

FINAL

**CITY OF NORWALK
THIRD TAXING DISTRICT
OCTOBER 3, 2011**

ATTENDANCE: Commissioners: Paul Kokias, Acting Chair; David Brown

STAFF: George Leary, General Manager;
Ron Scofield, Assistant General Manager.

OTHERS: John Bove, District Counsel.

CALL TO ORDER

Mr. Kokias called the meeting to order at 7:11 p.m.

PUBLIC COMMENT

There were no public comments.

MINUTES OF MEETINGS

- ** **MR. KOKIAS MOTIONED TO APPROVE THE MINUTES OF AUGUST 1, 2011 AS SUBMITTED.**
- ** **MR. BROWN SECONDED.**
- ** **MOTION PASSED WITH ONE VOTE IN FAVOR, NONE OPPOSED AND ONE ABSTENTION (BROWN).**

Mr. Brown requested the second paragraph on page 2 be changed to read as follows:

Mr. Brown requested that Mr. Plunkett's residence and Hurricane Irene storm response items be added to the agenda, and Mr. Kokias declined the request.

- ** **MR. BROWN MOTIONED TO APPROVE THE MINUTES OF SEPTEMBER 12, 2011 AS AMENDED WITH CORRECTIONS NOTED.**
- ** **MR. KOKIAS SECONDED**
- ** **MOTION PASSED UNANIMOUSLY.**

Future Meeting Dates

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Mr. Leary stated that the next meeting scheduled for November 9, the day after the municipal election, which conflicts with a planned CMEEC retreat. Therefore, he suggested that the November meeting be moved to November 14.

Mr. Leary stated that the proposed meeting schedule for 2012 will be presented to the Commission at the November meeting, and Mr. Kokias requested the schedule be sent prior to the meeting and that the new commissioner have an agenda packet. Mr. Scofield suggested that he could send it earlier than the agenda packet, and it was agreed to do so.

**** MR. BROWN MOTIONED TO CHANGE THE NOVEMBER MEETING FROM NOVEMBER 9 TO NOVEMBER 14.**

**** MR. KOKIAS SECONDED.**

**** MOTION PASSED UNANIMOUSLY.**

GENERAL MANAGER'S REPORT

Mr. Leary presented his written report and stated that it was self-explanatory, as it represents the standard format with the statement of income and expense.

Mr. Kokias questioned item 421 – Norden Income and asked why it was down Loan and Mr. Leary replied that it will get better as expenses have been low and it has not run but maybe twice. Mr. Brown asked if it is supposed to be tested, and Mr. Leary replied that it is a good practice but it is bad for the soot filters and for the economy, and not economically feasible.

Mr. Brown asked about Dodd-Frank Act and stated that it was so complicated, and Mr. Leary replied that is not speculation just buy for use and not required to register as an end user. He added that according to the rules carved out through CMEEC on the buying power in order to lock in price and to use later on.

Purchased Power Adjustment

Mr. Leary presented his report as follows:

At a recent Commission meeting we discussed the competitive status of our rates relative to CL&P. The fact is that our residential rate is close to CL&P depending on the season while our commercial rate is slightly above CL&P. A current projection of our income and expenses shows that with projected declining power supply costs we have room to lower our retail price

Current facts are:

- The Commission does not want to increase customers' costs, neither commercial nor residential at this time.

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- Rates have been fixed since 1985 with price changes being made, both up and down, through changes to the Purchased Power Adjustment (PPA).
- We want our customers to have a stable price for electricity and we attempt to make changes as seldom as possible i.e. less than once per year.
- We avoid reducing our price if such a reduction would be temporary and be soon followed by an increase (the roller coaster effect.)
- A change to the Purchased Power Adjustment affects all customers similarly.

A discussion ensued regarding a change in the rate as to not penalize customers in the summer when usage is up. It was agreed that the rate setting concept is based on supply and demand and it is not the intention to charge more in the summer during A/C usage.

- ** **MR. KOKIAS MOTIONED TO REDUCE THE PPA, EFFECTIVE WITH THE NOVEMBER 2011 BILLING, FROM THE EXISTING 75 MILS PER KWH TO A FLAT RATE THAT GETS THE SAME REVENUE (BASED ON NUMBERS RUN BY MR. LEARY) TO RECOGNIZE THE DECLINING PRICE OF POWER ON THE WHOLESALE LEVEL OUR PAYMENT TO CMEEC WILL BE REDUCED FROM \$114 PER MWH TO \$105.**
- ** **MR. KOKIAS SECONDED.**
- ** **MOTION PASSED UNANIMOUSLY.**

Substation Development

Interconnection Studies

Mr. Leary presented an update and stated that the studies are underway.

Engineering Team

Mr. Leary stated that several proposals had been submitted, but there was uncertainty on the NE role, but that has not been settled and the scope has been redrafted. He added that the design has been negotiated with the Railroad and NEU, put to bid with the Operations Manager to oversee the new bids, reevaluate and do an analysis and comparison.

Site Work

Mr. Leary stated that the site work is in progress and there is a Zoning meeting on Thursday at City Hall at 5pm, and a liaison is required. He added that they will learn how to interface with the Site Council after this meeting.

Norden Generators

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Mr. Leary stated that there is nothing new to report and that they are not anxious to sell although the costs are low enough. He added that there is not yet a written proposal from Mr. Camacho.

Norden Data Center

Mr. Leary stated that there is no activity planned, but he would follow up with the Site Council.

Band Concert Proposal

Mr. Leary presented a letter from Dr. Harvey Tuckman, President of Fairfield Counts requesting sponsorship of a concert at City Hall. After discussion, it was agreed that since the location is outside of the district, and this is not within the budget, the Third District should not fund this concert.

Executive Session

There was no Executive Session

Adjournment

**** MR. BROWN MOTIONED TO ADJOURN.
** MR. KOKIAS SECONDED
** MOTION PASSED UNANIMOUSLY.**

The meeting was adjourned at 8:45 p.m.

Respectfully submitted:

Marilyn Knox,
Telesco Secretarial Services