security Update: Mr. McMahon and Mr. Dobbins reported that the added measurers to secure the front office doors are completed. Mr. Dobbins will be reaching out to local police to work on a table top exercise.

## B. Finance &amp; Economic Development

1. Energy Efficiency Programs: Treasurer Dobbins reported that there were no credit requests this month. He did note that there had been a few audits performed in recent weeks. Before the next board meeting, the Finance Committee will get together to discuss these audits and the overall program. That meeting will include Energy Answers, the firm performing the audits.

2. Pole Attachment Fees: Treasurer Dobbins reviewed the revised tariff leaf included in the board packet. A recent order from the PSC revised the proxy rate municipal utilities can charge for Pole Attachments. The existing rate charged by the Department, \$11.98, is included in the charges section of the Tariff and was established after a previous order by the PSC. Staff reached out to NYPA, the Department's regulator, to get approval to increase this pole attachment to the new proxy rate of \$16.75. NYPA had no issues with the change and requested that the Department file a revised tariff with the new rate.

Mr. Bogosian asked if entities attached to the poles would be notified of the change. Treasurer Dobbins responded that the order required a letter be sent in advance of the invoices reflecting the new rate. This letter was already drafted and Treasurer Dobbins reported that the letters would be sent once the tariff change was approved.

## RESOLUTION:

The Massena Electric Utility Board hereby authorizes the proposed changes to Tariff Leaf 26, of the Massena Electric Tariff, with an effective date of April 1, 2023.

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

## C. Engineering &amp; Energy

1. Cybersecurity: Cybersecurity. Mr. McMahon and Dobbins discussed the cybersecurity posture of the Department. Mr. Dobbins noted that we are transitioning to Dragos. This is a new provider for certain functions previously provided by IronNet.

2. Forward Energy Procurement: During the review of the Power Comparison Graphs, Treasurer Dobbins updated the board on the performance of the contract for February 2023. Superintendent McMahon also noted the recent decline in natural gas prices has led to much lower power costs for Zone D and New York State as a whole. Even though we have seen a decline to the Zone D price, recent inquiries to NYPA for Jan and Feb 2024 have remained high. Over the next several months staff will continue to monitor this and see if there is an opportunity to enter into an agreement at a more favorable rate before the winter of 2024.

3. EAB extra work: Mr. Gray updated the board that work on removal of ash trees has slowed through the winter due to the difficulty cleaning. Work will hopefully increase soon on this matter. Mr. Gray noted that the decay of ash trees is becoming increasingly evident through the community.

4. NYSEDA Submittals: Mr. McMahon said the submittal on these two projects has been going back and forth and has gone slowly. He noted that he is the hold up right now, but expects that it will be complete and sent to NYSEDA by the next board meeting. It will then be in NYSEDA'S hands. He is hopeful that we can begin work on the technical portion of the projects in the near future.

5. Grant Funding CAC/IIJA/IRA: Mr. McMahon stated that it appears that the Grant programs appear to be close to rolling out.

Mr. McMahon explained that he had had further discussion with the engineering committee on the fault indicators/ load loggers that were included in the capital budget. Mr. Gray has scoped out the equipment and we will begin ordering the required materials.

#### RESOLUTION:

The Massena Electric Utility Board hereby authorizes the purchase of equipment for the fault indicator project at a price not to exceed \$50,000.

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

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

6) UNFINISHED BUSINESS:

- NYAPP Government Affairs

Mr. McMahon reported on his trip to Albany with the NYAPP GA team. He reported that they had a number of meetings with legislators. These were highlighted by meeting with the Governor's energy staff, Senator Parker (chair of senate energy committee) and the staff for assembly woman Didi Barrett who is chair of the assembly energy committee. The meetings went well and Mr. McMahon thought that genuine progress was made. Mr. Raiti commented that it is great that we continue to make efforts in this arena. He has heard repeatedly that since public power is such a small niche we have to keep our issues in front of politicians.

7) NEW BUSINESS:

Mr. McMahon advised the board that the NYAPP quarterly meeting is scheduled for April 11 through 13. He will be attending with Mr. Shaw and Mr. Raiti. Among the speakers will be Mark Saltsman from Liberty Utilities, Rich Dewey from the NYISO and Erin Hogan from the Department of Public Service consumer protection unit.

8) ARTICLES OF INTEREST:

9) SCHEDULE OF EVENTS: Next regular meeting scheduled for April 20, 2023

10) PUBLIC COMMENT:

11) EXECUTIVE SESSION:

Motion to move into executive at 3:07 p.m.

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

Motion to move out of executive session at 3:11 p.m.

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

Motion to adjourn at 3:11 p.m.

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

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