

DRAFT

**THIRD TAXING DISTRICT**  
of the City of Norwalk  
May 5, 2014.

**ATTENDANCE:** Commissioners: Charles Yost, Chair; Debora Goldstein, David Brown,  
Dr. Michael Intrieri, Treasurer

**STAFF:** James Smith, General Manager; Ron Scofield, Assistant  
General Manager.

**OTHERS:** Sarah Mann, Fire Chief Denis McCarthy, Sarah Amato Mills, Marvin  
PTO; Tonya Gonsalves

**CALL TO ORDER.**

Commissioner Yost called the meeting to order at 7:00 p.m. A quorum was present.

**PUBLIC COMMENT.**

No one from the public wished to address the Commissioners at this time.

**MINUTES OF MEETING.**

**March 3, 2014.**

Commissioner Brown asked about whether the foreman's position had been completed and sent out. Mr. Smith said that he had sent it out two weeks earlier.

Commissioner Brown asked whether the existing pole agreement had been followed up. Mr. Smith said that he had found one agreement, but not the most recent.

Commissioner Goldstein reminded everyone that AT&T was going to be selling off their land lines to Frontier. She pointed out that the Third Taxing District should contact them regarding the use of the telephone poles as this could be a new revenue stream.

The following correction was noted:

Page 1, under **ATTENDANCE**, please change "Dr. Michael Intieri" to "Dr. Michael Intrieri, Treasurer"

**\*\* COMMISSIONER YOST MOVED THE MINUTES OF MARCH 3, 2014.**

**\*\* COMMISSIONER GOLDSTEIN SECONDED.**

**\*\* THE MOTION TO APPROVE THE MINUTES OF MARCH 3, 2014 AS  
CORRECTED PASSED UNANIMOUSLY.**

Third Taxing District  
of the City of Norwalk  
Regular Meeting  
May 5, 2014

**April 7, 2014.**

A discussion about the Jumar contract followed. Mr. Smith reported that Atty. Bove had spoken with Jumar about the contract and the correction was made. Mr. Smith said Atty. Bove signed off on the legal language.

Page 1, under ATTENDANCE, please change "Dr. Michael Intrieri" to "Dr. Michael Intrieri, Treasurer"

- \*\* COMMISSIONER YOST MOVED THE MINUTES OF APRIL 7, 2014.**
- \*\* COMMISSIONER GOLDSTEIN SECONDED.**
- \*\* THE MOTION TO APPROVE THE MINUTES OF APRIL 7, 2014 AS CORRECTED PASSED UNANIMOUSLY.**

**April 9, 2014.**

- \*\* COMMISSIONER YOST MOVED THE MINUTES OF APRIL 9, 2014.**
- \*\* COMMISSIONER BROWN SECONDED.**
- \*\* THE MOTION TO APPROVE THE MINUTES OF APRIL 9, 2014 AS SUBMITTED PASSED UNANIMOUSLY.**

**April 15, 2014.**

- \*\* COMMISSIONER GOLDSTEIN MOVED TO HAVE THE MINUTES SENT BACK TO TRANSCRIPTION SERVICE FOR A VERBATIM TRANSCRIPT.**
- \*\* COMMISSIONER YOST SECONDED.**
- \*\* THE MOTION TO HAVE THE MINUTES SENT BACK TO TRANSCRIPTION SERVICE FOR A VERBATIM TRANSCRIPT PASSED UNANIMOUSLY.**
- \*\* COMMISSIONER GOLDSTEIN MOVED TO SUSPEND THE RULES TO CONSIDER THE VAN ZANT STREET HVAC BID AS THE NEXT AGENDA ITEM.**
- \*\* COMMISSIONER BROWN SECONDED.**
- \*\* THE MOTION TO SUSPEND THE RULES TO CONSIDER THE VAN ZANT STREET HVAC BID AS THE NEXT ITEM PASSED UNANIMOUSLY.**

**HVAC Bid – Van Zant Street Firehouse.**

Chief McCarthy came forward and said that a HVAC system for the Van Zant station and the first round of bids came back extremely high. He said that a second bid had gone out and an acceptable bid had been submitted. He said that he was present to request additional funding.

Commissioner Goldstein said that the TTD would have to go into the reserve fund since this request was not included at the annual meeting. She said that she hoped that in the future the

schedules would be in sync. Chief McCarthy said that he was not familiar with the District process. He said that he had been requested to provide back-up information for the bathrooms and had done so. He said that he would work with the General Manager to correct the problem.

Dr. Intrieri asked who sits down with the contractors. Chief McCarthy said that the Department does not get involved in the sealed contract process. The Department will be involved in work, but not the bidding process.

**\*\* COMMISSIONER YOST MOVED TO APPROVE THE ADDITIONAL FUNDING OF \$4,841.00 FOR THE VAN ZANT STREET FIREHOUSE HVAC SYSTEM.**

**\*\* COMMISSIONER BROWN SECONDED.**

**\*\* THE MOTION PASSED UNANIMOUSLY.**

Mr. Smith commented that one of the problems was that this project had extended over a number of years. He suggested that in the future there be a timeline established for the use of the funds.

#### **Renewal of Jumar Marketing Service Contract.**

Commissioner Brown said that he never saw a full itemized bill. Mr. Smith said that right now, the TTD receives a monthly retainer and that this issue had been discussed with Jumar. From now on, the TTD will be receiving an itemized bill. Commissioner Goldstein said that she had been a member of the public when the 100th Anniversary bill came in and that the event had come close to paying for itself through table rentals.

**\*\* COMMISSIONER BROWN MOVED TO APPROVE THE JUMAR MARKETING CONTRACT PENDING THE RECEIPT OF ITEMIZED MONTHLY BILLS.**

**\*\* COMMISSIONER GOLDSTEIN SECONDED.**

**\*\* THE MOTION PASSED UNANIMOUSLY.**

#### **General Manager's Comments.**

Mr. Smith said that Mr. Scofield would be giving the Commissioners an update on the concert series. Mr. Scofield said that he had a handout for the Commissioners regarding this.

• **Policy on Donations** - Mr. Smith said that he needed some clarification on the policy. He distributed copies of a potential donation policy. He said that he could make it as general or specific as the Commission wants.

Commissioner Goldstein said that ENNA was a charitable organization. Mr. Smith said that this was a very generic, high level policy. Commissioner Yost said that the Commission should decide when donations are requested. Dr. Intrieri said that he thought that the Commissioners should have the flexibility to make the determination. Commissioner Yost said that he would like a value statement about how the funds would be used.



Commissioner Goldstein said that looking historically at the types of requests from the various groups, there were things that strayed from the Charter. She said that she would appreciate seeing something that would be flexible enough that would fit the mission. Commissioner Yost said that the requests need to be submitted by a set date so that the requests are before all the Commission. Commissioner Brown said that he felt Atty. Bove should be as specific as possible. He said that while the request from Marvin PTO was noble, he would be voting no. Commissioner Goldstein said that the policy would have to be grounded in what the TTD is obligated to do under the charter. Commissioner Yost said that he would like a form posted on the website. Commissioner Goldstein said that she would like to see matching funds used. Mr. Smith said that he would get a draft to the Commissioners in the next few weeks for a vote at the June meeting.

• **Bylaws-** Mr. Smith then distributed a set of draft bylaws from another organization. Commissioner Brown said that he had seen a set of bylaws that appeared to mirror the employment contracts. Mr. Smith pointed out that the document speaks about how the board runs and what processes are involved. Commissioner Yost suggested that Atty. Bove review this and draft some bylaws.

Mr. Scofield distributed a document summarizing the three bands that could be potential performers for a concert. Commissioner Goldstein said that none of the Commissioners had heard any of the three bands before. Dr. Intrieri said that he would be interested in the banjo performance.

**\*\* COMMISSIONER YOST MOVED TO BOOK THE EASTON BANJO SOCIETY FOR A CONCERT.**

**\*\* COMMISSIONER BROWN SECONDED.**

**\*\* THE MOTION PASSED UNANIMOUSLY.**

Mr. Smith said that because there would be seven concerts this year, he needed some of the Commissioners to introduce the groups and present the checks. The Commissioners said that they would be happy to help with this.

**\*\* COMMISSIONER GOLDSTEIN MOVED TO SUSPEND THE RULES TO CONSIDER THE MARVIN SCHOOL GRANT REQUEST AS THE NEXT AGENDA ITEM.**

**\*\* COMMISSIONER YOST SECONDED.**

**\*\* THE MOTION PASSED UNANIMOUSLY.**

#### **Marvin School Grant Request.**

Ms. Amato Mills came forward and said that when she had a grant request, she had to fill out forms, and then afterwards documents where the money went. She pointed out that most of the Marvin students were customers of the TTD. She said that it was reasonable to ask how the money was going to be used. The teachers would be happy to report back to the Commission on



the use of the funds. Commissioner Brown said that in the past, the TTD had taken their trucks down to the school to demonstrate how they worked. Ms. Amato Mills said that the teachers would be happy to have the TTD do this again.

Commissioner Goldstein said that the request had been for \$6,000 but it had been reduced to \$4,400 because there were some activities that were not related to energy science, such as the trip to the Zoo.

The discussion moved to the types of school activities that the funding would cover. In the future, any requests must be compliant with the forthcoming guidelines.

Commissioner Brown said that he had not gotten the bidding policy yet and felt he had to make sure that it was within the guidelines. While he felt that this was a worthwhile request, he said that he would be voting against it.

**\*\* COMMISSIONER GOLDSTEIN MOVED TO APPROVE A GRANT SUM OF \$4,400 FOR THE MARVIN SCHOOL.**

**\*\* COMMISSIONER YOST SECONDED.**

**\*\* THE MOTION PASSED WITH TWO IN FAVOR (YOST AND GOLDSTEIN) AND ONE OPPOSED (BROWN).**

#### **TTD Signs.**

Commissioner Brown then distributed documents with color photos of three different signs. Two of the signs had a nautical theme and one had a U.S. flag background. Mr. Scofield said that people had been using the park as a dog park. The old wooden sign was falling apart. A sign was included with last year's budget request and approved. Mr. Scofield said that the staff had chosen the sign design. Commissioner Brown said that this was a decision that the Commissioners should be making, not the staff. He said that the sign did not match the nautical theme of the others. Discussion followed.

#### **Narrative/Motion on Rate Study.**

Mr. Smith said that he had compiled the comments from the Commissioners. Commissioner Yost said that there was time to make this decision. This will be discussed again at a future meeting.

#### **Five Year Commission Planning Calendar - Calendar Year 2014-2018.**

Mr. Smith said that this was a basic month by month calendar for the next five years. The routine items are indicated and the unique items would be inserted as needed. Dr. Intrieri said that he thought this was great and was clear on the guidelines.

#### **Construction Work in Progress – Motion to Deposit Excess Funds.**

Commissioner Brown said that he would like clarification on where the excess funding came from. He said that the TTD had borrowed some funds from the Rate Stabilization account and other funds. He said that the first funds from Cervalis should be used to replenish the funds that had been drawn down for the project. He wished to know why the funding was being deposited into the Capital Funds account. Mr. Smith said that this was funding that was used for construction projects. Discussion followed.

**\*\* COMMISSIONER GOLDSTEIN MOVED TO APPROVE THE DEPOSIT OF THE EXCESS FUNDS OF \$245,010 INTO THE CAPITAL IMPROVEMENT ACCOUNT.**

**\*\* COMMISSIONER YOST SECONDED.**

**\*\* THE MOTION PASSED UNANIMOUSLY.**

**\*\* COMMISSIONER GOLDSTEIN MOVED TO SUSPEND THE RULES TO REOPEN THE PUBLIC COMMENT PORTION OF THE MEETING.**

**\*\* COMMISSIONER YOST SECONDED.**

**\*\* THE MOTION PASSED UNANIMOUSLY.**

#### **PUBLIC COMMENT CONT'D.**

Ms. Tonya Gonsalves of 25 Cottage Street, who is a tenant of Jim Cunningham, came forward to address the Commissioners. She said that she came to Norwalk two years ago. She came to TTD and did not know about the deposit of \$300. Now the deposit is \$500 and Ms. Gonsalves explained she is retired and on a fixed income. She said that she had been paying the bills with her debit card. She said that the electric had been turned off and she had appealed to Person-to-Person, but they were not able to help much. Commissioner Goldstein asked whether the Alternative Credit Report had been checked. Mr. Scofield said that TransUnion had pulled her credit rating down with repeated inquiries. Commissioner Goldstein said that the Alternative Credit Report would take her timely payments and build a credit report. Discussion followed. It was the consensus of the Commission that this could be worked out by the staff.

#### **Dedication Ceremony.**

Mr. Smith said that the majority of the landscaping had been completed. The project should be finalized in the next week to 10 days. He said that he would like to have a formal dedication. Discussion followed about potential dates for the ceremony, Mr. Smith said that he would confirm the date of June 6th with the Commissioners tomorrow.

*Dr. Intrieri left the meeting at 8:55 p.m.*

#### **Discussion/Analysis of Financial Statements/Key Performance Indicators.**

Mr. Smith gave an overview of the Financial Highlights from July 2013 to March 2014. Commissioner Brown had a number of detailed questions about the footnotes.



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Commissioner Goldstein asked why the actuaries were done every two years. Mr. Smith said that was when the audit was done on the pensions.

Commissioner Yost asked for an update on Cogsdale. Mr. Scofield said that there was a lengthy report. He said that there were items like the budget plan that would now be done in the system and be more efficient. There will also be a way to estimate routes and provide more flexibility for the staff. Once the business process is completed, there will be numerous new functions that will be activated. The results came in late last week. Mr. Smith said that he would provide the Commissioners with a complete update once things are in place. Discussion followed.

Commissioner Goldstein asked for some follow-up on Maplewood. Mr. Smith said that TTD had contacted the vendor who was going to do an upgrade on the lighting.

Commissioner Yost asked about the Conley issue. Mr. Smith gave a brief update.

**ADJOURNMENT.**

**\*\* COMMISSIONER YOST MOVED TO ADJOURN.**

**\*\* COMMISSIONER GOLDSTEIN SECONDED.**

**\*\* THE MOTION PASSED UNANIMOUSLY.**

The meeting adjourned at 9:08 p.m.

Respectfully submitted,

Sharon L. Soltes  
Telesco Secretarial Services

DRAFT

THIRD TAXING DISTRICT  
Of the City of Norwalk  
**Library Adhoc Committee Meeting**  
April 15, 2014

ATTENDANCE: Commissioners: Charles Yost, Chairman; David Brown;  
Debora Goldstein; Dr. Michael Intrieri, Treasurer

STAFF: James Smith, General Manager, Stan Siegel, East Norwalk  
Library Director

OTHER: East Norwalk Association: Jim Anderson, President;  
David Castle, Marlene DeBellis, Katherine Cray, Kevin Emro,  
Sarah Mann, Nancy Stephanek

CALL TO ORDER

Mr. Yost called the meeting to order at 8:03 p.m. and asked the Commissioners of the Third Taxing District to introduce themselves. He then asked the members of the East Norwalk Association to introduce themselves, and those in attendance are as listed above.

Mr. Yost stated that this was the first meeting in partnering with the East Norwalk Association in choosing a consultant for the Master Plan funded by the Third Taxing District. He stated that there will be a public meeting on May 8, 2014 at 6:45 p.m. at Marvin Elementary School with moderator John Hartwell. Mr. Yost stated that the goal of the meeting is to engage the community, gather and display information on the scope of the RFP for consultants on the Master Plan.

Mr. Anderson asked for a point of order on the agenda that calls for public comment as the first item but this was not done.

Public Comments

Ms. Mann stated that the Association held an Executive Session tonight to discuss the Master Plan as discussed at the Third Taxing District Annual Meeting in March 2014. She stated that they took a vote and it was unanimously agreed that the Association will look at the plan themselves and will seek professional advice if required.

Mr. Siegel stated that the word communication is something that he wanted to elaborate upon as the challenge here is the lack of communication on the issue.



Mr. Siegel asked the members if he had permission to speak on behalf of the Board and it was noted that this was acceptable for him to do so. He stated that the underlying issue here is that the Third Taxing District does not have the authority to tell the Association what should be done with regard to the Library.

Mr. Yost stated that this was not the intention of tonight's meeting to discuss district authority, but was under the impression that this was a work session to determine the next steps of the process.

Ms. Mann stated that based on the agenda issued and posted by the TTD this was not the interpretation of the purpose of the meeting.

Mr. Siegel stated that the electors have given the Association the go ahead to enable \$20,000 to hire a consultant, but the concept of a consultant for the Library was not voted upon. The premise that a consultant is necessary is premature and does not exist. What the Board should be doing as far as the further direction of the Library is not within the purview or oversight of the Third Taxing District.

Mr. Anderson stated that this issue would be similar to management of the Fire Department. Just because the TTD owns the building they have no managerial or operational oversight over day-to-day Library operations.

Mr. Yost stated that the TTD was merely doing their due diligence to oversee the allocation of the item with the funding approved for by the district electors at the annual meeting.

Mr. Siegel stated that the public did not give authority to the TTD to manage this but merely asked for a grant and was not awarding or given oversight ever on past or future operations of the East Norwalk Library.

Ms. Goldstein stated that this was not entirely true as \$20,000 for a Master Plan was authorized by the district and voted upon at the annual meeting, which suggests oversight, and cooperation with management on the process. She added that with any municipality, there is due diligence as part of the process of input, as this would be a waste of money if it will not be used what it was designated for. She added that the funding was a result of the Commission being asked to go through a wish list of items needed and there is an expectation of cooperation with the TTD for oversight of the expenditures.

Mr. Siegel stated that the key word used by Ms. Goldstein is suggests, not mandate, which is what the TTD is doing with the funding approval. He added that the assumption is not what the electors have asked or approved, and that it is the East Norwalk Library Master Plan, not the TTD Master Plan.

Mr. Yost stated that one can make a case that TTD involvement is required for spending district money and if no one will monitor how it is used, the Board could decide to retain it and just say thank you very much for the money.

Ms. Goldstein said the TTD just can't give the money away without governance; it is a line item in the budget of which the Commissioners have oversight.

Ms. Mann asked if there was discussion of this in a regular TTD meeting, and Mr. Yost replied that the district had discussed this before the annual meeting. Ms. Mann stated that she was concerned with what was discussed prior to coming to this meeting.

There was an exchange of comments with regard to when this was discussed and at which meeting, and if meeting minutes are posted on the website.

Ms. Goldstein stated that it would be in the minutes for the regular District meeting prior to the annual meeting. She added that funding an item in the budget without fiscal responsibility is what was pointed out at the annual meeting during the budget discussion.

Ms. Mann stated that the Library is in good financial shape, the audit report is clean, and there are no red flags. She feels like the Board has been hit over the head with a 2x4 and this could have been avoided with a discussion of what the \$20,000 be spent on. She added that a power play was unnecessary and it is not appropriate to be slammed with a 2x4. The Board's perception is that they have worked hard for the best interest of the Library and were looking for cooperation and a healthy relationship with the TTD Board rather than blaming the Library Board and taking credit for fixing its problems.

Mr. Yost stated that he wanted to make sure the District will get the best bang for their buck.

Dr. Intrieri stated that he is new on the Commission and is the Treasurer with no voting power and wanted all to know that he came here tonight with the expectation to work together as a team and to listen to comments from the Association relative to comments made at the annual meeting. He read from those minutes and highlighted statements such as more services for the tax dollars spent, make use of the history room, improve facilities, make handicap accessible, and expand the basement. He stated that the goal was to enhance and upgrade the building, and this was the feeling for the meeting and the expectation and he is sorry for any misunderstanding that the Library Board has, as that was not the intent of the meeting.

Ms. Mann stated that the statement she made tonight expressed the consensus of the board and Mr. Yost asked if it was a unanimous vote. Mr. Anderson said it was unanimous.

Ms. Goldstein asked if this attempt can be overlooked and the clumsy approach forgiven and have this false start done over.



Ms. Mann said the Association wants to facilitate and examine if there is a need to hire a consultant, and we want to be in the driver's seat. Ms. Cray stated that she feels \$20,000 is much too high and not a good use of the money, and that based on the size of the budget, there is no consultant needed.

Ms. Goldstein stated that her intention coming into this meeting was to form a steering committee to develop more detail and identify the scope of the project to bring all ideas and information to the Table.

Mr. Siegel said if that was the case, why was a public meeting already scheduled?

Mr. Yost asked, "When was the last public survey of services done?" Mr. Siegel replied it is being done now with "Love Your Library Because" cards.

Mr. Yost added that this is very disappointing because the district cannot even voice ideas.

Ms. Mann said the Board needs to start somewhere. We have just started with increasing membership and usage with 18+ age membership guidelines. Mr. Anderson read from the Bylaws on membership terms, and Mr. Yost asked for a copy of the Bylaws.

Mr. Yost stated that the analogy used by Mr. Anderson on comparing this issue with that of the Fire Department is not the same, as the District does not have knowledge or managerial input on how to operate a fire station.

Mr. Anderson stated that this does apply and stated, "Why would the District presume they know how to run the Library?"

Mr. Yost replied that we do know how things can be done in a better way.

There was further exchange of comments on clarifying the issue and next steps.

Ms. Mann stated that the Board would reconvene, and based upon the statements made tonight, will come back to the TTD with the next steps.

Mr. Brown stated that he came here with the preconceived perception of comments from the annual meeting. It would be nice to have an open dialogue rather than what happened tonight. We should start with how can we make it better and come to a meeting of the minds.

Mr. Siegel stated that as Ms. Mann has read the Association vote and now indicated the Board would reconvene, and based upon the statement read tonight, come back to the TTD with the next steps.

Ms. Mann stated that this meeting tonight was not entirely unproductive.

Ms. Goldstein stated that the Commissioners have had meetings with respect to this trying to figure out how to structure the Steering Committee, but the TTD has other business to attend to and there needs to be a timeline for the Library plan.

Mr. Yost stated that this was the intention, and unfortunately we can't do that without cooperation of the Library Board.

Ms. Mann asked to just "knock off" the power play tactics and these are two equal entities. Normally a meeting agenda is done jointly as a partnership not forced this way, and there needs to be equal input and direction.

Ms. Goldstein stated that in order to proceed with an Ad-Hoc Committee there needs to be parameters set with voting authority such as the way the commission is set up.

Dr. Intrieri stated that we should all think positively and come to work cooperatively with the intent to collaborate on ways to improve the Library. He added that they meet every third Wednesday at the Marvin, and all are welcome to attend, and to bring baked goods.

**\*\* MS. GOLDSTEIN MOVED TO SUSPEND THE RULES AND TO  
DISREGARD THE REMAINDER OF THE AGENDA FOR THIS MEETING  
BEYOND PUBLIC COMMENTS.  
\*\* MR. BROWN SECONDED THE MOTION.  
\*\* MOTION PASSED UNANIMOUSLY.**

#### Adjournment

**\*\* MS. GOLDSTEIN MOVED TO ADJOURN.  
\*\* MR. BROWN SECONDED.  
\*\* MOTION PASSED UNANIMOUSLY.**

The meeting was adjourned at 9:05 p.m.

Respectfully submitted,

Marilyn Knox,  
Telesco Secretarial Services

# Memorandum

## Third Taxing District

### Electric Department

**To:** TTD Commissioners

**From:** Jim Smith – General Manager

**Date:** May 21, 2014

**Subject:** CMEEC Review of Summer Market Conditions



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Attached please find for your review a slide set prepared by CMEEC with information relating to overall power supply market conditions for the upcoming summer 2014 period.

We plan on having them come to review this information with the Commission each spring and fall as outlined the Commission's Planning Calendar.

This information will be covered by Drew Rankin and Justin Connell from CMEEC in a brief presentation to the Commission, and is intended to highlight budget vs. actual costs for 2014 (remember that power supply costs are looked at one a calendar year basis), actual and spot market costs, reasons for deviations from original budget projections, and regional competitiveness related the CL&P standard and minimum supplier offers.

Drew will also be briefly discussing an exciting new concept that CMEEC is looking into called the "Community Solar Garden", where TTD customers will be able to purchase solar power @ a slight premium directly from solar projects located in MEU's service territories in Ct. (not in the form of renewable energy credits or "REC's", as is the case now with the Green Choice program).

CMEEC has already identified several sites in Groton, Norwich, etc. and will be talking to the Commission about sites which may be available within TTD's service territory.

Pg. 13



# Summer Market Condition Update



June 3<sup>rd</sup>, 2014

14

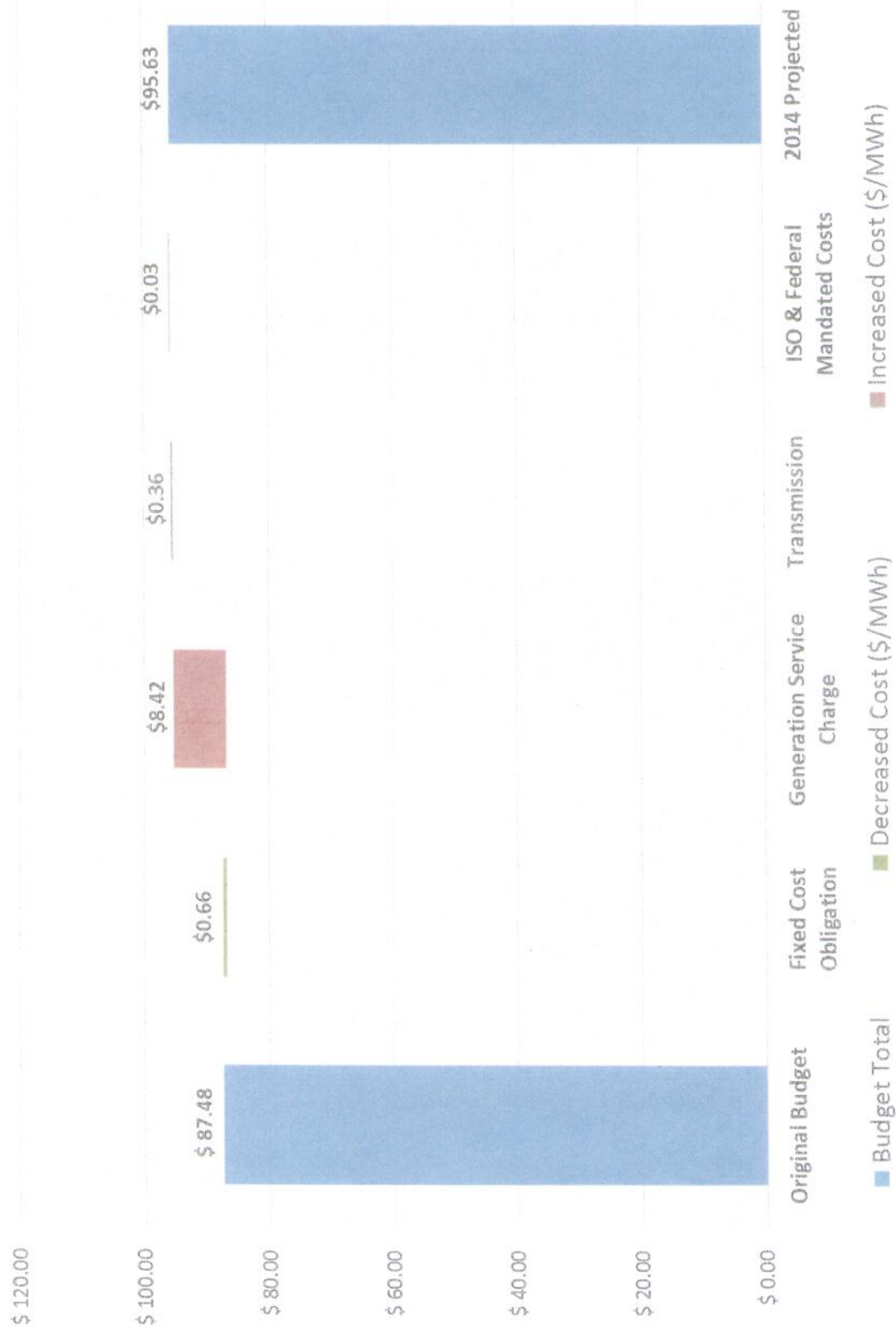
# Outline

- Where do we stand for 2014 relative to our original budget projections
- Comparison of CMEEC Cost of electricity compared to actual and projected spot market costs
- What are the major driver(s) for deviations
- Where are we relative to Regional Competitiveness
- Next Steps
- Questions
- Community Solar Garden Update



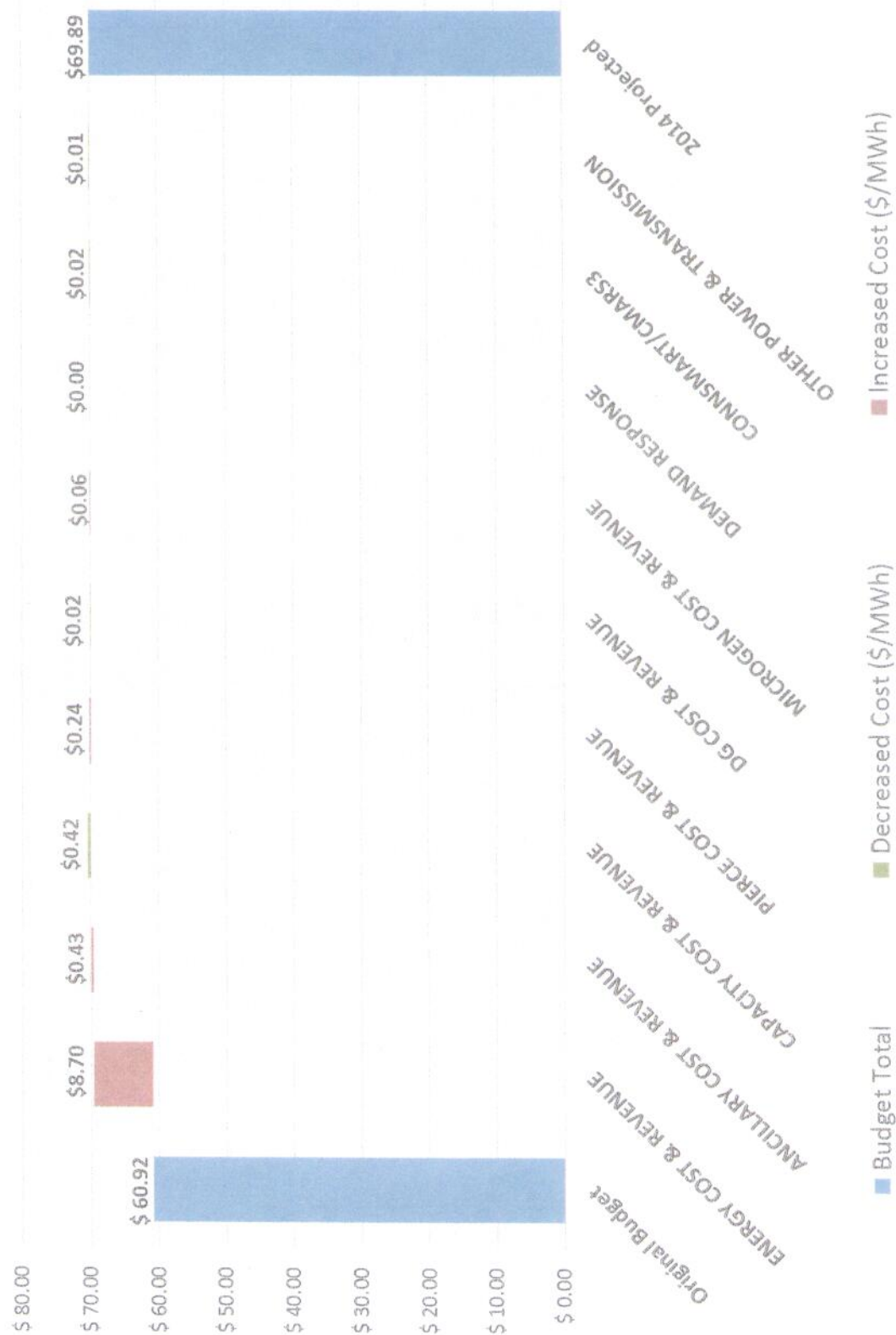
## Breakdown of CMEEC All-in Cost Update for CY2014

\$/MWh Projected Year End Actual Cost Through February



# Breakdown of CMEEC GSC Cost Update for CY2014

\$/MWh Year End Projected Cost





# CMEEC Power Supply Portfolio Hedge Position - May 2014

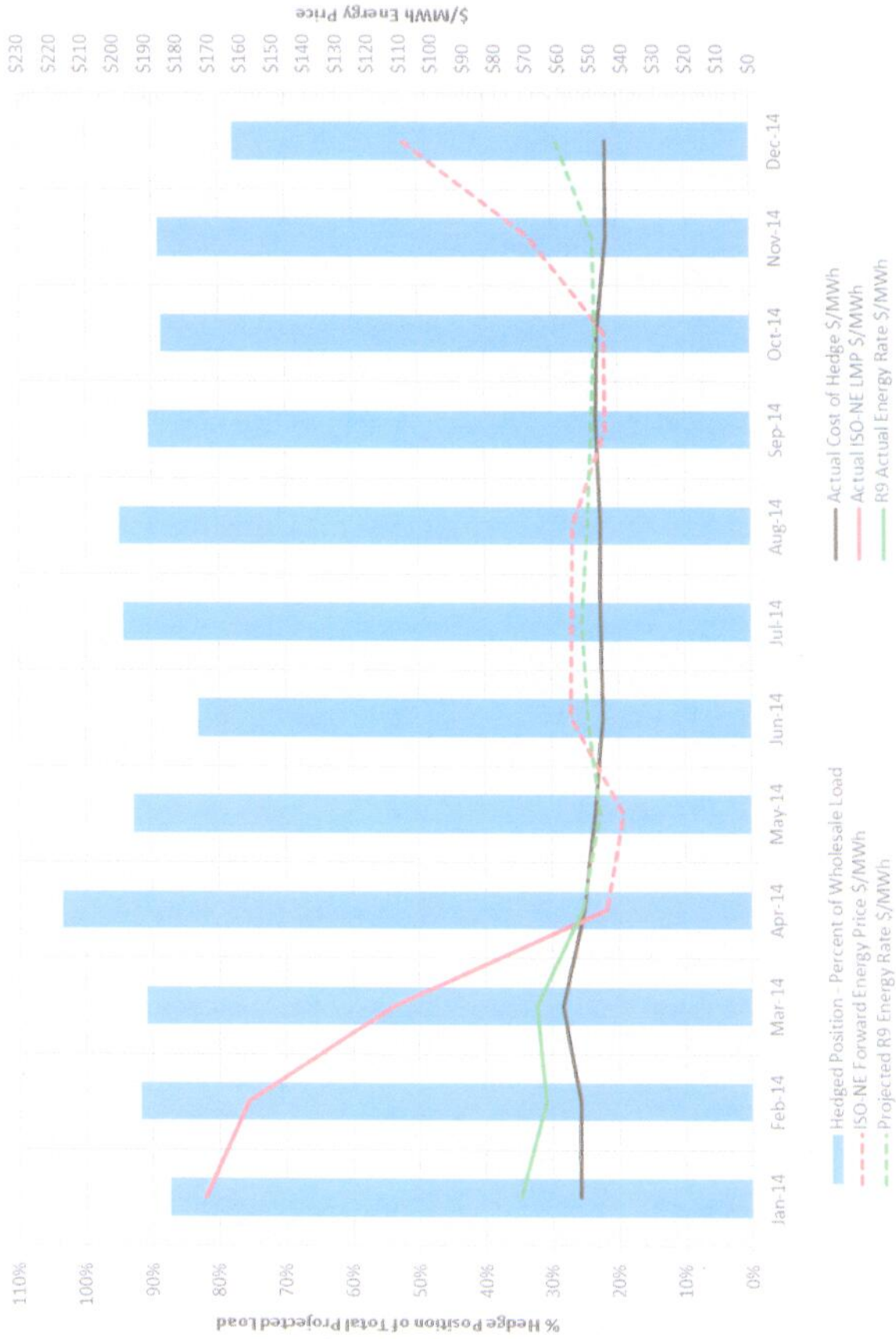


Fig. 18

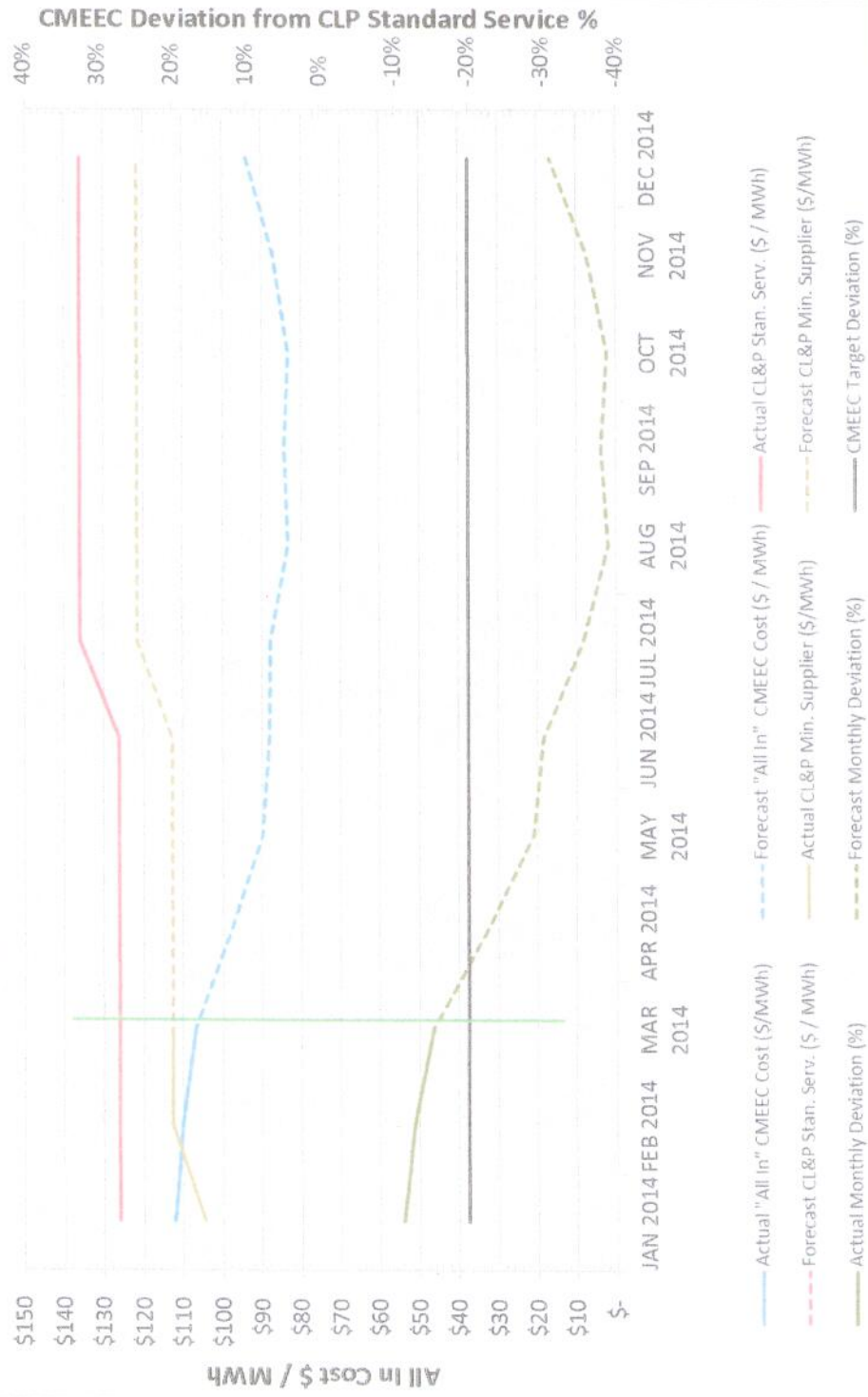
# Major Drivers of Cost Change

- Higher than projected electricity prices, coupled with higher electric demand, increased overall costs
  - High Natural Gas transportation and commodity costs led to significant energy prices
  - Colder than average weather increased electric demand forcing increased spot market purchases
- Ancillary Service charges from ISO New England
  - Forward Reserve Charge costs have increased to customers in order to pay for fast start standby resources such as the three Norden units



# Regional Competitiveness

Comparison of Residential "All-In" Wholesale Costs - with Investments  
CMEEC vs. CL&P Standard Service vs. Minimum Competitive Supplier  
(Actual Data through March 2014 & CL&P Requested Q3&Q4 2014 Rate)



# Next Steps

- Continue to focus on and evaluate the forward electric market
- Emphasis on the winter period
- Active monitoring for potential regulatory intervention/rule changes

# Questions



# Memorandum Third Taxing District Electric Department

To: TTD Commissioners

From: Jim Smith – General Manager

Date: May 20, 2014

Subject: CMEEC Membership Margins – Recommendation on Placement of Funds

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Attached please find for your review a cover letter and attached slide set from Drew Rankin of CMEEC, which was sent to the CMEEC Board of Directors on May 14, 2014.

This information was sent in advance of a Special Member Delegation meeting which I participated in, on May 19, 2014.

The purpose of the meeting was twofold:

- 1) Transfer the authority to process future Trust Fund withdrawal requests from the CMEEC Board of Directors to the members based on the acceptance of the Membership Agreement in 2013.
- 2) Determine the membership's interest in taking an "equity distribution" (i.e. dividend) from excess funds each system has in excess of CMEEC's target equity level.

At the meeting, the Board unanimously voted to take the "Full Excess Equity Distribution" (Option 2 on page 7 of the slide set), which for TTD amounts to \$ 238,104 (see page 8 of the slide set).

As can be seen on page 5 of the slide set, this \$238,104 "dividend" can be issued to TTD in five different ways.

After discussing these options with David Brown, we both agree, and are therefore recommending, that this amount be transferred into TTD's Rate Stabilization Fund at CMEEC.

I will be happy to answer any questions you may have at the June 3<sup>rd</sup> meeting.

**James W. Smith**

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**From:** Kachmar, Ellen <ekachmar@cmeec.org>  
**Sent:** Wednesday, May 14, 2014 11:55 AM  
**To:** CMEEC Board of Directors Distribution Group  
**Subject:** Materials for Special Member Delegation Meeting  
**Attachments:** CMEEC\_Mbr Del Mtg Res Trst Fnds\_05-19-14.docx; CMEEC\_Member Delegation Special Mtg Presentation F\_05-19-2014.pptx  
  
**Importance:** High

SENT ON BEHALF OF DREW RANKIN

Good morning

Attached is a slide set that list the agenda for the meeting, and supporting materials for the Excess Equity review and alternatives. We identified multiple alternatives for your decision, and the associated impacts / benefits of each, which you will want to complement and discuss in the planned Executive Session. Ed and Drew will facilitate the initial discussion and or review, and if desired thereafter or at some other point, we can leave the room for your staff free discussion.

Thank you for your engagement for this exciting meeting; the first content significant meeting and equity evaluation and allocation under the Membership Agreement and Bylaws.

You will note the agenda item for authorizing the CMEEC Board of Directors to process Trust Fund requests, which may surprise you. The reason being, is under the Bylaws, Trust Fund approvals were changed to Member Delegation vote requirements, not Board, yet the Trust Fund has a clause referencing the Board. So to honor all structures, this is a necessity, which may stay as is, or we can change the Bylaws if desired. During the original drafting of the Membership Agreement, we placed the Trust Fund in the MA as it is more a Membership / "CMEEC fiduciary" related fund versus a Board "CMEEC management" fund, which holds true, but the Trust Fund details need to be honored as well. Thus, via this action, the Member Delegation can authorize the Board to process these on their behalf, which will aid efficiency of the request processing. A draft resolution to effectuate this process is attached for your review.

Drew

*Ellen F. Kachmar*  
Office and Facility Manager



30 Stott Avenue ~ Norwich, CT 06360  
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*Pg. 24*

# Connecticut Municipal Electric Energy Cooperative CMEEC

Special Member Delegation Meeting

May 19, 2014

25  
25



# Outline

- Regular Session
  - Formal Acknowledgement - Member Delegates
  - Formal Acknowledgement - Member Delegate Alternatives
  - Approval Selection Vote - Member Delegation Chair
  - Vote to assign Member Delegation vote requirement on Trust Fund utilization to CMEEC Board of Directors
- Executive Session
  - Review Audited Equity Values
  - Review Objectives and Considerations of Distribution
    - Objective: Financial Stability Metrics Forecasted Impacts
    - Strategic: Subjective Considerations
  - Review and Evaluate Alternatives
  - Determine Alternative
- Regular Session
  - Approval Vote if Making Equity Distribution

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# Summary

Reminders as excerpted from the Membership Agreement and Bylaws:

- Member Delegation consists of a one Member Delegate, and one Alternate Delegate, both of which must be Board of Directors Member Representatives or Alternate Representatives
- The Member Delegate is the only voting Delegate and has only one (1) vote
- The CMEEC Board of Director Chair may be the Member Delegation Chair
- Member Delegation quorum is majority of the Members, which is three (3) of five (5)

# Summary

Continued...

- Approving Vote Requirement for equity allocation and declaration of equity is a *“Special Vote Requirement of Two-Thirds”*, which is further clarified as *“equal to or greater than two thirds (for convention purposes equated to 66.666% of the votes of the Member Delegates (or Alternate Delegate(s) duly authorized) present or participating through real time electronic technology)”*
- Weighted Vote Requirements exist should the need arise, which is a combined requirement of 1) at least sixty percent (60%) of votes, and 2) at a minimum two (2) Member Delegates constituting the sixty percent (60%). The weighted vote convention utilizes the previous five years rolling average load of each Member Delegate to determine the fractional share



# Equity Allocations

- Equity Distributions May Be Issued Per Following:
  - Equity in Excess of CMEEC Target Equity Level (20%) for only Members with Excess Equity
  - Equity May be Issued as:
    - Invoice Offset
    - Transfer to Rate Stabilization Fund
    - Transfer to Trust Fund
    - Issued as Cash
    - Maintained in Member Equity

# Strategic Considerations

- Member / Customer Liquidity / Access to Cash
- Rating Agency Assessment Future Financing
- Equity Investment vs Debt
  - Rising interest rates / higher value of investment return
- Future Debt Service Coverage Increase (E.g. 1.15)
  - As equity creator

# Equity Decision Alternatives

- Maintain Excess Equity In Full - Option 1
- Full Excess Equity Distribution - Option 2
- Partial Excess Equity Distribution - Option 3
- Full or Partial Excess Equity Distribution with Trust Fund / Rate Stabilization Fund Minimum - Option 4



# Audited Financials Equity Values

## Member Equity Levels As of 12/31/2013

	Total	GU	NPU	JCDPU	TTD	SNEW
Debt Service Principal	\$105,390,000	\$43,084,476	\$26,295,874	\$1,604,127	\$6,077,111	\$5,689,049
Total Equity as of 12/31/2013	\$32,043,448	\$16,074,268	\$9,965,909	\$625,226	\$1,961,906	\$2,648,952
20% Equity Target	\$26,347,500	\$10,771,119	\$6,573,969	\$401,032	\$1,519,278	\$1,422,262
(Under)/Over Target Equity	\$5,695,948	\$5,303,149	\$3,391,941	\$224,194	\$442,628	\$1,226,690
Maximum Available	\$ 5,695,948	\$ 2,852,734	\$ 1,824,634	\$ 120,601	\$ 238,104	\$ 659,876
<u>Ratio:</u>						
Debt	77%	73%	73%	72%	76%	68%
Equity	23%	27%	27%	28%	24%	32%

# Option 1

## Maintain Excess Equity in Full

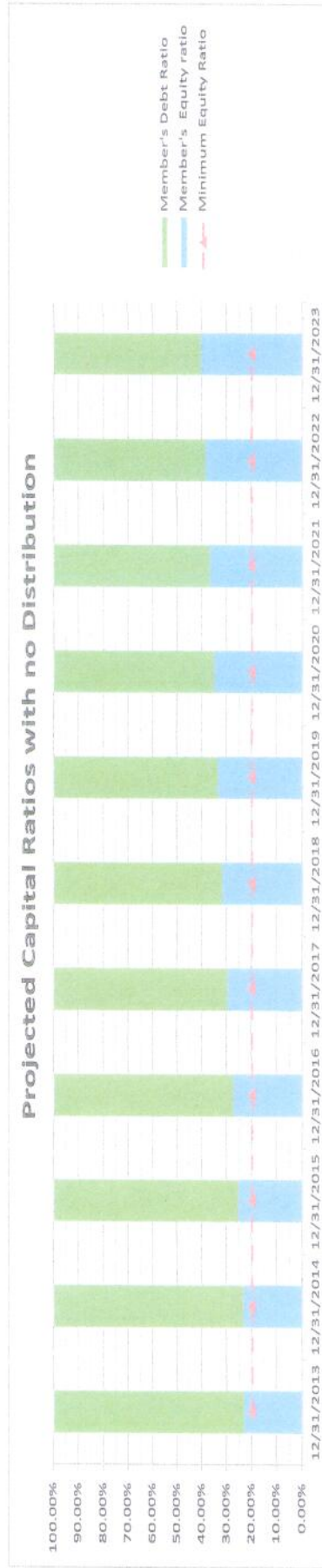
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# Financial Stability Metrics

## CMEEC Projected Capital Structure Information Maintain Excess Equity in Full

	<u>12/31/2013</u>	<u>12/31/2014</u>	<u>12/31/2015</u>	<u>12/31/2016</u>	<u>12/31/2017</u>	<u>12/31/2018</u>
<b>Long Term Debt</b>						
2012 Series A bonds	\$ 30,225,000	\$ 28,465,000	\$ 26,705,000	\$ 24,950,000	\$ 23,195,000	\$ 21,440,000
2013 series a Bonds	\$ 58,450,000	\$ 56,910,000	\$ 55,545,000	\$ 54,140,000	\$ 52,685,000	\$ 51,180,000
2013 Series B Bonds	\$ 16,715,000	\$ 12,550,000	\$ 9,450,000	\$ 6,335,000	\$ 3,185,000	\$ -
Potential New Debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Gross Long Term Debt	\$ 105,390,000	\$ 97,925,000	\$ 91,700,000	\$ 85,425,000	\$ 79,065,000	\$ 72,620,000
<b>Equity</b>						
Accumulated Net Revenues	\$ 31,058,402	\$ 32,105,717	\$ 33,144,572	\$ 34,177,577	\$ 35,200,450	\$ 35,891,850
Contributed capital	\$ 985,047	\$ 985,047	\$ 985,047	\$ 985,047	\$ 985,047	\$ 985,047
Total equity	\$ 32,043,449	\$ 33,090,764	\$ 34,129,619	\$ 35,162,624	\$ 36,185,497	\$ 36,876,897
Total Capitalization	\$ 137,433,449	\$ 131,015,764	\$ 125,829,619	\$ 120,587,624	\$ 115,250,497	\$ 109,496,897

<b>Member's Equity ratio</b>	<b>23%</b>	<b>25%</b>	<b>27%</b>	<b>29%</b>	<b>31%</b>	<b>34%</b>
<b>Debt Ratio</b>	<b>77%</b>	<b>75%</b>	<b>73%</b>	<b>71%</b>	<b>69%</b>	<b>66%</b>
<b>Total Capitalization</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

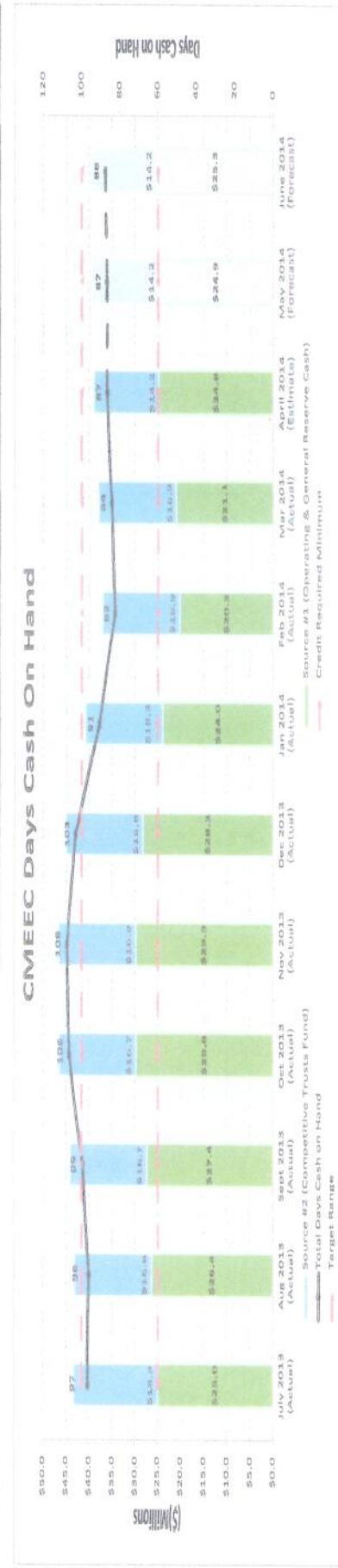




# Financial Stability Metrics

## Days Cash on Hand (DCOH) Maintain Excess Equity in Full

	<u>Target</u> \$\$	DCOH	June 30, 2014		Variance \$\$
			\$\$	DCOH	
<b>CMEEC Cash</b>					
Cash Retained Earnings					
Accumulated Coverage requirement		65	\$ 30,637,000	68	\$ 1,437,000
Other Cash-General Reserve Fund		4	2,000,000	4	-
Total Cash retained earnings		69	32,637,000	72	1,437,000
Less Used for Working Capital		(22)	(10,000,000)	(22)	-
<b>Net Available Cash</b>		47	22,637,000	51	1,437,000
					-
<b>Member Cash (based on 3 Months billings)</b>					
RSF		18	2,463,000	6	(5,537,000)
Trust Funds		36	14,151,000	31	(1,849,000)
<b>Subtotal</b>		53	\$ 16,614,000	37	\$ (7,386,000)
<b>Total CMEEC and Member</b>		100	\$ 39,251,000	88	\$ (5,949,000)
Daily Cash rate			450,000	450,000	(12)



# Strategic Considerations

## Pros/Cons

### Maintain Excess Equity in Full

#### Pros

Increases Financing Flexibility for any new project

Maintains Days Cash on Hand position

Reduces reliance on credit lines to support additional working capital requirements associated with new business opportunities

#### Cons

Less Flexibility for Member systems to use as needed for individual system needs

Access to Equity will be not be available until after 2014 audit

# Option 2

## Full Excess Equity Distribution

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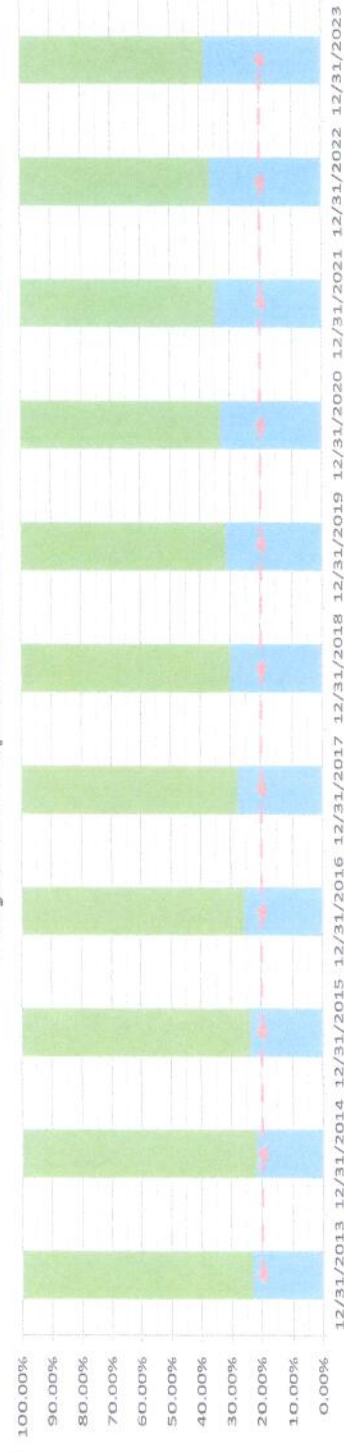


# Financial Stability Metrics

## CMEEC Projected Capital Structure Information Full Excess Equity Distribution-Cash Out

	12/31/2013	12/31/2014	12/31/2015	12/31/2016	12/31/2017	12/31/2018
<b>Long Term Debt</b>						
2012 Series A bonds	\$ 30,225,000	\$ 28,465,000	\$ 26,705,000	\$ 24,950,000	\$ 23,195,000	\$ 21,440,000
2013 series a Bonds	\$ 58,450,000	\$ 56,910,000	\$ 55,545,000	\$ 54,140,000	\$ 52,685,000	\$ 51,180,000
2013 Series B Bonds	\$ 16,715,000	\$ 12,550,000	\$ 9,450,000	\$ 6,335,000	\$ 3,185,000	\$ -
Potential New Debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Gross Long Term Debt	\$ 105,390,000	\$ 97,925,000	\$ 91,700,000	\$ 85,425,000	\$ 79,065,000	\$ 72,620,000
<b>Equity</b>						
Accumulated Net Revenues	\$ 31,058,402	\$ 26,509,717	\$ 27,548,572	\$ 28,581,577	\$ 29,604,450	\$ 30,295,850
Contributed capital	\$ 985,047	\$ 985,047	\$ 985,047	\$ 985,047	\$ 985,047	\$ 985,047
Total equity	\$ 32,043,449	\$ 27,494,764	\$ 28,533,619	\$ 29,566,624	\$ 30,589,497	\$ 31,280,897
Total Capitalization	\$ 137,433,449	\$ 125,419,764	\$ 120,233,619	\$ 114,991,624	\$ 109,654,497	\$ 103,900,897
<b>Member's Equity ratio</b>						
Debt Ratio	23%	22%	24%	26%	28%	30%
Total Capitalization	77%	78%	76%	74%	72%	70%
Equity Distribution	100%	100%	100%	100%	100%	100%
				\$ 5,596,000		

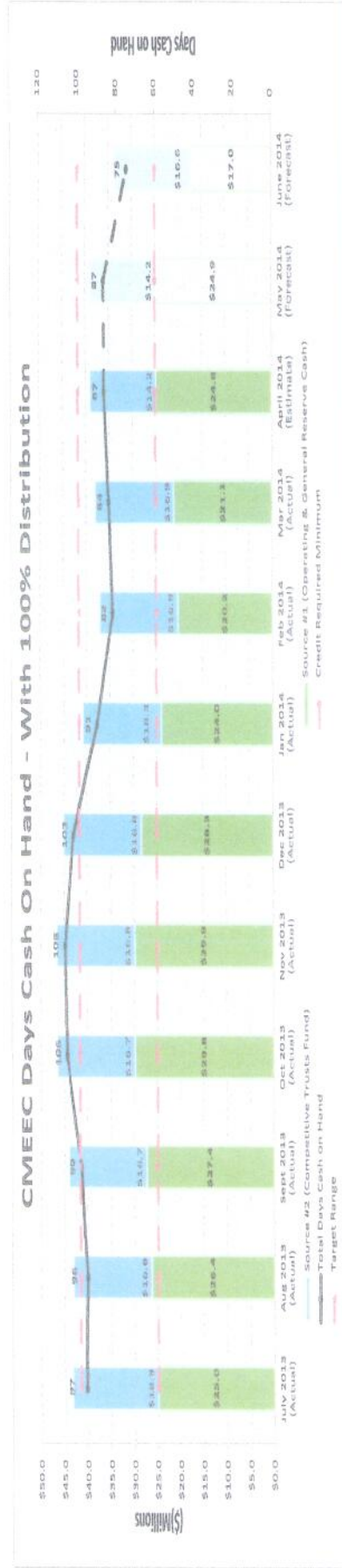
Projected Capital Ratios with 100% Distribution



# Financial Stability Metrics

## Days Cash on Hand (DCOH) Full Excess Equity Distribution-Cash Out

	Target \$\$	DCOH	June 30, 2014		Variance	
			\$\$	DCOH	\$\$	DCOH
<b>CMEEC Cash</b>						
Cash Retained Earnings	\$ 29,200,000	65	\$ 25,041,000	56	\$ (4,159,000)	(9)
Accumulated Coverage requirement	2,000,000	4	2,000,000	4	-	-
Other Cash-General Reserve Fund	31,200,000	69	27,041,000	60	(4,159,000)	(9)
Total Cash retained earnings	(10,000,000)	(22)	(10,000,000)	(22)	-	-
Less Used for Working Capital	21,200,000	47	17,041,000	38	(4,159,000)	(9)
<b>Net Available Cash</b>						
<b>Member Cash (based on 3 Months billings)</b>						
RSF	8,000,000	18	2,463,000	5	(5,537,000)	(12)
Trust Funds	16,000,000	36	14,151,000	31	(1,849,000)	(4)
<b>Subtotal</b>	\$ 24,000,000	53	\$ 16,614,000	37	\$ (7,386,000)	(16)
<b>Total CMEEC and Member</b>	\$ 45,200,000	100	\$ 33,655,000	75	\$ (11,545,000)	(26)
Daily Cash rate			450,000			



# Strategic Considerations

## Pros/Cons

### Full Excess Equity Distribution Cash Out

#### Pros

Higher Flexibility for Member systems to use as needed for individual system needs

Potential better use of funds for Member system

#### Cons

Increases visibility and potentially creates local issues for use and may increase transfer to city in some cases

Reduces Flexibility for any new project and potentially has negative rating implications

New business opportunities may result in heavier reliance on credit lines to support additional working capital requirements

Reduces DCOH by approximately 13 days



# Option 3

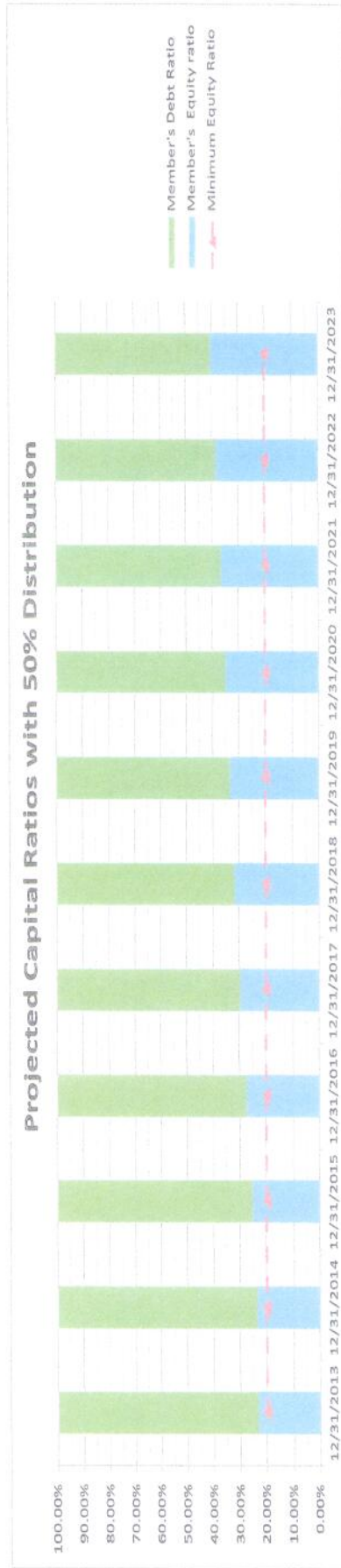
## Partial Excess Equity Distribution

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# Financial Stability Metrics

## CMEEC Projected Capital Structure Information 50% Equity Distribution-Cash out

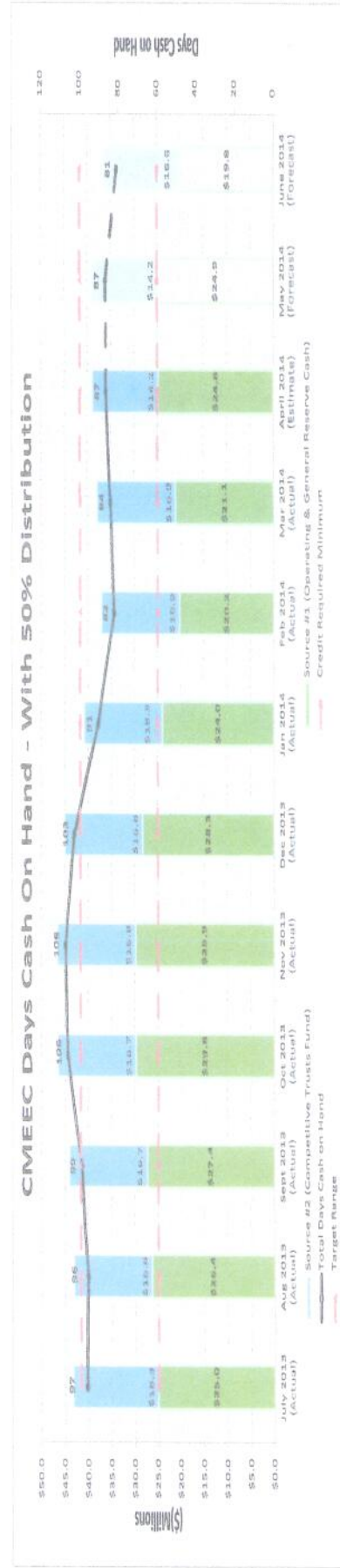
	<u>12/31/2013</u>	<u>12/31/2014</u>	<u>12/31/2015</u>	<u>12/31/2016</u>	<u>12/31/2017</u>	<u>12/31/2018</u>
<b>Long Term Debt</b>						
2012 Series A bonds	\$ 30,225,000	\$ 28,465,000	\$ 26,705,000	\$ 24,950,000	\$ 23,195,000	\$ 21,440,000
2013 series a Bonds	\$ 58,450,000	\$ 56,910,000	\$ 55,545,000	\$ 54,140,000	\$ 52,685,000	\$ 51,180,000
2013 Series B Bonds	\$ 16,715,000	\$ 12,550,000	\$ 9,450,000	\$ 6,335,000	\$ 3,185,000	\$ -
Gross Long Term Debt	\$ 105,390,000	\$ 97,925,000	\$ 91,700,000	\$ 85,425,000	\$ 79,065,000	\$ 72,620,000
<b>Equity</b>						
Accumulated Net Revenues	\$ 31,058,402	\$ 29,307,717	\$ 30,346,572	\$ 31,379,577	\$ 32,402,450	\$ 33,093,850
Contributed capital	\$ 985,047	\$ 985,047	\$ 985,047	\$ 985,047	\$ 985,047	\$ 985,047
Total equity	\$ 32,043,449	\$ 30,292,764	\$ 31,331,619	\$ 32,364,624	\$ 33,387,497	\$ 34,078,897
Total Capitalization	\$ 137,433,449	\$ 128,217,764	\$ 123,031,619	\$ 117,789,624	\$ 112,452,497	\$ 106,698,897
<b>Member's Equity ratio</b>	<b>23%</b>	<b>24%</b>	<b>25%</b>	<b>27%</b>	<b>30%</b>	<b>32%</b>
<b>Debt Ratio</b>	<b>77%</b>	<b>76%</b>	<b>75%</b>	<b>73%</b>	<b>70%</b>	<b>68%</b>
<b>Total Capitalization</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Equity Distribution</b>	<b>\$ 2,798,000</b>					



# Financial Stability Metrics

## Days Cash on Hand (DCOH) 50% Excess Equity Distribution-Cash Out

	Target \$\$	DCOH	June 30, 2014		Variance	
			\$\$	DCOH	\$\$	DCOH
<b>CMEEC Cash</b>						
Cash Retained Earnings						
Accumulated Coverage requirement		65	\$ 27,839,000	62	\$ (1,361,000)	(3)
Other Cash-General Reserve Fund		4	2,000,000	4	-	-
Total Cash retained earnings		69	29,839,000	66	(1,361,000)	(3)
Less Used for Working Capital		(22)	(10,000,000)	(22)	-	-
Net Available Cash		47	19,839,000	44	(1,361,000)	(3)
<b>Member Cash (based on 3 Months billings)</b>						
RSF		18	2,463,000	5	(5,537,000)	(12)
Trust Funds		36	14,151,000	31	(1,849,000)	(4)
Subtotal		53	\$ 16,614,000	37	\$ (7,386,000)	(16)
<b>Total CMEEC and Member</b>		100	\$ 36,453,000	81	\$ (8,747,000)	(19)
Daily Cash rate			450,000	450,000		



17.43



# Strategic Considerations

## Pros/Cons

### 50% Excess Equity Distribution-Cash Out

#### Pros

Higher Flexibility for Member systems to use as needed for individual system needs

Potential better use of funds for Member system

#### Cons

Increases visibility and potentially creates local issues for use and may increase transfer to city in some cases

Reduces Flexibility for any new project and potentially has negative rating implications

New business opportunities may result in heavier reliance on credit lines to support additional working capital requirements

Reduces DCOH by approximately 7 days

# Option 4

## Full or Partial Excess Equity Distribution with Trust Fund / Rate Stabilization Fund Minimum

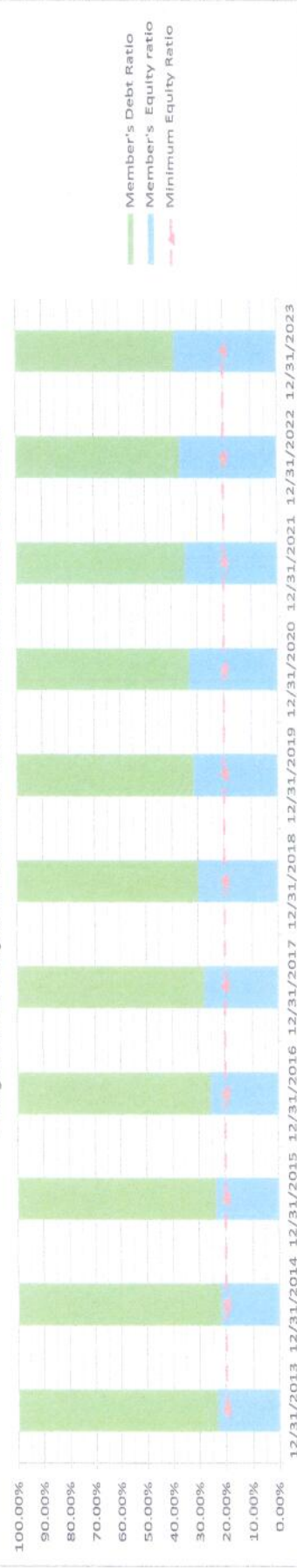
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# Financial Stability Metrics

## CMEEC Projected Capital Structure Information Full Excess Equity Distribution-Deposit in Member Funds

	<u>12/31/2013</u>	<u>12/31/2014</u>	<u>12/31/2015</u>	<u>12/31/2016</u>	<u>12/31/2017</u>	<u>12/31/2018</u>
<b>Long Term Debt</b>						
2012 Series A bonds	\$ 30,225,000	\$ 28,465,000	\$ 26,705,000	\$ 24,950,000	\$ 23,195,000	\$ 21,440,000
2013 series a Bonds	\$ 58,450,000	\$ 56,910,000	\$ 55,545,000	\$ 54,140,000	\$ 52,685,000	\$ 51,180,000
2013 Series B Bonds	\$ 16,715,000	\$ 12,550,000	\$ 9,450,000	\$ 6,335,000	\$ 3,185,000	\$ -
Potential New Debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Gross Long Term Debt	\$ 105,390,000	\$ 97,925,000	\$ 91,700,000	\$ 85,425,000	\$ 79,065,000	\$ 72,620,000
<b>Equity</b>						
Accumulated Net Revenues	\$ 31,058,402	\$ 26,509,717	\$ 27,548,572	\$ 28,581,577	\$ 29,604,450	\$ 30,295,850
Contributed capital	\$ 985,047	\$ 985,047	\$ 985,047	\$ 985,047	\$ 985,047	\$ 985,047
Total equity	\$ 32,043,449	\$ 27,494,764	\$ 28,533,619	\$ 29,566,624	\$ 30,589,497	\$ 31,280,897
Total Capitalization	\$ 137,433,449	\$ 125,419,764	\$ 120,233,619	\$ 114,991,624	\$ 109,654,497	\$ 103,900,897
<b>Member's Equity ratio</b>	<b>23%</b>	<b>22%</b>	<b>24%</b>	<b>26%</b>	<b>28%</b>	<b>30%</b>
<b>Debt Ratio</b>	<b>77%</b>	<b>78%</b>	<b>76%</b>	<b>74%</b>	<b>72%</b>	<b>70%</b>
<b>Total Capitalization</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
<b>Equity Distribution</b>	\$ 5,596,000					

Projected Capital Ratios with 100% Distribution



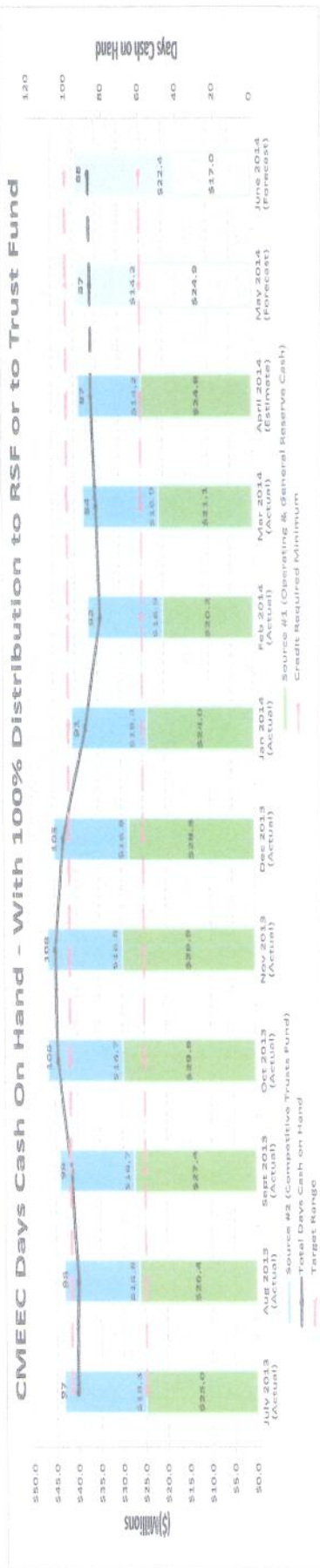


# Financial Stability Metrics

## Days Cash on Hand (DCOH) Full Excess Equity Distribution-Deposit in Member Funds

	<u>Target</u>	<u>June 30, 2014</u>	<u>Variance</u>
	\$	\$	\$
<b>CMEEC Cash</b>			
Cash Retained Earnings			
Accumulated Coverage requirement			
Other Cash-General Reserve Fund			
Total Cash retained earnings			
Less Used for Working Capital			
<b>Net Available Cash</b>			
	65	\$ 25,041,000	\$ (4,159,000)
	4	2,000,000	-
	69	27,041,000	(4,159,000)
	(22)	(10,000,000)	-
	47	17,041,000	(4,159,000)
			-
<b>Member Cash (based on 3 Months billings)</b>			
RSF	18	8,209,000	209,000
Trust Funds	36	14,151,000	(1,849,000)
<b>Subtotal</b>	<b>53</b>	<b>\$ 22,360,000</b>	<b>\$ (1,640,000)</b>
<b>Total CMEEC and Member</b>	<b>100</b>	<b>\$ 39,401,000</b>	<b>\$ (5,799,000)</b>
Daily Cash rate	450,000	450,000	(13)

CMEEC Days Cash On Hand - With 100% Distribution to RSF or to Trust Fund



# Strategic Considerations

## Pros/Cons Full Excess Equity Distribution-Deposit in Member Funds

### Pros

- Higher Flexibility for Member systems to use as needed for individual system needs
- Potential better use of funds for member system
- Does not negatively impact DCOH immediately

### Cons

- May complicate CMEEC cash planning as utilization of member funds is uncertain
- Reduces Flexibility for any new project and potentially has negative rating implications
- New business opportunities may result in heavier reliance on credit lines to support additional working capital requirements

## Financial Stability Metrics

### Summary of Rate Stabilization and Trust Fund Balances

Balances as of March 31, 2014

	Requirement (1)	Trust	R.S.F.	Total	Surplus/(deficit)
Groton	\$ 11,219,678	\$ 7,517,719	\$ 120,528	\$ 7,638,247	\$ (3,581,431)
Norwich	\$ 8,008,000	\$ 6,159,421	\$ (969,665)	\$ 5,189,756	\$ (2,818,244)
Jewett City	\$ 605,000	\$ 907,000	\$ 550,091	\$ 1,457,091	\$ 852,091
TTD	\$ 1,703,250	\$ -	\$ 1,989,529	\$ 1,989,529	\$ 286,279
Snew	\$ 2,392,000	\$ 2,316,000	\$ 332,197	\$ 2,648,197	\$ 256,197
Total	\$ 23,927,928	\$ 16,900,140	\$ 2,022,680	\$ 18,922,820	\$ (5,005,108)

(1) Based on 3 months average bill for 2014



**Draft**

**Connecticut Municipal Electric Energy Cooperative**

**Member Delegation Special Meeting**

**Resolution 14-\_\_**

**RESOLUTION REGARDING RATIFICATION AND CONSOLIDATION OF APPROVALS OF UTILIZATION OF MUNICIPAL TRUST FUNDS**

**WHEREAS**, CMEEC previously established a Municipal Competitive Trust (the "MCT") by making a Declaration of Trust, dated as of March 25, 2003, as it may be amended (the "DOT"), by virtue of a resolution of the Board of Directors of CMEEC, designated Resolution 03-07, as it may be amended.

**WHEREAS**, pursuant to Article 4 of the MCT, each withdrawal from the Account of the MCT is effectuated upon written joint transmittal from the Beneficiary and CMEEC to the Trustee after approval of the CMEEC Board of Directors, which approval shall not be unreasonably withheld, conditioned or delayed.

**WHEREAS**, pursuant to Article II, Section 5 of the currently effective CMEEC By-laws, a simple majority vote of the CMEEC Member Delegation is required to, among other matters, act on "Trust Fund utilization requirements in conformity and compliance with the requirements of the applicable trust instrument" (the "MCT Utilization By-law Vote Provision").

**WHEREAS**, in order to make the approvals required for utilization of the MCT funds, in a manner consistent with and conforming to the applicable governance documents, the Member Delegation desires to confirm and ratify prior actions taken by the Board of Directors of CMEEC with respect to the utilization of funds withdrawn from the MCT and, on a prospective basis, to consolidate the approval process for such utilization of funds in conformity with the DOT.

**NOW THEREFORE BE IT RESOLVED BY THE MEMBER DELEGATION OF THE CONNECTICUT MUNICIPAL ELECTRIC ENERGY COOPERATIVE AS FOLLOWS:**

Section 1. The foregoing recitals are true and correct. All capitalized terms, not otherwise defined herein, are as defined in the DOT.

Section 2. The Member Delegation does hereby approve, ratify and confirm all actions by the Board of Directors of CMEEC with respect to requests for the utilization of the funds of the MCT taken or made prior to this date and following the effective date of the MCT Utilization By-law Vote Provision, and, as and to the extent required by the MCT Utilization By-law Vote Provision, to approve such requests.

Section 3. In light of the existing requirement for CMEEC Board of Director approval of requests for utilization of funds from the MCT set forth in the DOT, the Member Delegation does hereby transfer any additional or overlapping authority which it otherwise may have, as and to the extent set forth in the MCT Utilization By-law Vote Provision, for the approval of requests for utilization of funds of the MCT to

the CMEEC Board of Directors, to be exercised fully by the CMEEC Board of Directors in conformity with Article 4 of the DOT.

May 19, 2014

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Secretary

# Memorandum

## Third Taxing District

### Electric Department

To: TTD Commissioners

From: Jim Smith – General Manager

Date: May 21, 2014

Subject: Presentation of TTD Five Year Capital Budget – FY 2014-15 through 2018-19

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Attached please find for your initial review a draft of the Five Year Capital Budget for the FY 2014-15 through 2018-19.

The Budget format remains unchanged and has been prepared consistent with last year's initial roll out.

Funding for these items will be consistent with prior years, utilizing a combination of monies from the Capital Improvements Account and short term debt financing from the line of credit we currently have with Patriot Bank.

Please look through the Budget and make a note of any items you wish to discuss in more detail.

Depending on the number of questions, we may want to schedule a special meeting in the month of June just to address any specific issues related to the Capital and Revenue and Expense Budgets.

My goal is to have the Five Year Capital Budget reviewed and approved by the Commission so that we can have it in place for the start of the July 1, 2014 fiscal year.



SEE SEPARATE BINDER ENTITLED:

FIVE-YEAR CAPITAL BUDGET FORECAST

FY 2014-15 THROUGH 2018-19

# Memorandum

## Third Taxing District

### Electric Department

**To:** TTD Commissioners

**From:** Jim Smith – General Manager

**Date:** May 22, 2014

**Subject:** Presentation of TTD 2014-15 Revenue/Expense Budget



---

Attached please find for your initial review a draft of the 2014-15 Revenue /Expense Budget.

This is the first time this type of annual operating budget has been submitted to the Commission.

As you can see, the document details out budgeted revenues and expenses based on anticipated operations and results in a budgeted profit/loss for the fiscal year beginning July 1, 2014 through June 30, 2015.

We will prepare a “budget vs. actual” report on a quarterly basis for the Commission in order to track actual revenues/expenses in relation to budget and monitor the as actual results of operations.

A set of assumptions was used to develop each of the numbers used in the Revenue/Expense Budget.

We will review these in whatever details the Commission wishes as part of the overall discussion of this newly created budget document.

My goal is to have the 2014 -15 Revenue/Expense Budget reviewed and approved by the Commission so that we can have it in place for the start of the July 1, 2014 fiscal year.

SEE SEPARATE BINDER ENTITLED:

2014-15 ANNUAL REVENUE & EXPENSE BUDGET



# Memorandum

## Third Taxing District

### Electric Department

**To:** TTD Commissioners

**From:** Jim Smith – General Manager

**Date:** May 23, 2014

**Subject:** Draft of Donations Policy



---

Attached for your review please find a draft of the Donations Policy that was discussed at the last Commission meeting on May 5<sup>th</sup>.

When drafting the policy, one fundamental question that needs to be addressed is whether the policy will be limited to non-profit organizations only.

Please take some time to review it and bring your comments and/or suggestions to the upcoming meeting on June 2<sup>nd</sup>.

## TTD DONATION REQUEST POLICY

### POLICY #

Provide financial support, when feasible, to community-based non-profit organizations. The TTD Commission will determine the total amount available for each applicant that has been approved to receive funds.

#### Decision Criteria:

1. A minimum of 90% of the funds provided are to be used directly for the benefit of the end user/client.
2. The preferred use of funding should be energy-related, but other uses will be considered.
3. Financial statements showing prior use of similar donations must be submitted to show a history of accountability of prior funding.
4. Only applicants that submit complete request forms, including back-up documentation and a signed copy of this policy form, will be considered.
5. Completed request forms must be submitted by TBD DATE of the calendar year.

**NOTE: A signed copy of this Donations Policy must accompany all Donation Requests.**

Name of responsible party: (please print) \_\_\_\_\_

Signature of responsible party: \_\_\_\_\_

Date: \_\_\_\_\_

## TTD Donation Request Form

Submit request online using the form below, or download a printable version and mail to:

Charles Yost, TTD Commission Chair  
c/o TTD  
2 Second Street  
East Norwalk, CT 06855

Organization Requesting Donation:

Address:

Contact Name/Title:

Phone Number:

Email:

*Please provide proof of your non-profit status and submit financial statements showing use of prior funds*

Donation Amount Requested:

Explanation of Request: (Please include specifics on exact use of donation, how donation will be tracked, who will be responsible for tracking, etc.)

NOTE: Donation Request Form must be filled out completely and submitted with a signed copy of the Donation Request Policy by **TBD DATE** to be considered. Any requests made after this date will be considered, as appropriate, during the next fiscal year. Special exceptions may be made, if budgets allow.



# Memorandum

## Third Taxing District

### Electric Department

**To:** TTD Commissioners

**From:** Jim Smith – General Manager

**Date:** May 22, 2014

**Subject:** Award of Fencing Bid – 18 Rowan St. Property



---

Attached please find a list of three proposals to provide labor and materials necessary to construct and install a "substation type" eight foot high chain link fencing with privacy slats around the perimeter of the property @ 18 Rowan St.

Installation of this fencing is necessary to secure the property consistent with the adjacent Rowan St. substation.

Once the property is secured, we can begin the process of obtaining estimates for the eventual on-site construction of a materials storage building, which will provide permanent, inside storage for our entire electric distribution system material inventory.

My recommendation would be to award the bid to the lowest and best bidder, Atlas Companies LLC of Branford, CT in the amount of \$12,385.00.

Monies for this project will be taken out of the department's Capital Improvements account.



# ATLAS COMPANIES

ATLAS COMPANIES LLC  
DBA  
ATLAS RESIDENTIAL AND COMMERCIAL SERVICES LLC  
1-800-46-ATLAS

30 NORTHEAST INDUSTRIAL RD.  
BRANFORD, CT 06405  
FAX: (203)-483-9985

Contractor's Licence #583892

## PROPOSAL / CONTRACT

### Customer Information:

TTD NORWALK, CT  
18 ROWAN STREET  
NORWALK, CT 06855

Date: 5/27/2014

### Job Information:

TTD NORWALK, CT  
18 ROWAN STREET  
NORWALK, CT 06855  
Job Phone: 2039431439  
Customer Phone: 2039431439

Estimator: Peter Terzakis  
Phone: 203-738-9387

### Scope of Work Being Quoted:

ATT: BILL RUEDEMAN  
SITE: 18 ROWAN STREET NORWALK, CT

WE PROPOSE TO FURNISH AND INSTALL APPROXIMATELY 232' OF 8' HIGH ALUMINIZED STEEL CHAIN LINK FENCING ON GALVANIZED STEEL POSTS AND FRAMEWORK. INCLUDED ARE THREE (3) STRANDS OF BARBWIRE, BROWN BOTTOM LOCK PRIVACY FILLER STRIPS, BOTTOM TENSION WIRE, ONE (1) 20' SLIDE GATE AND ONE 10' WIDE DOUBLE DRIVE GATE. SPECIFICATIONS:

1-5/8" O.D. SS40 TOP RAIL  
2-1/2" O.D. SS40 LINE POST  
3" O.D. SS40 TERMINAL AND SWING GATE POSTS  
4" O.D. SS40 SLIDE GATE ROLLER POSTS  
NYLON ROLLERS WITH COVERS  
BROWN BOTTOM LOCK PRIVACY SLATS.  
POSTS SET IN CONCRETE.  
TOTAL MATERIAL AND LABOR: \$12,385.00

STUMP REMOVAL BY OTHERS.  
LINE CLEARING BY OTHERS.  
FENCE LOCATION PER CUSTOMERS DIRECTION.

### ASK YOUR SALES REPRESENTATIVE ABOUT AVAILABLE FINANCING

All material is guaranteed to be as specified. All work to be completed in a workmanlike manner according to standard practices. Any alteration or deviation from specifications listed involving extra costs will be executed only upon written orders, and will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents or delays beyond our control. Owner to carry fire, tornado, and other necessary insurance. Our workers are fully covered by Workman's Compensation Insurance.

Note: This proposal may be withdrawn by us if not accepted within 10 days.

PAYMENT TO BE MADE AS FOLLOWS:

50% Down-Balance Upon Completion.

PLEASE NOTE: Stain, speciality parts and/or custom gates may be completed at a period after primary installation due to special orders, fabrication or weather delays. Such later completion of these items does not authorize or permit delay in full payment and satisfaction of outstanding invoices.

\*\*THIS CONTRACT IS SUBJECT TO THE TWO PAGES OF TERMS AND CONDITIONS WHICH ARE ATTACHED AS A PROPOSAL PACKAGE AND MUST BE READ BEFORE SIGNING THIS PROPOSAL. SIGN AND DATE BOTH PAGE ONE AND TWO, AND INITIAL AND DATE PAGE THREE. KEEP ONE COPY FOR YOUR RECORDS AND SEND THE OTHER BACK TO ATLAS WITH YOUR DEPOSIT. IF A FENCE DRAWING IS ATTACHED PLEASE ALSO SIGN IF APPLICABLE.

pc 10F3

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Subsequent payments due upon substantial completion of contract phases.

**MAKE CHECK PAYABLE TO PGP GROUP,  
DBA ATLAS COMPANIES.**

Contract Amount: \$1.00

Down Payment: \$0.50

Balance Due: \$0.50

Approved and Accepted for Customer:

Terms and Conditions Must be Read Before Signing

Accepted for Atlas Companies:

\*\*\*\* Please ask your sale consultant about  
finance offerings \*\*\*\*

pc 25-3

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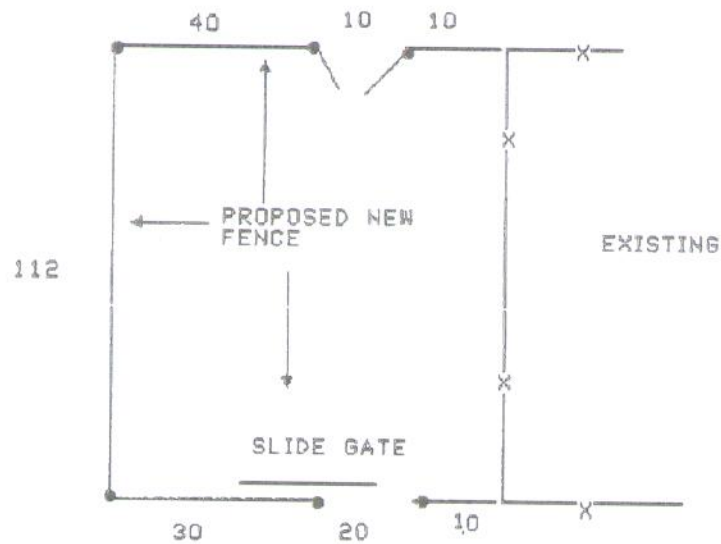


**Atlas Companies LLC**

**ATLAS FENCE, INC.**  
 30 NORTHEAST INDUSTRIAL ROAD  
 BRANFORD, CT 06405  
 (203) 483-9013

**JOB SKETCH**

STUMP/TREE REMOVAL BY OTHERS  
 ALL LINE CLEARING BY OTHERS  
 PROPERTY LINE MARKOUT BY OTHERS



18 ROWAN STREET NORWALK, CT

DIAGRAM NOT TO SCALE MEASUREMENTS ARE APPROXIMATE

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05/22/2014

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# The Connecticut Fencemen, Inc.

## WESTPORT FENCE COMPANY

541 Honeyspot Road, Stratford, Connecticut 06615  
Stratford (203) 377-1008 Westport (203) 226-3308  
1-800-942-3362 Fax (203) 377-0338  
Connecticut Contractors License #502980

**E.O.E.**

## Proposal

Bill Ruedeman  
Third Taxing District  
2 Second Street  
East Norwalk, CT 06855

Date: May 8, 2014  
Phone #: 203-866-9271 / 203-943-1439  
Fax #: 203-866-9856  
Email: [bruedeman@ttd.gov](mailto:bruedeman@ttd.gov)

We propose to furnish the labor and material to install the following:

Approximately 205' of chain link fencing topped with barb wire with 8' high brown slats. One 10' wide double gate for back line and one 20' wide slide gate on rollers for the Rowan Street side.

- + Approximately 205' of 8' high commercial grade galvanized chain link fencing complete
- + Fence to be topped with 3 strands of barb wire
- + One 10' wide x 8' high double drive chain link gate topped with 3 strands of barb wire and hardware
- + One 20' wide x 8' high slide chain link gate topped with 3 strands of barb wire and hardware
- + All to have brown slats installed
- + Top-rail - 1 5/8"
- + Line posts - 2 1/2"
- + Terminal posts - 3"
- + Gate posts for slide gate - 4"

Total - \$ 15,772.00 - no tax

50% deposit or Purchase Order # \_\_\_\_\_

**TERMS: SIGNATURE REQUIRED.** A SIGNED COPY MUST BE RETURNED WITH A 50% DEPOSIT. DEPOSIT CAN BE EITHER A CHECK OR CREDIT CARD (MASTER CARD, VISA, AMERICAN EXPRESS OR DISCOVER). BALANCE DUE UPON COMPLETION OF WORK. Coordinate installation with your salesperson.

Once work is started any additions or deletions must be approved with proper Change Order, Dated and signed by the responsible party.

The location of the fence or property line is the responsibility of the buyer. The Purchaser Assumes liability for all damages to underground utilities, sprinklers and obstructions.

The Purchaser agrees that in the event there is a default to pay the amount due the Seller (The Connecticut Fencemen, Inc.), the purchaser will pay all costs of collection and a reasonable Attorney's fee incurred in the collection of the amount of this contract or any balance due hereunder.

CT Sales Tax: Exempt

Total: \$ 15,772.00

50% Deposit Amount: \$

Deposit rec'd on:

Dan Weller

ACCEPTED BY: .....

Date: .....

Email: [CTFenceman@aol.com](mailto:CTFenceman@aol.com)

Web Site: [www.CTFencemen.com](http://www.CTFencemen.com)

### Craftsmen of the Industry

\*\* Deposit - "NON-REFUNDABLE" for any job cancelled after 3 business days. \*\*

Subject to price changes beyond our control

There is NO WARRANTY on any wood products. Wood is a natural product that may crack, split, warp, mildew, twist, etc.

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# COMMERCIAL PROPOSAL

TOTAL FENCE LLC 525 ELLA GRASSO BOULEVARD NEW HAVEN, CT 06519		Phone: 203-497-9096 Fax: 203-495-9111 CT Lic. #: 573732		Date 5/14/2014	PROPOSAL # 12434
SUBMITTED TO:  THIRD TAXING DISTRICT ELECTRIC DEPT. 2 SECOND STREET EAST NORWALK, CT 06855		JOB NAME AND LOCATION:  NORWALK-ROWAN STREET			
Phone #: 203 866-9271...	Fax #: 203 866-9856	Terms:	Job #:	Sales Rep:	CH
Description Of Work		Unit Price	Qty.	U/M	Total
Supply and install approximately 239' of 8' high plus 1' barb wire Galvanized Chain Link Fencing around perimeter of empty lot adjacent to substation. Of the 239', 30' will be in the form of a 20' slide gate and a 10' slide gate. Fencing will be constructed using like materials and gauges and is to have brown slats installed to match existing fence.		18,250.00	1	LS	18250.00
<b>***STATE OF CT DAS WBE CERTIFIED***</b> <b>***CITY OF HARTFORD WBE CERTIFIED***</b>		<b>Subtotal</b> \$18,250.00 <b>Tax (6.35%)</b> \$1,158.83 <b>Total</b> \$19,408.88			
This proposal is subject to the Terms & Conditions page attached which is part of Total Fence LLC's proposal package. Work will not commence until a signed and dated proposal is received.					

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# COMMERCIAL TERMS & CONDITIONS

TOTAL FENCE LLC  
525 ELLA GRASSO BOULEVARD  
NEW HAVEN, CT 06519

Phone: 203-497-9096  
Fax: 203-495-9111  
CT Lic. #: 573732

Date

5/14/2014

SUBMITTED TO:

THIRD TAXING DISTRICT ELECTRIC DEPT.  
ATTN: BILL RUEDEMAN  
2 SECOND STREET  
EAST NORWALK, CT 06855

JOB NAME AND LOCATION:

Phone #:

Fax #:

Terms:

Job #:

Sales Rep:

CH

**GENERAL:** All material is guaranteed to be as specified in our proposal. All work will be completed in a professional manner according to standard industry practices. All agreements are contingent upon strikes, accidents or delays beyond our control. Owner to carry fire, tornado and other necessary insurance. Our workers are fully covered by Workman's Compensation Insurance. The seller cannot be responsible for underground utilities unless properly marked. The seller cannot be held accountable for ground gaps created by topography inconsistencies that can not be corrected within standard industry guidelines.

**EXCLUSIONS:** (UNLESS OTHERWISE NOTED IN THE PROPOSAL) \* Layout \* Survey and/or Property Line Location \* Any and All Permits \* Traffic Control/Protection \* Hand Digging (all post holes to be machine augured) \* Rock/Ledge Excavation \* Cutting/Patching Blacktop \* Clearing/Grubbing \* Removal of Old Fence \* Conflicts With Utilities \* Site Training \* Site Safety Classes \* Obtaining Site Badges \* Fence Damage Caused By Acts of Nature Including High Winds \* Or Any Other Obstruction That Would Preclude Standard Installation Standards \*

**HOLD HARMLESS:** Claims arising from question of survey/layout of property/location lines and from all claims of personal injury, property damage or trespass from of by means of the installation of materials supplied by Total Fence LLC. The seller shall retain title of any equipment or material furnished until final and complete payment is made, and if settlement is not made as agreed, the seller shall have the right to remove same and be held harmless for any damages resulting from the removal thereof.

**MATERIAL ESCALATION:** The buyer understands that due to cost increases in the steel market the prices quoted for any steel materials can only be held for 14 days from the date of proposal.

**CHANGE ORDERS:** Any additions or deductions that do arise after the seller and buyer are in agreement will be remedied by a change order proposal from the seller. Any work resulting from a change order proposal will not be performed until the change order proposal is amended to the seller's base proposal by a written change order form the buyer.

**PAYMENT:** I agree to pay the TOTAL FENCE LLC the total amount due of this contract according to the terms specified, and upon default thereof, to pay all cost of collection, including reasonable attorney's fee and court costs.

**CANCELLATION NOTICE:** You the buyer, may cancel this transaction at any time prior to midnight of the third business day after the date of this transaction. (Saturday is a legal business day in CT)

**ACCEPTANCE OF PROPOSAL:** I have the authority to order the above work and do so order as described on the proposal page.

DATE \_\_\_\_\_ CUSTOMER'S AUTHORIZED SIGNATURE \_\_\_\_\_ PRINTED NAME \_\_\_\_\_

COMMENCEMENT OF WORK WILL BEGIN APPROXIMATELY 2 TO 6 WEEKS FROM THE ACCEPTANCE DATE OF PROPOSAL UNLESS OTHERWISE DIRECTED BY SELLER.



**Third Taxing District  
Financial Highlights  
July-April 2014**

	Jul-Apr-14	Jul-Apr-13	\$ Change	% Change
Total Income	8,962,740	8,548,017	414,723	5%
Total Expense	9,081,396	8,298,521	782,876	9%
Net Ordinary Income	(118,659)	249,495	(368,154)	-148%
Other Income	545,083	145,256	399,827	275%
Other Expense	3,023	-	3,023	0%
Net Income before Rate Stabilization	423,401	394,751	28,650	7%
Rate Stabilization	30,106	(12,676)	42,782	-338%
Net Income	453,507	382,075	71,432	19%

**CASH BALANCES FY 2014**

	April
<b>ACCTS</b>	
Operating Accounts	642,076
Capital Improvements Fund	925,796

Power Supply	Current Fiscal Year-to-Date	Last Fiscal Year-to-Date
Energy Cost	\$ 5,400,490	\$ 5,227,160
Budget Energy Cost	\$ 4,900,821	\$ 5,002,706
Energy Cost Cents/KWH	10.556	10.566

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**Third Taxing District**  
**Profit & Loss Prev Year Comparison**  
July 2013 through April 2014

	Jul '13 - Apr 14	Jul '12 - Apr 13	\$ Change	% Change	
Ordinary Income/Expense					
Income					
440-00 · Residential Sales	2,385,470.58	2,350,102.72	35,367.86	1.51%	
442-01 · Large Commercial Sales	576,267.92	537,958.49	38,309.43	7.12%	
442-02 · Small Commercial Sales	1,713,261.88	1,653,216.12	60,045.76	3.63%	
443-00 · Cervalis Data Center Sales	131,977.00	0.00	131,977.00	100.0%	
445-01 · Water Pollutn Contrl Pnt Sales	605,936.44	615,193.41	-9,256.97	-1.51%	
445-02 · Flat Rate	75,931.08	74,644.08	1,287.00	1.72%	
451-00 · Miscellaneous Service Revenue	57,630.62	0.00	57,630.62	100.0%	Footnote 1
557-00 · Purchased Power Adjustment	3,416,263.35	3,316,902.31	99,361.04	3.0%	
Total Income	8,962,738.87	8,548,017.13	414,721.74	4.85%	
Cost of Goods Sold					
555-00 · Electrical Power Purchased	5,948,107.72	5,792,927.52	155,180.20	2.68%	
Total COGS	5,948,107.72	5,792,927.52	155,180.20	2.68%	
Gross Profit	3,014,631.15	2,755,089.61	259,541.54	9.42%	
Expense					
904-00 · Substation	71,531.97	0.00	71,531.97	100.0%	Footnote 2
930-43 · TTD 100th Anniversary	36,099.47	2,250.00	33,849.47	1,504.42%	
403-00 · Depreciation Expense	473,297.41	346,844.60	126,452.81	36.46%	Footnote 3
408-00 · Taxes	268,862.87	267,098.95	1,763.92	0.66%	
540-00 · Other Power Generation Expense	175,270.16	69,168.32	106,101.84	153.4%	Footnote 4
565-00 · Transmission Expenses	0.00	1,462.50	-1,462.50	-100.0%	
580-00 · Distribution Expenses	53,563.77	49,717.46	3,846.31	7.74%	
590-00 · Maintenance Expenses	409,147.60	326,814.51	82,333.09	25.19%	Footnote 5
900-00 · Customer Accounts & Service	363,509.79	339,938.81	23,570.98	6.93%	Footnote 6
909-00 · Conservation Expenses	1,079.68	0.00	1,079.68	100.0%	
920-00 · Administrative Expenses	1,280,926.03	1,102,298.80	178,627.23	16.21%	Footnote 7
Total Expense	3,133,288.75	2,505,593.95	627,694.80	25.05%	
Net Ordinary Income	-118,657.60	249,495.66	-368,153.26	-147.56%	
Other Income/Expense					
Other Income					
418-00 · Dividends	6,000.00	6.25	5,993.75	95,900.0%	
419-00 · Interest Income	850.00	46,479.11	-45,629.11	-98.17%	
420-00 · Gain/(Loss) on Investments	0.00	-22,949.30	22,949.30	100.0%	Footnote 8
421-00 · Norden Project Income	407,587.98	50,290.52	357,297.46	710.47%	Footnote 9
423-00 · Gain/(Loss) from Sale of FA	75,025.40	2,032.50	72,992.90	3,591.29%	Footnote 10
424-00 · Energy Conservation Fund Income	55,619.30	69,043.41	-13,424.11	-19.44%	Footnote 11
425-00 · Miscellaneous Income	0.00	353.12	-353.12	-100.0%	
Total Other Income	545,082.68	145,255.61	399,827.07	275.26%	
Other Expense					
942-00 · Interest Expense	3,023.62	0.00	3,023.62	100.0%	
Total Other Expense	3,023.62	0.00	3,023.62	100.0%	
Net Other Income	542,059.06	145,255.61	396,803.45	273.18%	
Net Income before rate stabilization	423,401.46	394,751.27	28,650.19	7.26%	
Rate Stabilization	30,106.39	-12,676.31	42,782.70	337.5%	

**Third Taxing District**  
**Profit & Loss Prev Year Comparison**  
July 2013 through April 2014

Net Income

Jul '13 - Apr 14	Jul '12 - Apr 13	\$ Change	% Change
453,507.85	382,074.96	71,432.89	18.7%

**Third Taxing District**  
**Profit & Loss Prev Year Comparison**  
**April 2014**

	Apr 14	Apr 13	\$ Change	% Change
<b>Ordinary Income/Expense</b>				
Income				
440-00 · Residential Sales	206,491.69	232,957.45	-26,465.76	-11.36%
442-01 · Large Commercial Sales	51,655.42	57,397.98	-5,742.56	-10.01%
442-02 · Small Commercial Sales	150,048.31	138,279.92	11,768.39	8.51%
443-00 · Cervalis Data Center Sales	17,053.00	0.00	17,053.00	100.0%
445-01 · Water Pollutn Contrl Plnt Sales	62,485.08	63,976.84	-1,491.76	-2.33%
445-02 · Flat Rate	7,243.06	7,308.31	-65.25	-0.89%
451-00 · Miscellaneous Service Revenue	2,071.88	3,930.00	-1,858.12	-47.28%
557-00 · Purchased Power Adjustment	304,248.42	335,854.59	-31,606.17	-9.41%
Total Income	801,296.86	839,705.09	-38,408.23	-4.57%
Cost of Goods Sold				
555-00 · Electrical Power Purchased	591,159.23	559,365.85	31,793.38	5.68%
Total COGS	591,159.23	559,365.85	31,793.38	5.68%
Gross Profit	210,137.63	280,339.24	-70,201.61	-25.04%
Expense				
904-00 · Substation	17,821.18	0.00	17,821.18	100.0%
930-43 · TTD 100th Anniversary	0.00	2,250.00	-2,250.00	-100.0%
403-00 · Depreciation Expense	60,370.35	34,684.46	25,685.89	74.06%
408-00 · Taxes	95,720.80	85,408.53	10,312.27	12.07%
540-00 · Other Power Generation Expense	1,887.73	2,739.91	-852.18	-31.1%
580-00 · Distribution Expenses	11,645.93	5,267.02	6,378.91	121.11%
590-00 · Maintenance Expenses	23,958.37	24,895.37	-937.00	-3.76%
900-00 · Customer Accounts & Service	25,003.54	32,124.26	-7,120.72	-22.17%
909-00 · Conservation Expenses	783.68	0.00	783.68	100.0%
920-00 · Administrative Expenses	132,021.60	100,608.15	31,413.45	31.22%
Total Expense	369,213.18	287,977.70	81,235.48	28.21%
Net Ordinary Income	-159,075.55	-7,638.46	-151,437.09	-1,982.56%
<b>Other Income/Expense</b>				
Other Income				
418-00 · Dividends	1,500.00	0.00	1,500.00	100.0%
419-00 · Interest Income	12.15	33.19	-21.04	-63.39%
421-00 · Norden Project Income	55,834.12	6,172.68	49,661.44	804.54%
423-00 · Gain/(Loss) from Sale of FA	62,525.40	0.00	62,525.40	100.0%
424-00 · Energy Conservation Fund Income	11,155.92	9,157.14	1,998.78	21.83%
Total Other Income	131,027.59	15,363.01	115,664.58	752.88%
Other Expense				
942-00 · Interest Expense	625.88	0.00	625.88	100.0%
Total Other Expense	625.88	0.00	625.88	100.0%
Net Other Income	130,401.71	15,363.01	115,038.70	748.8%
Net Income before rate stabilization	-28,673.84	7,724.55	-36,398.39	-471.2%
Rate Stabilization	58,769.30	-21,682.12	80,451.42	371.05%
Net Income	30,095.46	-13,957.57	44,053.03	315.62%



Third Taxing District  
Profit & Loss Statement  
Explanation of Major Variances  
Jul-Apr 2014 vs. Jul-Apr 2013

1. The 57,630.62 in miscellaneous revenue is a bill to the Norwalk Transit District for the accident on East Avenue where a bus collided with the Pole and caused significant damage
2. The increase in substation expense of \$71K is due to the fact that a separate payroll expense category was setup for Pete Johnson and Scott Tracey who will be working on the substation.
3. Increase in depreciation expense is up due primarily to the depreciation of substation which came on line in January of 2014. The substation will be depreciated over 20 year and will have annual depreciation of 251,328 or monthly depreciation of 20,944.
4. The \$106K increase in Other Power Generation Expense is due to increased running of the Norden Generators over the prior year which resulted in more fuel and repair and maintenance expenditures. The generators had extensive repairs in excess of \$45K in March, 2014 alone..
5. The \$82K increase in Maintenance Expense is due to approximately \$17K in substation maintenance mostly from Eleck & Salvato and a \$55K increase in Overhead Lines Maintenance from KTI Utility and WESCO due to repair and maintenance services.
6. The approximate \$23K increase in Customer Accounts & Service expense is due to the addition of Scott Tracey in October 2013 as well as \$5K in timing of purchases of paper from Lindenmeyer Munroe, and 4K increase from the prior year in credit card fees as more and more customers are processing electronic payments
7. The increase of \$178K in Administrative Expenses is due to the following:
  - a. \$17K in actuary fees that is paid every 2 years.
  - b. \$22K paid to Utility Financial Solutions for rate study
  - c. \$15K for Cogsdale upgrade
  - d. \$17K in timing of insurance health premiums/expenses
  - e. \$19 increase in auto mainly due to deposit and lease payments to Altec for new truck.
  - f. \$20K increase is due to the timing of health insurance payments
  - g. 25K in additional engineering by Cristino Associates..

- h. The remainder is due to marketing efforts and the work/creation of our website.
- 8. The \$22K decrease in Gain/(Loss) on investments is due to the fact that the investment account has been invested in cash (money markets) for liquidity purposes. The investments are adjusted to Fair Market Value for unrealized gains/(losses) that get booked to this account. The investment account has remained in cash for liquidity due to the funding needs of the substation and Cervalis data center projects. Management will be looking into other investment vehicles with appropriate returns as these projects come to a close.
- 9. The increase of approximately \$357K of Norden Income is due to the fact that TTD has been called on to place the generators in service for a significant period of time versus the prior year.
- 10. The approximate 73,000 gain on sale of fixed assets is from the sale of the bucket truck which was fully depreciated as well as underground cabling sold to LaJoie's for \$60,000
- 11. The decrease in Energy conservation is mainly due to the Person to Person program payment during the current fiscal year.

**THIRD TAXING DISTRICT**  
**KEY PERFORMANCE INDICATORS (KPI'S)**

		2014	April 2013	Industry Average (Bandwidth)
1)	<b>OPERATING RATIO</b>	TOTAL OPERATING EXPENSE / TOTAL OPERATING REVENUE	97.00%	87% - 92%
2)	<b>POWER SUPPLY EXPENSE RATIO</b>	TOTAL POWER SUPPLY EXPENSES / TOTAL EXPENSES	69%	65% - 70%
3)	<b>BAD DEBT RATIO</b>	TOTAL CUSTOMER ACCOUNTS OVER 90 DAY / TOTAL ACCOUNTS RECEIVABLE	7.27%	3% - 10%
4)	<b>ACTUAL RATE OF RETURN ON RATE BASE</b>	AUTHORIZED BY STATE STATUTE	N/A	Varies by state
5)	<b>ELECTRIC CUSTOMERS PER EMPLOYEE</b>	TOTAL ELECTRIC CUSTOMERS / TOTAL FULL TIME EMPLOYEES	431	200 - 500

### THIRD TAXING DISTRICT – PROJECT SUMMARY

UPDATED: MAY 25, 2014

<u>#</u>	<u>PROJECT</u>	<u>STATUS</u>	<u>TIMELINE</u>	<u>COMMENTS</u>
1)	A-BASE METER REPLACEMENT PROGRAM	<ul style="list-style-type: none"> <li>IN PROCESS WITH METER DEPT.</li> </ul>	LAST QUARTER 2014 START TO CUTOVER	<ul style="list-style-type: none"> <li>MAY 2014 – INVESTIGATING ALTERNATIVES TO INTERNAL RE-WIRING OF HOUSES WITH A-BASE METER INSTALLATIONS. ONE SOLUTION MAY BE TO INSTALL “ADAPTORS” IN THESE LOCATIONS WHICH WE ARE CURRENTLY LOOKING INTO.</li> </ul>
2)	CUSTOMER SERVICE TRAINING PROGRAM	<ul style="list-style-type: none"> <li>SOLICITED QUOTES THROUGH NEPPA, LEARNING DYNAMICS INC., VARIOUS WEBINARS – NEED TO SELECT FROM VENDORS LISTED</li> </ul>	THIRD QTR 2013 - FOURTH QTR 2014	<ul style="list-style-type: none"> <li>MAY 2014 – RON AND TWO CUSTOMER SERVICE STAFF MEMBERS ATTENDED COGSDALE’S QUARATERLY USER GROUP MEETING IN NORWICH, CT.</li> </ul>



<u>PROJECT</u>	<u>STATUS</u>	<u>TIMELINE</u>	<u>COMMENTS</u>
3) SUCCESSION PLANNING PROCESS	<ul style="list-style-type: none"> <li>• DEVELOPING POSITION DESCRIPTION FOR LINE FOREMAN'S POSITION</li> <li>• EVALUATING ALL OTHER AREAS</li> </ul>	<p>SECOND QTR 2014</p> <p>SECOND QTR 2014</p>	<ul style="list-style-type: none"> <li>• MAY 2014 – INTERVIEWS ARE BEING COMPLETED BASED ON AVAILABLE CANDIDATES – THIS MAY BE A SLOW PROCESS AS WE NEED TO BE VERY SELECTIVE. THE CANDIDATE POOL IS ALSO LIMITED DUE TO THE SPECIALIZED NATURE OF THE WORK AND THE SKILL LEVEL REQUIRED.</li> <li>• MAY 2014 – DISCUSSED NEED FOR EXECUTIVE ASSISTANT'S POSITION WITH THE COMMISSION AT THE MAY MEETING. JOB DESCRIPTION HAS BEEN DRAFTED AND HAS BEEN SENT TO CHRIS HODGSON FOR REVIEW AND COMMENT.</li> </ul>
4) HANDHELD METER READING UPGRADE	<ul style="list-style-type: none"> <li>• EXPLORED ALTERNATIVES TO EXISTING VENDOR</li> <li>• MET WITH JEWETT CITY TO INVESTIGATE ITRON SYSTEM THEY DON'T UTILIZE</li> <li>• AWAITING RECOMMENDATION FROM STAFF</li> <li>• ALSO EVALUATING OTHER OPTIONS</li> </ul>	BEGINNING THIRD QTR 2013 THRU ALL OF 2014 FOR FULL IMPLEMENTATION	<ul style="list-style-type: none"> <li>• MAY 2014 – CONTINUING TO INSTALL RADIO-READ METERS IN THE FIELD. WE HAVE COMPLETED INSTALLING ONE ENTIRE ROUTE (PEQUOT DRIVE AREA) WITH THESE NEW METERS. THIS ROUTE CAN NOW BE READ IN 30-45 MINUTES VS. 5-6 HOURS USING THE PREVIOUS "VISUAL" METER READING PROCESS.</li> </ul>

#	<u>PROJECT</u>	<u>STATUS</u>	<u>TIMELINE</u>	<u>COMMENTS</u>
5)	UPGRADE FLEET VEHICLES	<ul style="list-style-type: none"> <li>• AUCTIONING OFF 1991 BUCKET TRUCK</li> <li>• PURCHASED NEW PICKUP</li> <li>• LEASED NEW BUCKET TRUCK</li> <li>• EVALUATING BODYWORK /RE-PAINTING EXISTING VEHICLES TO EXTEND LIFE</li> <li>• DEVELOP FIVE YEAR FLEET VEHICLE REPLACEMENT SCHEDULE</li> </ul>	ON – GOING WITH PERIODIC UPDATES	

	<u>PROJECT</u>	<u>STATUS</u>	<u>TIMELINE</u>	<u>COMMENTS</u>
6)	UPDATE EMERGENCY PLAN FOR DEPARTMENT	<ul style="list-style-type: none"> <li>• LAST PLAN FILED WITH PURA – OCT 2011</li> <li>• UPDATED PLAN PARTIALLY COMPLETE</li> <li>• INCORPORATING CITY EMS INTO PLAN</li> </ul>	THIRD QTR 2014	
7)	UPDATE TERMS / CONDITIONS OF SERVICE / FEES	<ul style="list-style-type: none"> <li>• REVIEWING EXISTING DOCUMENTS</li> <li>• NEED TO RE- WRITE POLICIES</li> <li>• SOME FEES ADJUSTED- NEED TO UPDATE ALL OTHER FEES THROUGH DISCUSSION WITH COMMISSION ON IMPLEMENTATION STRATEGY. FORMALIZE ALL FEES IN BOOKLET FORM/WEBSITE</li> </ul>	FIRST QTR 2014 – SECOND QTR 2014	

#	<u>PROJECT</u>	<u>STATUS</u>	<u>TIMELINE</u>	<u>COMMENTS</u>
8)	I/T UPDATE/ UPGRADE	<ul style="list-style-type: none"> <li>• CONDUCTED SYSTEM AUDIT IN JULY 2013</li> <li>• SOLICITED QUOTES FOR HARDWARE / SOFTWARE UPGRADE</li> <li>• EVALUATING QUOTES</li> <li>• DECISION BY OCT 1<sup>ST</sup> 2013</li> <li>• TRANSITION PROCESS</li> <li>• TRANSITION PROCESS, COMPLETED – NOV 2013</li> </ul>	ON-GOING	<ul style="list-style-type: none"> <li>• MAY 2014 – RECEIVED BUSINESS PROCESS REVIEW REPORT FROM COGSDALE. REPORT IS COMPREHENSIVE, MAKING OVER 50 RECOMMENDATIONS FOR IMPROVING OUR EXISTING CIS SYSTEM. WE HAVE HELD TWO INTERNAL MEETINGS WITH STAFF/NETOLOGY/COGSDALE TO DETERMINE AN IMPLEMENTATION SCHEDULE/ ACTION PLAN AS A FOLLOW-UP TO ITEMS CAPTURED IN THE REPORT.</li> <li>CURRENTLY COORDINATING SCHEDULES FOR PHASING IN IMPLEMENTATION OF UPGRADES/ RECOMMENDATIONS CONTAINED IN THE REPORT.</li> </ul>



9)	<p><b>CONDUCT COST OF SERVICE /RATE STUDY</b></p>	<ul style="list-style-type: none"> <li>• <b>STUDY PERFORMED MAY 2013</b></li> <li>• <b>STUDY COMPLETED – SEPT. 2013</b></li> <li>• <b>REVIEWED WITH COMMISSION SEPT. 2013</b></li> <li>• <b>IMPLEMENTATION OF STRATEGIES BASED ON THE STUDY BEING DEVELOPED</b></li> <li>• <b>WILL BEGIN WITH SET-UP OF WWTP NEGOTIATIONS</b></li> </ul>	<p><b>SECOND, THIRD QTR 2013 THRU 2014 FULL IMPLEMENTATION</b></p>	<ul style="list-style-type: none"> <li>• <b>MAY 2014 – COMMISSION DECIDED TO NOT TAKE ANY FURTHER ACTION ON THE NARRATIVE PRESENTED AT THE MAY 2014 MEETING.</b></li> <li><b>IMPLEMENTATION OF “REVENUE NEUTRAL” RATE ADJUSTMENT WILL BE POSTPONED TO A FUTURE DATE.</b></li> <li><b>WE HAVE HELD OFF ON ANY FURTHER DISCUSSIONS WITH THE WWTP UNTIL THE COMMISSION DETERMINES THAT THEY WANT TO FULLY IMPLEMENT THE RESULTS OF THE RATE STUDY.</b></li> </ul>
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10)	STRATEGIC PLANNING PROCESS	<ul style="list-style-type: none"> <li>CONTACTED HOMETOWN CONNECTIONS TO INQUIRE ABOUT PROCESS – SEPT 2013</li> <li>RECEIVED PRELIMINARY INFORMATION FOR REVIEW – CURRENTLY EVALUATING</li> </ul>	THIRD QTR 2013 THRU FOURTH QTR 2014	<ul style="list-style-type: none"> <li>MAY 2014 – SPOKE TO TIM BLODGETT OF HOMETOWN CONNECTIONS TO GET AN UPDATE ON HIS SCHEDULE. HE AND I BOTH AGREED TO TOUCH BASE AGAIN AFTER THE BEGINNING OF THE NEW FISCAL YEAR (JULY 1<sup>ST</sup>) BASED ON THE IMPLEMENTATION OF THE DEPARTMENT'S UPDATED 5-YEAR CAPITAL AND ANNUAL OPERATING BUDGETS PENDING APPROVAL BY THE COMMISSION.</li> </ul>
11)	MAPLEWOOD	<ul style="list-style-type: none"> <li>COMMISSION APPROACHED BY MAPLEWOOD'S ATTORNEY'S IN APRIL 2013 WITH OBJECTIVE OF CHANGING SUPPLIERS</li> <li>DISCUSSIONS / UPDATES GIVEN TO COMMISSION SINCE THEN THRU JOHN BOVE, PHIL SUSSLER, ETC. ON TTD'S LEGAL POSITION ON SERVICE TERRITORY ISSUE</li> </ul>	ON - GOING	<ul style="list-style-type: none"> <li>MAY 2014 – HAVE HEARD NOTHING FROM MAPLEWOOD IN RESPONSE TO MY LETTER DRAFTED LAST MONTH REQUESTING ADDITIONAL DEPOSIT MONIES. HAVE REFERRED THE MATTER TO JOHN BOVE. WE WILL NOT PARTICIPATE IN ANY FURTHER ENERGY CONSERVATION PROJECTS WITH THEM UNTIL THEY PAY ALL DEPOSIT MONIES AND ARE CURRENT ON THEIR MONTHLY BILL.</li> </ul>

	(Cont'd) MAPLEWOOD	<ul style="list-style-type: none"> <li>• ENGAGED BROWN JACOBSON FROM NORWICH TO REPRESENT TTD IF MAPLEWOOD'S ATTORNEY'S PURSUE AT STATE LEVEL (PURA)</li> <li>• TTD ATTORNEY'S CURRENTLY DEVELOPING STRATEGY</li> <li>• NO FURTHER DISCUSSIONS WITH MAPLEWOOD'S ATTORNEY'S AT THIS TIME</li> </ul>		
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12)	WEBSITE / BRANDING PROJECT	<ul style="list-style-type: none"> <li>• SIGNED AGREEMENTS WITH JUMAR MARKETING IN APRIL 2013 FOR 12 MONTHS</li> <li>• NEW WEBSITE/ RE-BRANDING LAUNCHED JULY 2013 AT 100<sup>TH</sup> ANNIVERSARY CELEBRATION</li> <li>• WEBSITE BEING UPDATED AS NEEDED</li> <li>• RE-BRANDING COLLATERAL</li> <li>• MATERIALS BEING IMPLEMENTED AS TIME / RESOURCES ALLOW (STATIONARY, TRUCK LETTERING, SIGNAGE, ETC.</li> </ul>	ON – GOING THRU SECOND QTR 2014 PENDING EXTENSION OF AGREEMENT	<ul style="list-style-type: none"> <li>• MAY 2014 – ANNUAL CONTRACT EXTENDED WITH JUMAR BY COMMISSION AT MAY 2014 MEETING. HAVE SCHEDULED MEETING TO REVIEW DETAILS OF ENHANCEMENTS TO WEBSITE DURING LAST WEEK OF MAY.</li> <li>• MAY 2014 – MET WITH JUMAR DURING THE MONTH TO DISCUSS COMMUNICATION SOLUTIONS TO SMALL TO MEDIUM SIZE OUTAGES UTILIZING A COMBINATION OF EXISTING ON-CALL STAFF AND A 24-HOUR ANSWERING SERVICE. WE ALSO DISCUSSED PUBLICIZING THE UPGRADE OF 50 STREET LIGHT FIXTURES ON WINFIELD STREET TO LED'S AND DEVELOPING A WEBSITE FORM WHICH CAN BE USED BY ORGANIZATIONS WHEN REQUESTING A DONATION FROM TTD. ALL ITEMS ARE IN THE PROCESS OF BEING COMPLETED.</li> </ul>
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13)	CATV POLE ATTACHMENTS/ AMPLIFIERS	<ul style="list-style-type: none"> <li>REVIEWED HISTORICAL INFORMATION FROM FILES</li> <li>POLE ATTACHMENTS SHOULD BE BILLED ON A SEMI-ANNUAL BASIS – HAS NOT BEEN BILLED FOR SEVERAL YEARS- LOSS OF REVENUE</li> <li>WILL BE CONTACTING CABLE CO. FOR DISCUSSION / NEGOTIATION OF RATE</li> </ul>	FIRST QTR 2014 – SECOND QTR 2014	<ul style="list-style-type: none"> <li>MAY 2014 – POSTPONED REVIEW OF POLE ATTACHMENT FEE PROPOSALS WITH THE COMMISSION UNTIL THE JULY COMMISSION MEETING BASED ON COMPLETION OF THE BUDGET REVIEW PROCESS IN JUNE.</li> </ul> <p>THIS ITEM WILL BE BROUGHT TO THE JULY 2014 COMMISSION MEETING FOR REVIEW AND DISCUSSION.</p>
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<u>PROJECT</u>	<u>STATUS</u>	<u>TIMELINE</u>	<u>COMMENTS</u>
14) UPGRADE/ENHANCE FUEL TANKS @ 2 SECOND STREET	<ul style="list-style-type: none"> <li>• RECEIVED NOTICE OF NON-COMPLIANCE IN MAY 2013 BASED ON TANK INSPECTION</li> <li>• CONTACTED VENDORS IN JUNE 2013 FOR REMEDIATION</li> <li>• RECEIVED QUOTES IN JULY/AUGUST 2013</li> <li>• SELECTED VENDOR SEPT. 2013</li> <li>• PERFORMED WORK SEPT/OCT 2013 TO INSURE COMPLIANCE</li> </ul>	LAST QTR 2013 – COMPLETED	

15)	SUBSTATION UPGRADES AND IMPROVEMENTS	<ul style="list-style-type: none"> <li>• UPGRADE EXISTING SUBSTATIONS - ROWAN STREET &amp; EAST AVENUE</li> <li>• BUILDING NEW FITCH STREET SUBSTATION TO COMPLY WITH NERC REQUIREMENTS</li> <li>• FOCUS ON CYBER-SECURITY / SECURITY CONCERNS BASED ON REGIONAL / NATIONAL INCIDENTS</li> </ul>	ON GOING	<ul style="list-style-type: none"> <li>• MAY 2014 – SPOKE TO THE COMMISSION AT THE MAY 2014 MEETING REGARDING A DEDICATION DATE FOR THE FITCH ST. SUBSTATION. IT WAS AGREED TO HOLD A BRIEF DEDICATION CERAMONY ON JUNE 6, 2014.</li> <li>• MAY 2014 – ALL SITE WORK HAS BEEN COMPLETED AT THE FITCH ST. SUBSTATION IN ANTICIPATION OF THE DEDICATION WHICH WILL BE HELD ON JUNE 6<sup>TH</sup>.</li> <li>• MAY 2014 – FOLLOWED UP WITH CONNELLY CORP. ON PROPOSAL TO FEED THEIR FACILITY. WE PREPARED SOME ADDITIONAL INFORMATION DURING THE MONTH AND ARE AWAITING A FINAL DECISION.</li> <li>• CONTINUING TO WORK ON DEVELOPMENT OF SCADA SYSTEM WHICH ALLOWS REMOTE MONITORING OF ALL OF OUR SUBSTATIONS ALONG WITH INSTALLATION OF VIDEO CAMERAS IN ALL SUBSTATIONS. WE RECEIVED MULTIPLE QUOTES ON THE SCADA SYSTEM, WITH DEMONSTRATIONS SCHEDULED BEGINNING THE LAST WEEK OF MAY.</li> </ul>
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16)	PURCHASE OF HOUSE – 18 ROWAN ST.	<ul style="list-style-type: none"> <li>DISCUSSION HELD IN SPRING OF 2013 WITH COMMISSION TO CONSIDER ACQUISITION OF PROPERTY FOR SALE ADJACENT TO THE ROWAN ST. SUBSTATION FOR POSSIBLE EXPANSION.</li> <li>CONCEPT WAS DEVELOPED TO USE PROPERTY FOR OVERALL STORAGE NEEDS THROUGH CONSTRUCTION OF A STORAGE FACILITY AND CONSOLIDATION OF MATERIALS IN ONE LOCATION.</li> </ul>	SECOND QTR 2013 THROUGH FOURTH QTR 2014	<ul style="list-style-type: none"> <li>MAY 2014 – HOUSE WAS DEMOLISHED DURING THE MONTH. AGREED WITH CONTRACTOR TO NOT EXCAVATE EXISTING USABLE BLACKTOP AND PATCH HOLE WHERE EXISTING HOUSE WAS REMOVED TO SAVE ADDITIONAL EXPENSE. CONTRACTOR WILL PATCH ONCE ROWAN STREET IS REPAIRED (NEW CURBS, SIDEWALKS, ROAD SURFACE) BY THE CITY.</li> <li>MAY 2014 – BIDS WERE SOLICITED AND RECEIVED DURING THE MONTH FOR FENCING THE PERIMETER OF THE SITE FOR SECURITY PURPOSES. RESULTS OF THE BID PROCESS WILL BE REVIEWED WITH THE COMMISSION AT THE JUNE 2<sup>ND</sup> MEETING.</li> </ul>
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17)	CONSTRUCTION OF ELECTRIC VEHICLE CHARGING STATION	CONCEPT DEVELOPED THROUGH DISCUSSIONS WITH COMMISSION BASED ON POTENTIAL LOCATION AT EAST AVE HOUSE LOCATED NEXT TO TRAIN STATION	ALL OF 2014	<ul style="list-style-type: none"> <li>MAY 2014 – RECEIVED EMAIL FROM PATRICE KELLY AT DEEP (DEPT. OF ENERGY AND ENVIRONMENTAL PROTECTION) ASKING ABOUT STATUS OF EXISTING PROJECT. EXPLAINED THAT WE ARE CONTINUING TO GATHER INFORMATION ON VENDORS, TYPES OF EQUIPMENT, ETC. IN ANTICIPATION OF PRESENTATION TO COMMISSION. SHE HAS GRANTED US A TWO-MONTH EXTENSION ON THE PROJECT.</li> <li>MAY 2014 – MET WITH WATSON COLLINS, DIRECTOR OF E/V MARKETING AND RESEARCH AT NORTHEAST UTILITIES TO LEARN MORE ABOUT NU’S E/V INSTALLATIONS AND PROGRAMS AROUND THE STATE. WATSON SHOULD PROVE TO BE A VALUABLE RESOURCE AS WE MOVE FORWARD WITH OUR E/V PROGRAM.</li> </ul>
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#	<u>PROJECT</u>	<u>STATUS</u>	<u>TIMELINE</u>	<u>COMMENTS</u>
18)	<u>MISCELLANEOUS</u>			
	<ul style="list-style-type: none"> <li>ANNUAL REVENUE/ EXPENSE BUDGET</li> </ul>	IN PROCESS	SECOND QTR 2014	<ul style="list-style-type: none"> <li>MAY 2014 - PRESENTATION IN DRAFT TO COMMISSION AT THE JUNE 2, 2014 MEETING.</li> </ul>
	<ul style="list-style-type: none"> <li>SOLAR P/V PROJECT ROOFTOP AT SECOND STREET OFFICE</li> </ul>	DISCUSSION STAGE	SECOND QTR 2014 FOR FOURTH QTR 2014	<ul style="list-style-type: none"> <li>MAY 2014 - REVIEWING FOR FEASIBILITY WITH CMEEC ENERGY CONSERVATION GROUP.</li> </ul>
	<ul style="list-style-type: none"> <li>LOBBY RENOVATION</li> </ul>	IN PROCESS	SECOND QTR 2014 TO THIRD QTR 2014	<ul style="list-style-type: none"> <li>MAY 2014 – ORDERED NEW HVAC UNIT FOR LOBBY AS PART OF RENOVATION. THIS UNIT WILL REPLACE THE OLD ELECTRIC, INEFFICIENT “STRIP HEATER” AND WILL MAKE THIS LOBBY AREA MORE COMFORTABLE FOR CUSTOMERS IN BOTH WINTER AND SUMMER.</li> </ul>
	<ul style="list-style-type: none"> <li>SOLAR PROJECTS</li> </ul>	DISCUSSION STAGE/ POTENTIAL PROJECTS	ON-GOING	<ul style="list-style-type: none"> <li>MAY 2014 - EAST AVENUE PIZZA AND LUDLOW COMMONS HAVE EXPRESSED INTEREST.</li> </ul>

THIRD TAXING DISTRICT

2014-15 ANNUAL REVENUE &  
EXPENSE BUDGET

PREPARED BY:

JIM SMITH

June 2, 2014

Third Taxing District  
Operating Budget  
Fiscal Year 2015

Charges for Electric Services	
440-00 · Residential Sales	4,330,900
442-01 · Large Commercial Sales	1,018,400
442-02 · Small Commercial Sales	2,928,700
443-00 · Cervalis Data Center Sales	300,000
445-01 · Water Pollutn Contrl Plnt Sales	1,196,300
445-02 · Flat Rate	90,000
451-00 · Miscellaneous Service Revenue	120,000
	<hr/>
	9,984,300
Other Income	
418-00 · Dividends	18,000
419-00 · Interest Income	1,500
421-00 · Norden Project Income	465,000
423-00 · Gain/(Loss) from Sale of FA	3,500
424-00 · Energy Conservation Fund Income	75,000
Total other Income	<hr/>
	563,000
Total Income	<hr/>
	10,547,300
Cost of Goods Sold	
555-00 · Electrical Power Purchased	<hr/>
	6,019,400
Gross Profit	<hr/>
	4,527,900
Substation	
904-00 · Substation	
904-15 · Substation Call Time	11,800
904-12 · Payroll - Substation	171,000
Total Substation Expenses	<hr/>
	182,800



403-00 · Depreciation Expense	724,400
<b>Taxes</b>	
408-10 · Gross Receipts tax	375,600
408-19 · Rebates of G/R Taxes	6,400
408-50 · Taxes - Other	4,000
Total Taxes Expense	386,000
<b>Other Power Generation Expense</b>	
548-00 · Generation Expense	166,400
Total Other Power Generation Expenses	166,400
<b>Distribution Expenses</b>	
582-00 · Sub-Station Expense	16,800
583-00 · Overhead Lines Expense	12,000
586-00 · Meter Operations Expense	2,600
588-00 · Misc Distribution Expense	32,000
Total Distribution Expenses	63,400
<b>Maintenance Expenses</b>	
592-00 · Sub-Stations-Maintenance	45,900
593-12 · Payroll - Line Department	360,400
593-15 · Payroll - Line On Call	82,400
593-00 · Overhead Lines-Maintenance - Other	88,000
595-00 · Line Transformers-Maintenance	500
597-00 · Meters-Maintenance - Other	4,800
598-00 · Misc Maintenance Expense - Other	35,600
Total Maintenance Expenses	617,600
<b>Customer Accounts &amp; Service</b>	
902-12 · Payroll - Meter reader	93,000
903-12 · Payroll - Customer Recordkeeping	236,900
903-00 · Customer Recordkeeping Expense - Other	25,000

905-00 · Credit Card Discount Fee	45,800
Total Customer Accounts & Service Expenses	400,700
920-00 · Administrative Expenses	
920-05 · Payroll Taxes	82,500
920-12 · Payroll - Admin Dept	338,700
920-15 · Admin P/R-On Call Time	18,000
921-20 · Bank Service Charges	100
921-30 · Postage	27,200
921-40 · Office Supplies	17,500
923-10 · Computer Services	40,000
923-30 · Legal Fees	10,000
923-35 · Legal Fees - Labor relations	6,300
923-40 · Pension Plan Actuarial & Legal	17,800
923-45 · Engineering	31,800
923-50 · Recording Services - Meetings	2,300
923-65 · Outside Accounting Services	48,000
923-70 · Office bldg maintenance & repai	17,500
923-00 · Outside Services - Other	15,000
924-00 · Commercial Package Insurance	76,000
925-00 · Workman's Comp Insurance	40,000
925-10 · Long & Short Term Disability	11,400
926-10 · Pension contributions	135,000
926-20 · Employee Health & Life Insuranc	350,000
926-32 · Current Employees - Self Insurances	53,700
926-34 · Retired Employees - Self Insurances	10,100
926-80 · Special Pension per contract	13,000
926-90 · Miscellaneous employee benefits	16,600
928-00 · Regulatory Expense	14,000
930-40 · Promotions	36,000
930-45 · Travel & lodging	2,000
930-50 · Seminars & training	17,400
940-10 · Company Autos - GM Vehicle	5,600

940-30 - Company Autos - Trucks & Cars	64,200
Total Administrative Expenses	<u>1,517,700</u>
Other Expenses	
426-30 - Person to Person	20,000
426-10 - Distributions to District	299,300
942-00 - Interest Expense	3,900
Total Other Expenses	<u>323,200</u>
Total Expenses	4,382,200
Net Income	<u><u>145,700</u></u>

**THIRD TAXING DISTRICT  
OPERATING BUDGET WORKSHEET  
BUDGET YEAR 7-1-14 - 6-30-15**

Account Number	Account Description	Description/Justification	Individual Amounts	Department Request	Commission Approved Amount
555-00	Electrical Power Purchased	Power Purchased from CMEEC	\$5,019,400.00	\$5,019,400.00	
904-15	<b>Substation:</b> Substation Call Time	Payroll for On-Call Substation Employees 2.25% increase over last fiscal year	\$11,800.00	\$11,800.00	
904-12	Payroll - Substation	Substation Payroll - 2 Employees 2.25% increase over last fiscal year	\$171,000.00	\$171,000.00	
403-00	<b>Depreciation:</b> Depreciation Expense	Depreciation	\$724,400.00	\$724,400.00	
408-10	<b>Taxes:</b> Gross Receipts Tax	Quarterly Gross Receipts Tax Payments	\$375,600.00	\$375,600.00	
408-19	Rebates of G/R Taxes	Rebates of G/R Taxes	\$6,400.00	\$6,400.00	
408-50	Taxes - Other	Property Taxes - Rowan Street	\$4,000.00	\$4,000.00	
548-00	<b>Other Power Generation Expense:</b> Generation Expense	Santa Buckley Ho Penn Miratech CMEEC	\$100,000.00 \$25,000.00 \$25,000.00 \$16,400.00	\$166,400.00	
582-00	<b>Distribution Expenses:</b> Sub-Station Expense	Supplies for Sub-Station	\$16,800.00	\$16,800.00	



Account Number	Account Description	Description/Justification	Individual Amounts	Department Request	Commission Approved Amount
583-00	Overhead Lines Expense	Supplies for Overhead Lines	\$12,000.00	\$12,000.00	
586-00	Meter Operations Expense	Supplies for Meters	\$2,600.00	\$2,600.00	
588-00	Misc. Distribution Expense	Utilities Expense Related to Distribution	\$32,000.00	\$32,000.00	
592-00	<b>Maintenance Expenses:</b> Sub-Stations-Maintenance	Supplies for Sub-Station	\$45,900.00	\$45,900.00	
593-12	Payroll - Line Department	Payroll for 2 Employees - 2.25% increase Payroll for General Foreman	\$240,400.00 \$120,000.00	\$360,400.00	
593-15	Payroll - Line on Call	On-Call Payroll for 2 Employees -2.25% Increase	\$82,400.00	\$82,400.00	
593-00	Overhead Lines - Maintenance-Other	Supplies and Maintenance	\$88,000.00	\$88,000.00	
595-00	Line Transformer - Maintenance	Supplies	\$500.00	\$500.00	
597-00	Meters - Maintenance - Other	Supplies	\$1,800.00	\$1,800.00	
598-00	Misc Maintenance Expense - Other	Maintenance Supplies and Services	\$35,600.00	\$35,600.00	
902-12	Payroll - Meter Reader	One Employee - 2.25% Increase	\$93,000.00	\$93,000.00	
903-12	Payroll - Customer Recordkeeping	Two Employees - 2.25% Increase Additional Employee - Executive Assistant	\$186,900.00 \$50,000.00	\$236,900.00	
903-00	Customer Recordkeeping Expense - Other	Supplies and Credit Checks	\$25,000.00	\$25,000.00	

Account Number	Account Description	Description/Justification	Individual Amounts	Department Request	Commission Approved Amount
905-00	Credit Card Discount Fee	Credit Card Fees	\$45,800.00	\$45,800.00	
920-05	<b>Administrative Expenses:</b> Payroll Taxes	Company Payroll Taxes	\$92,500.00	\$92,500.00	
920-12	Payroll - Admin Dept	One Employee - 2.25% Increase Two Administrators	\$63,600.00 \$275,000.00	\$338,600.00	
920-15	Admin P/R-On Call Time	On Call Pay for Administrators	\$18,100.00	\$18,100.00	
921-20	Bank Service Charges	Bank Service Charges	\$100.00	\$100.00	
921-30	Postage	Postage	\$27,200.00	\$27,200.00	
921-40	Office Supplies	Office Supplies	\$17,500.00	\$17,500.00	
923-10	<b>Outside Services:</b> Computer Services	Netology	\$40,000.00	\$40,000.00	
923-30	Legal Fees	John Bove	\$10,000.00	\$10,000.00	
923-35	Legal Fees - Labor Relations	Durant, Nichols	\$6,300.00	\$6,300.00	
923-40	Pension Plan Actuarial & Legal	Benefit Consultants/Actuary - Hooker & Holcombe	\$17,800.00	\$17,800.00	
923-45	Engineering	Cristino Associates	\$31,800.00	\$31,800.00	
923-50	Recording Services - Meetings	Secretarial Services - Monthly/Annual Meetings	\$2,300.00	\$2,300.00	
923-65	Outside Accounting Services	Bliss, Allred	\$48,000.00	\$48,000.00	
923-70	Office Bldg Maintenance & Repair	Supplies and Services	\$17,500.00	\$17,500.00	

Account Number	Account Description	Description/Justification	Individual Amounts	Department Request	Commission Approved Amount
923-00	Outside Services - Other	Rate Design, Other Studies	\$15,000.00	\$15,000.00	
924-00	Commercial Package Insurance	Umbrella/Terrorism, Public Officials, Commercial, Auto, Flood, Boiler/M&E, Crime, Tank Pollution	\$76,000.00	\$76,000.00	
925-00	Workman's Comp Insurance		\$40,000.00	\$40,000.00	
925-10	Long & Short Disability	Employee Benefits - Disability	\$11,400.00	\$11,400.00	
926-10	Pension Contributions	Employee Pension contributions	\$135,000.00	\$135,000.00	
926-20	Employee Health & Life Insurance	Employee Health & Life Insurance	\$350,000.00	\$350,000.00	
926-32	Current Employees	Self Insurance for Current Employees	\$53,600.00	\$53,600.00	
926-34	Retired Employees	Self Insurance for Retired Employees	\$10,100.00	\$10,100.00	
926-80	Special Pension per contract	Pension expense - AXA Equitable	\$13,100.00	\$13,100.00	
926-90	Miscellaneous employee benefits	Break Room Supplies, Coffee, Snacks, Uniforms Expense	\$16,600.00	\$16,600.00	
928-00	Regulatory Expense	Membership dues (NEPPA, American Public Power, etc.)	\$14,000.00	\$14,000.00	
930-40	Promotions	Marketing - Jumar	\$36,000.00	\$36,000.00	
930-45	Travel & Lodging	Travel to and from Various Seminars, Trainings, & Meetings	\$2,000.00	\$2,000.00	
930-50	Seminars & Training	Seminars, Safety Trainings, Continuing Ed.	\$17,400.00	\$17,400.00	
940-10	Company Autos - GM Vehicle	Auto Expense	\$5,600.00	\$5,600.00	

Account Number	Account Description	Description/Justification	Individual Amounts	Department Request	Commission Approved Amount
940-30	Company Autos - Trucks & Cars	Auto Expense	\$64,200.00	\$64,200.00	
426-30	<b>Other Expenses:</b>				
426-10	Person-to-Person	Person-to-Person Program	\$20,000.00	\$20,000.00	
942-00	Distributions to District	Payments to District Fund	\$299,300.00	\$299,300.00	
	Interest Expense	Interest	\$3,900.00	\$3,900.00	



# THIRD TAXING DISTRICT

## FIVE-YEAR CAPITAL BUDGET FORECAST

FY 2014-15 THROUGH FY 2018-19

PREPARED BY:

JIM SMITH

June 2, 2014

# Third Taxing District Five Year Capital Budget Requirements Forecast

	Priority	FY 2014-15 Requested	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19
A Generation	Generators					
		0	0	0	0	0
B Transmission Plant	Land & Land Rights	-	-	-	-	-
	Structures & Improvements	1,500	1,500	1,500	1,500	1,500
	Underground Conduit	2,000	2,000	2,000	2,000	2,000
	Underground Conductors	2,000	2,000	2,000	2,000	2,000
C Distribution Plant		5,500	5,500	5,500	5,500	5,500
	Structures & Improvements	5,000	5,000	5,000	5,000	5,000
	Substation Equipment	1,177,500	678,833	495,833	455,833	125,000
	Generator	2,500	2,500	2,500	2,500	2,500
	Poles, Towers, & Equipment	15,000	15,000	15,000	15,000	15,000
	Overhead Conductors	337,500	187,500	187,500	187,500	-
	Underground Conduit	2,000	2,000	2,000	2,000	2,000
	Underground Conductors	87,500	87,500	87,500	87,500	-
	Line Transformers	15,000	15,000	15,000	15,000	15,000
	Meters	25,000	25,000	25,000	25,000	25,000
	Street Lights & Signals	10,000	10,000	10,000	10,000	10,000
D General Plant		1,677,000	1,028,333	845,333	805,333	199,500
	Structures & Improvements	64,200	30,000	350,000		
	Office Furniture & Equipment	10,000	5,000	5,000	15,000	5,000
	Transportation Equipment	85,000		-	-	-
	Tools, Shop & Yard Equipment	10,000				
	Laboratory Equipment	2,000	2,000	2,000	2,000	2,000
	Communications Equipment	37,871	49,801	21,418	7,830	59,030
	Miscellaneous Equipment	1,000	1,000	1,000	1,000	1,000
		210,071	87,801	379,418	25,830	67,030
TOTALS		1,892,571	1,121,634	1,230,251	836,663	272,030
Grand Total		5,353,149				

## Generation – Generators

## Transmission Plant – Land & Land Rights



## Transmission Plant – Structures & Improvements



## Transmission Plant – Underground Conduit

# Third Taxing District Capital Budget Worksheet

DEPARTMENT: TTD		CATEGORY: Underground Conduit	PROJECT TITLE: Underground Conduits				
USEFUL LIFE 20-30 yr		SCHEDULED START:			SCHEDULED COMPLETION:		
RANKING:		<input checked="" type="checkbox"/> NEW CONSTRUCTION/EQUIPMENT			<input type="checkbox"/> REPLACEMENT/REFURBISHMENT		
DESCRIPTION: Purchase of underground conduit for transmission system.		JUSTIFICATION: Replacement of underground conduit for transmission system.					
EXPENDITURE SCHEDULE (000's)	Account	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	TOTAL
Engineering/Design							
Site Costs & Acquisition							
Construction							
Equipment/Furnishings	357-00	2,000	2,000	2,000	2,000	2,000	10,000
Other/Contingency							
<b>TOTAL EXPENDITURES</b>		2,000	2,000	2,000	2,000	2,000	10,000



## Transmission Plant – Underground Conductors

## Third Taxing District Capital Budget Worksheet

DEPARTMENT: TTD	CATEGORY: Underground Conductors    PROJECT TITLE: Underground Conductors	
USEFUL LIFE 20-30 yr	SCHEDULED START:	SCHEDULED COMPLETION:
RANKING:	<input checked="" type="checkbox"/> NEW CONSTRUCTION/EQUIPMENT	<input type="checkbox"/> REPLACEMENT/REFURBISHMENT
DESCRIPTION: Purchase of capital expenditures for underground conductors in relation to the department's transmission system.		
JUSTIFICATION: Replacement of underground conductors for transmission system.		
EXPENDITURE SCHEDULE (000's)	Account	TOTAL
Engineering/Design		
Site Costs & Acquisition		
Construction		
Equipment/Furnishings	358-00	10,000
Other/Contingency		
<b>TOTAL EXPENDITURES</b>		<b>10,000</b>

## Distribution Plant – Structures & Improvements





## Distribution Plant – Substation Equipment

## Third Taxing District Capital Budget Worksheet

DEPARTMENT: TTD	CATEGORY: Substation	PROJECT TITLE: Replace Oil Circuit Breakers
USEFUL LIFE: 25 yr	SCHEDULED START:	SCHEDULED COMPLETION:
RANKING:	NEW CONSTRUCTION/EQUIPMENT	X REPLACEMENT/REFURBISHMENT
<p><b>DESCRIPTION:</b>  A. This project addresses the replacement of four 34.5kV oil circuit breakers that are approximately 50 years old. The replacement circuit breakers will eliminate the presence of insulating oil in all substation devices except the main power transformers.</p> <p><b>JUSTIFICATION:</b>  Rowan Street and East Avenue substations utilize 34,500-volt (34.5kV) circuit breakers that has insulating oil within the circuit breaker tanks. The circuit breakers average 50 years in age and maintenance parts are becoming expensive and available through specialty suppliers. The elimination of the oil-filled circuit breakers will reduce maintenance and testing requirements for both substations.</p>		
EXPENDITURE SCHEDULE	Account	2014-2015
Engineering/Design	362-00	7,500
Site Costs & Acquisition		
Construction	362-00	7,500
Equipment/Furnishings	362-00	95,000
Other/Contingency	362-00	15,000
<b>TOTAL EXPENDITURES</b>		125,000
		2015-2016
		7,500
		7,500
		95,000
		15,000
		125,000
		2016-2017
		7,500
		7,500
		95,000
		14,500
		125,000
		2017-2018
		8,000
		7,500
		95,000
		14,500
		125,000
		2018-2019
		8,000
		7,500
		475,000
		74,000
		625,000

## Third Taxing District Capital Budget Worksheet

DEPARTMENT: TTD	CATEGORY: Substation	PROJECT TITLE: T1 Replacement	
USEFUL LIFE: 25 yr	SCHEDULED START:	SCHEDULED COMPLETION:	
RANKING:	NEW CONSTRUCTION/EQUIPMENT	X REPLACEMENT/REFURBISHMENT	
DESCRIPTION: A. This project replaces the T1 Main Power Transformer located within East Avenue Substation.	JUSTIFICATION: A. The T1 Transformer was manufactured in 1963 and has been operating beyond its planned life expectancy for five over five years. In that time, the transformer has undergone extensive repair work to its Load Tap Changer assembly and controls. Starting in 2012, the T1 Transformer has experienced additional problems including a run-away condition that has resulted in high voltage conditions on the circuit supplied from East Avenue Substation. In the 1980's, the T1 and T2 Transformers at East Avenue Substation were subjected to a PCB destruction process that created elevated temperatures and caused degradation to the transformer insulation system. The T2 Transformer failed in 2009 and was replaced. That failure resulted in an interruption of service to District customers until load could be transferred. This project would remove an aged piece of equipment that is beyond its useful life and eliminate an undesired power interruption that would accompany the eventual failure.		

EXPENDITURE SCHEDULE	Account	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	TOTAL
Engineering/Design	362-00	68,182					68,182
Site Costs & Acquisition							
Construction	362-00	136,364					136,364
Equipment/Furnishings	362-00	477,273					477,273
Other/Contingency	362-00	68,182					68,182
<b>TOTAL EXPENDITURES</b>		<b>750,000</b>					<b>750,000</b>

## Third Taxing District Capital Budget Worksheet

DEPARTMENT: TTD	CATEGORY: Substation	PROJECT TITLE: Circuit Breaker Replacement					
USEFUL LIFE: 25 yr	SCHEDULED START:	SCHEDULED COMPLETION:					
RANKING:	<u>  </u> NEW CONSTRUCTION/EQUIPMENT	<u>  X  </u> REPLACEMENT/REFURBISHMENT					
<p>DESCRIPTION: This project replaces the last of the District's Oil Circuit Breakers.</p> <p>JUSTIFICATION: The 104R-50 Circuit Breaker located within the Rowan Street Substation was purchased from the Connecticut Light and Power Company as a used piece of equipment in 1980. The circuit breaker was manufactured in 1965 and is connected to one end of the 27,600-volt Tie Circuit between Rowan Street and East Avenue substations. Due to its age and design, replacement parts are only available through specialty suppliers at premium costs. By 2017 this device will have exceeded its useful life by a few decades and repair and maintenance costs will be excessive.</p>							
EXPENDITURE SCHEDULE (000's)	Account	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	TOTAL
Engineering/Design	362-00				5,000		5,000
Site Costs & Acquisition							
Construction	362-00				15,000		15,000
Equipment/Furnishings	362-00				40,000		40,000
Other/Contingency							
<b>TOTAL EXPENDITURES</b>					<b>60,000</b>		<b>60,000</b>



## Third Taxing District Capital Budget Worksheet

DEPARTMENT: TTD	CATEGORY: Substation	PROJECT TITLE: T4 Cable Replacement					
USEFUL LIFE: 25 yr	SCHEDULED START:	SCHEDULED COMPLETION:					
RANKING:	NEW CONSTRUCTION/EQUIPMENT	X REPLACEMENT/REFURBISHMENT					
DESCRIPTION: This project replaces undersized cables that were discovered in Rowan Street Substation in 2010.		JUSTIFICATION: The T4 Main Power Transformer located in Rowan Street Substation interconnect the transformer with the 4,160-volt Switchgear located within the Switchgear House. The T4 Transformer has an output capability of 16,555 kilowatts. The T4 Main Power Cables have a rating of 9,225 kilowatts and limit the transformer's output. In the event of a high load condition, the T4 Transformer would have to be de-rated to prevent a cable failure and accompanying power outage.					
EXPENDITURE SCHEDULE	Account	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	TOTAL
Engineering/Design	362-00	5,000					5,000
Site Costs & Acquisition							
Construction	362-00	15,000					15,000
Equipment/Furnishings	362-00	15,000					15,000
Other/Contingency							
<b>TOTAL EXPENDITURES</b>		<b>35,000</b>					<b>35,000</b>

# Third Taxing District Capital Budget Worksheet

DEPARTMENT: TTD		CATEGORY: Substation	PROJECT TITLE: Battery Replacement Rowan Street Substation				
USEFUL LIFE: 25 yr		SCHEDULED START:		SCHEDULED COMPLETION:			
RANKING:		<input type="checkbox"/> NEW CONSTRUCTION/EQUIPMENT		<input checked="" type="checkbox"/> REPLACEMENT/REFURBISHMENT			
DESCRIPTION: A. This project replaces the substation control battery within the Rowan Street Substation.		JUSTIFICATION: A. The Rowan Street Substation has a 125-volt Control Battery that provides electrical power to open and close all of the circuit breakers within the substation as well as control power to the substation replays and switches. The batteries were installed in 1984 and are rated for 80 Ampere Hours. The batteries were subjected to freezing conditions soon after their installation. This replacement will provide added reliability, security and DC capacity for Rowan Street Substation.					
EXPENDITURE SCHEDULE	PRIOR YEARS	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	TOTAL
Engineering/Design	362-00		3,000				3,000
Site Costs & Acquisition							
Construction	362-00		1,500				1,500
Equipment/Furnishings	362-00		33,500				33,500
Other/Contingency							
<b>TOTAL EXPENDITURES</b>			<b>38,000</b>				<b>38,000</b>

# Third Taxing District Capital Budget Worksheet

DEPARTMENT: TTD		CATEGORY: Substation	PROJECT TITLE: Reclosing Relays East Ave.				
USEFUL LIFE 25 yr		SCHEDULED START:		SCHEDULED COMPLETION:			
RANKING:		X NEW CONSTRUCTION/EQUIPMENT		REPLACEMENT/REFURBISHMENT			
DESCRIPTION: This project installs Automatic Reclosing Relays on 4,160-volt Circuit Breakers in East Avenue Substation		JUSTIFICATION: The East Avenue Substation has been experiencing an increase in the loads that it serves. The load increase necessitates an upgrade of fuses and protective device settings. Without a means to automatically close a circuit breaker after it trips any power interruption becomes circuit wide and causes power outages to greater numbers of customers than need be. This project will allow a substation circuit breaker to trip and then automatically re-close, forcing fuses in the field to blow and reduce the number of affected customers.					
EXPENDITURE SCHEDULE (000's)	Account	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	TOTAL
Engineering/Design	362-00		15,000				15,000
Site Costs & Acquisition							
Construction	362-00		5,000				5,000
Equipment/Furnishings	362-00		25,000				25,000
Other/Contingency							
<b>TOTAL EXPENDITURES</b>			<b>45,000</b>				<b>45,000</b>

### Third Taxing District

# Capital Budget Worksheet

DEPARTMENT: TTD		CATEGORY: Substation	PROJECT TITLE: Reclosing Relays Rowan St.				
USEFUL LIFE: 25 yr		SCHEDULED START:		SCHEDULED COMPLETION:			
RANKING:		X NEW CONSTRUCTION/EQUIPMENT		_ REPLACEMENT/REFURBISHMENT			
DESCRIPTION: This project installs Automatic Reclosing Relays on 4,160-volt Circuit Breakers in Rowan Street Substation		JUSTIFICATION: The Rowan Street Substation has been experiencing an increase in the loads that it serves. The load increase necessitates an upgrade of fuses and protective device settings. Without a means to automatically close a circuit breaker after it trips any power interruption becomes circuit wide and causes power outages to greater numbers of customers than need be. This project will allow a substation circuit breaker to trip and then automatically re-close, forcing fuses in the field to blow and reduce the number of affected customers.					
EXPENDITURE SCHEDULE (000's)	Account	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	TOTAL
Engineering/Design	362-00	15,000					15,000
Site Costs & Acquisition							
Construction	362-00	5,000					5,000
Equipment/Furnishings	362-00	25,000					25,000
Other/Contingency							
TOTAL EXPENDITURES		45,000					45,000



# Third Taxing District Capital Budget Worksheet

DEPARTMENT: TTD		CATEGORY:	Substation	PROJECT TITLE: Tie Circuit Breaker East Ave.				
USEFUL LIFE: 25 yr		SCHEDULED START		SCHEDULED COMPLETION:				
RANKING:		X NEW CONSTRUCTION/EQUIPMENT		_ REPLACEMENT/REFURBISHMENT				
DESCRIPTION: This project installs a Tie Circuit Breaker within the 4,160-volt switchgear in East Avenue Substation.		JUSTIFICATION: The 4,160-volt switchgear within East Avenue Substation was purchased and installed without a means to separate the switchgear into two halves. This was not a problem when the substation was first upgraded in 1984 but it is now becoming increasingly adverse to the overall operation of the substation and District system as a whole. This project will allow the 4,160-volt bus to be split and customer loads to be supplied with both substation transformers on line. This will improve reliability and system flexibility.						
EXPENDITURE SCHEDULE	Account	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	TOTAL	
Engineering/Design	362-00		25,000				25,000	
Site Costs & Acquisition								
Construction	362-00		80,000				80,000	
Equipment/Furnishings	362-00		45,000				45,000	
Other/Contingency								
<b>TOTAL EXPENDITURES</b>			<b>150,000</b>				<b>150,000</b>	

# Third Taxing District Capital Budget Worksheet

DEPARTMENT: TTD		CATEGORY: Substation	PROJECT TITLE: Transformer Circuit Switchers				
USEFUL LIFE: 25 yr		SCHEDULED START:		SCHEDULED COMPLETION:			
RANKING:		NEW CONSTRUCTION/EQUIPMENT		X REPLACEMENT/REFURBISHMENT			
DESCRIPTION: This project replaces four Motor Operated Disconnect Switches located at East Avenue and Rowan Street Substations with Circuit Switchers.		JUSTIFICATION: The four Main Power Transformers that supply 4,160-volt power to all of the District loads have been connected to Motor Operated Disconnect Switches that utilize air as an insulating medium and three open-pole switches to energize and de-energize their associated transformers. Due to the open-air arrangement, each transformer is subjected to large transient voltages and surges during energization and de-energization. Circuit Switchers utilize Vacuum Interrupters to "Make" and "Break" the electrical circuit to the connected device. The Vacuum Interrupters operate in unison and minimize transient voltage levels and surges. These replacements will extend transformer life of the older substation transformers and insure optimum useful life for any new replacements.					
EXPENDITURE SCHEDULE	Account	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	TOTAL
Engineering/Design	362-00	5,000	5,000	10,000			20,000
Site Costs & Acquisition							
Construction	362-00	5,000	5,000	10,000			20,000
Equipment/Furnishings	362-00	40,000	40,000	80,000			160,000
Other/Contingency							
<b>TOTAL EXPENDITURES</b>		<b>50,000</b>	<b>50,000</b>	<b>100,000</b>			<b>200,000</b>

## Third Taxing District Capital Budget Worksheet

<b>DEPARTMENT: TTD</b>	<b>CATEGORY: Substation    PROJECT TITLE: Air Circuit Breaker Replacements-East Avenue</b>						
<b>USEFUL LIFE: 3 Years</b>	<b>SCHEDULED START: July 2015</b>		<b>SCHEDULED COMPLETION: June 2018</b>				
<b>RANKING:</b>	<b>___ NEW CONSTRUCTION/EQUIPMENT</b>		<b>X_ REPLACEMENT/REFURBISHMENT</b>				
<b>DESCRIPTION:</b> A. This project replaces the air circuit breakers within the East Avenue Substation with Vacuum Circuit Breakers.		<b>JUSTIFICATION:</b> A. The 4, 160-volt circuit breakers within the East Avenue Substation were installed in 1985. Spare parts are costly and available through specialty manufacturers and suppliers. The style and arrangement of the air circuit breakers require annual maintenance and repairs. This project will reduce maintenance requirements and provide a safe environment during circuit breaker installation and removal (racking) operations.					
<b>EXPENDITURE SCHEDULE</b>	<b>Account</b>	<b>2014-2015</b>	<b>2015-2016</b>	<b>2016-2017</b>	<b>2017-2018</b>	<b>2018-2019</b>	<b>TOTAL</b>
Engineering/Design	362-00		5,000	5,000	5,000		15,000
Site Costs & Acquisition							
Construction							
Equipment/Furnishings	362-00		120,000	120,000	120,000		360,000
Other/Contingency	362-00		5,333	5,333	5,333		16,000
<b>TOTAL EXPENDITURES</b>			<b>133,333</b>	<b>133,333</b>	<b>133,333</b>		<b>400,000</b>



# Third Taxing District Capital Budget Worksheet

DEPARTMENT: TTD		CATEGORY: Substation      PROJECT TITLE: Air Circuit Breaker Replacements-Rowan Street						
USEFUL LIFE: 25 YR		SCHEDULED START:			SCHEDULED COMPLETION:			
RANKING:		___ NEW CONSTRUCTION/EQUIPMENT			X REPLACEMENT/REFURBISHMENT			
DESCRIPTION: A. This project replaces the air circuit breakers within the Rowan Street Substation with Vacuum Circuit Breakers.		JUSTIFICATION: A. The 4,160-volt circuit breakers within the Rowan Street Substation were installed in 1980. Spare parts are costly and available through specialty manufacturers and suppliers. The style and arrangement of the air circuit breakers require annual maintenance and repairs. Eaton Corporation has produced a "roll-in" Vacuum circuit breaker replacement for the 1200-amp and 2000-amp rated circuit breakers within Rowan Street Substation. In addition, a remote racking device that keeps operating personnel at a safe distance from the switchgear has been purchased and is compatible with the vacuum replacements. This project will reduce maintenance requirements and provide a safe environment during circuit breaker installation and removal (racking) operations.						
EXPENDITURE SCHEDULE	Account	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	TOTAL	
Engineering/Design	362-00	2,000	2,000	2,000	2,000		8,000	
Site Costs & Acquisition								
Construction								
Equipment/Furnishings	362-00	130,000	130,000	130,000	130,000		520,000	
Other/Contingency	362-00	5,500	5,500	5,500	5,500		22,000	
<b>TOTAL EXPENDITURES</b>		<b>137,500</b>	<b>137,500</b>	<b>137,500</b>	<b>137,500</b>		<b>550,000</b>	



# Third Taxing District Capital Budget Worksheet

DEPARTMENT: TTD	CATEGORY: Substation	PROJECT TITLE: Remote Dialer Rowan Street Substation					
USEFUL LIFE: 25 yr	SCHEDULED START:	SCHEDULED COMPLETION:					
RANKING:	<input checked="" type="checkbox"/> NEW CONSTRUCTION/EQUIPMENT	<input type="checkbox"/> REPLACEMENT/REFURBISHMENT					
DESCRIPTION: This project installs a RACO remote telephone alarm dialer within the Rowan Street Substation.	JUSTIFICATION: A RACO Remote Dialer, which calls up to nine telephone numbers to report a problem within East Avenue Substation was installed in 1990. This project covers the installation of a RACO Remote Dialer in Rowan Street Substation that will be programmed to call and report any problems experienced within the substation to the District personnel. The combined system will reduce troubleshooting efforts and provide accurate information from the inception of a substation problem.						
EXPENDITURE SCHEDULE (000's)	Account	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	TOTAL
Engineering/Design	362-00	4,500					4,500
Site Costs & Acquisition							
Construction	362-00	1,500					1,500
Equipment/Furnishings	362-00	4,000					4,000
Other/Contingency							
<b>TOTAL EXPENDITURES</b>		<b>10,000</b>					<b>10,000</b>

## Third Taxing District Capital Budget Worksheet

DEPARTMENT: TTD		CATEGORY:	Substation	PROJECT TITLE: 104R-50 Relay Completion			
USEFUL LIFE: 25 yr		SCHEDULED START:		SCHEDULED COMPLETION:			
RANKING:		X_ NEW CONSTRUCTION/EQUIPMENT		_ REPLACEMENT/REFURBISHMENT			
DESCRIPTION: A. This project completes the upgrade of the 50 Circuit protective relays that was initiated in 2009.		JUSTIFICATION: A. The 50 Circuit runs between Rowan Street and East Avenue substations. The original protective relays that were installed in 1980 did not provide coordination between the two substations and Rowan Street substation would trip for a fault at East Avenue substation and vice versa. A project to upgrade the protection and minimize the "over-trip" problem was initiated in 2009 which included the installation of a fiber optic cable and steel additions. This portion of the project will complete the relay installation and commission the relays that have been operating in a test mode since 2012.					
EXPENDITURE SCHEDULE	Account	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	TOTAL
Engineering/Design							
Site Costs & Acquisition							
Construction							
Equipment/Furnishings							
Other/Contingency	362-00	25,000					25,000
<b>TOTAL EXPENDITURES</b>		<b>25,000</b>					<b>25,000</b>

Distribution Plant – Generator

## Third Taxing District Capital Budget Worksheet

DEPARTMENT: TTD	CATEGORY: Generators	PROJECT TITLE: Backup Generation					
USEFUL LIFE: 5-10 yr	SCHEDULED START:	SCHEDULED COMPLETION:					
RANKING:	__ NEW CONSTRUCTION/EQUIPMENT	_x_ REPLACEMENT/REFURBISHMENT					
DESCRIPTION: Purchase of backup generation for department and customer use.		JUSTIFICATION: Normal replacement of backup generators for use at the department facilities and customer premises.					
EXPENDITURE SCHEDULE (000's)	Account	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	TOTAL
Engineering/Design							
Site Costs & Acquisition							
Construction							
Equipment/Furnishings	363-00	2,500	2,500	2,500	2,500	2,500	12,500
Other/Contingency							
<b>TOTAL EXPENDITURES</b>		2,500	2,500	2,500	2,500	2,500	12,500



## Distribution Plant – Poles, Towers, and Equipment

## Third Taxing District Capital Budget Worksheet

DEPARTMENT: TTD	CATEGORY: Poles, Towers, & Equipment    PROJECT TITLE: Purchase of Replacements									
USEFUL LIFE 20-30 yr	SCHEDULED START:					SCHEDULED COMPLETION:				
RANKING:	___ NEW CONSTRUCTION/EQUIPMENT					___x REPLACEMENT/REFURBISHMENT				
DESCRIPTION: Replacement of Poles..	JUSTIFICATION: Replacement of poles due to damage and inventory stock.									
EXPENDITURE SCHEDULE (000's)	Account	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	TOTAL			
Engineering/Design										
Site Costs & Acquisition										
Construction										
Equipment/Furnishings	364-00	15,000	15,000	15,000	15,000	15,000	75,000			
Other/Contingency										
<b>TOTAL EXPENDITURES</b>		15,000	15,000	15,000	15,000	15,000	<b>75,000</b>			

## Distribution Plant – Overhead Conductors

## Third Taxing District Capital Budget Worksheet

DEPARTMENT: TTD	CATEGORY: Overhead Conductors	PROJECT TITLE: Hendrix Replacement					
USEFUL LIFE: 25 yr	SCHEDULED START:	SCHEDULED COMPLETION:					
RANKING:	___ NEW CONSTRUCTION/EQUIPMENT	_X_ REPLACEMENT/REFURBISHMENT					
DESCRIPTION: This project replaces existing 4kV Overhead conductors that are inadequately insulated.	JUSTIFICATION: This project addresses a long-term problem and provides immediate and long-term benefits. Much of the District's Overhead Electrical System was constructed using non-Hendrix conductors within the Hendrix Spacer system. The Hendrix Spacers support three insulated conductors within an engineered configuration which takes advantage of the conductor insulation in creating an Aerial Cable that is immune to electrical noise production and incidental contact. The system has operated in a compromised state since its original installation and will experience operating problems as loads grow and the system increases in capacity. This project will replace the inadequately-insulated conductors and age/weather-damaged spacers.						
EXPENDITURE SCHEDULE	Account	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	TOTAL
Engineering/Design	365-00	10,000	10,000	10,000	10,000		40,000
Site Costs & Acquisition							
Construction	365-00	100,000	100,000	100,000	100,000		400,000
Equipment/Furnishings	365-00	75,000	75,000	75,000	75,000		300,000
Other/Contingency	365-00	2,500	2,500	2,500	2,500		10,000
<b>TOTAL EXPENDITURES</b>		<b>187,500</b>	<b>187,500</b>	<b>187,500</b>	<b>187,500</b>		<b>750,000</b>



## Third Taxing District Capital Budget Worksheet

<b>DEPARTMENT:</b> TTD	<b>CATEGORY:</b> Overhead Conductors	<b>PROJECT TITLE:</b> WWTP 4kV Feeder					
<b>USEFUL LIFE:</b> 25 yr	<b>SCHEDULED START:</b>	<b>SCHEDULED COMPLETION:</b>					
<b>RANKING:</b>	<b>X_ NEW CONSTRUCTION/EQUIPMENT</b>	<b>_ REPLACEMENT/REFURBISHMENT</b>					
<b>DESCRIPTION:</b> This project will install a dedicated 4kV Overhead Circuit to the Norwalk Waste Water Treatment Plant an South Smith Street.	<b>JUSTIFICATION:</b> The Norwalk Waste Water Treatment Plant (WWTP) was supplied via a dedicated 27,600-volt feeder since the early 1970's. In 2010 the WWTP's Main Power Transformer failed catastrophically. Due to the lack of an available 27,600-volt transformer, the District Electric Department installed a 4,160-volt supply to the site that remains in service until this time. An project to upgrade the WWTP will result in the entire facility operating at 4,160 volts and will eliminate the need for an on-site step-down transformer. There will be an increase of WWTP electrical loads associated with the upgrade but can be adequately supplied from the District's 4,160-volt system with the addition of a dedicated feeder. The existing 4,160-volt supply is by means of an overhead feeder that's shared with other District customers. This limits the amount of power that can be supplied to the Waste Water Treatment Plant. This project will eliminate future load-related problems.						
<b>EXPENDITURE SCHEDULE</b>	<b>Account</b>	<b>2014-2015</b>	<b>2015-2016</b>	<b>2016-2017</b>	<b>2017-2018</b>	<b>2018-2019</b>	<b>TOTAL</b>
Engineering/Design	365-00	25,000					25,000
Site Costs & Acquisition							
Construction	365-00	75,000					75,000
Equipment/Furnishings	365-00	50,000					50,000
Other/Contingency							
<b>TOTAL EXPENDITURES</b>		<b>150,000</b>					<b>150,000</b>

## Distribution Plant – Underground Conduit

# Third Taxing District Capital Budget Worksheet

DEPARTMENT: TTD		CATEGORY: Distribution Underground Conduit		PROJECT TITLE: Underground Conduits			
USEFUL LIFE 20-30 yr		SCHEDULED START:		SCHEDULED COMPLETION:			
RANKING:		<input type="checkbox"/> NEW CONSTRUCTION/EQUIPMENT		<input checked="" type="checkbox"/> REPLACEMENT/REFURBISHMENT			
DESCRIPTION: Purchase of underground conduit for commercial installations.		JUSTIFICATION: Purchase of various sizes of underground conduit for commercial customers installations (residential installation conduits are supplied by the customer).					
EXPENDITURE SCHEDULE (000's)	Account	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	TOTAL
Engineering/Design							
Site Costs & Acquisition							
Construction							
Equipment/Furnishings	367-00	2,000	2,000	2,000	2,000	2,000	10,000
Other/Contingency							
<b>TOTAL EXPENDITURES</b>		2,000	2,000	2,000	2,000	2,000	10,000

## Distribution Plant – Underground Conductors



# Third Taxing District Capital Budget Worksheet

DEPARTMENT: TTD		CATEGORY:    Underground Conductors	PROJECT TITLE: 4kV Cable Replacement				
USEUL LIFE: 40 yr		SCHEDULED START	SCHEDULED COMPLETION:				
RANKING:		___ NEW CONSTRUCTION/EQUIPMENT	_X_ REPLACEMENT/REFURBISHMENT				
DESCRIPTION: This project eliminates all Lead Jacketed cables from the District's Electrical System.		JUSTIFICATION: The District's Electrical System in comprised of several Lead-Jacketed cables for which repairs require special Equipment, knowledge and training. This project will replace all of the remaining Lead Jacketed cables with cables of modern technology and construction. This elimination of the Lead Jacketed cables will permit District personnel to provide repair and installation work with only occasional need for outside contractors.					
EXPENDITURE SCHEDULE	Account	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	TOTAL
Engineering/Design	358-00	10,000	10,000	10,000	10,000		40,000
Site Costs & Acquisition							
Construction	358-00	50,000	50,000	50,000	50,000		200,000
Equipment/Furnishings	358-00	27,500	27,500	27,500	27,500		110,000
Other/Contingency							
<b>TOTAL EXPENDITURES</b>		<b>87,500</b>	<b>87,500</b>	<b>87,500</b>	<b>87,500</b>		<b>350,000</b>

## Distribution Plant – Line Transformers

## Capital Budget Worksheet

<b>DEPARTMENT: TTD</b>		<b>CATEGORY:</b> Line Transformers	<b>PROJECT TITLE: Transformers</b>						
<b>USEFUL LIFE: 40 yr</b>		<b>SCHEDULED START:</b>		<b>SCHEDULED COMPLETION:</b>					
<b>RANKING:</b>		<b>_ NEW CONSTRUCTION/EQUIPMENT</b>		<b>x REPLACEMENT/REFURBISHMENT</b>					
DESCRIPTION: A. Replacement of transformers in the distribution system.		JUSTIFICATION: A. Normal replacement / maintain stock inventory levels - \$15,000 ( over 5 years).							
<b>EXPENDITURE SCHEDULE (000's)</b>		<b>Account</b>	<b>2014-2015</b>	<b>2015-2016</b>	<b>2016-2017</b>	<b>2017-2018</b>	<b>2018-2019</b>	<b>TOTAL</b>	
Engineering/Design									
Site Costs & Acquisition									
Construction									
Equipment		368-00	15,000	15,000	15,000	15,000	15,000	75,000	
Other/Contingency									
<b>TOTAL EXPENDITURES</b>			<b>15,000</b>	<b>15,000</b>	<b>15,000</b>	<b>15,000</b>	<b>15,000</b>	<b>75,000</b>	

Distribution Plant – Meters



### Third Taxing District

## Capital Budget Worksheet

[illegible]

## Distribution Plant – Street Lights & Signals



## General Plant – Structures & Improvements



THIRD TAXING DISTRICT  
CAPITAL BUDGET WORKSHEET

DEPARTMENT: TTD		CATEGORY: Structures & Improvements		PROJECT TITLE: HVAC UNIT FOR LOBBY				
USEFUL LIFE: 20 yr		SCHEDULED START:		SCHEDULED COMPLETION:				
RANKING:		<input checked="" type="checkbox"/> NEW CONSTRUCTION/EQUIPMENT		<input type="checkbox"/> REPLACEMENT/REFURBISHMENT				
DESCRIPTION: HVAC Unit (Heat /Air Conditioning) for Lobby		JUSTIFICATION: Lobby is cold in winter and warm in summer						
EXPENDITURE SCHEDULE (000's)	Account	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	TOTAL	
Structures and Improvements	390-00	3,000					3,000	
TOTAL EXPENDITURES		3,000					3,000	

THIRD TAXING DISTRICT  
CAPITAL BUDGET WORKSHEET

DEPARTMENT: TTD		CATEGORY: Structures & Improvements		PROJECT TITLE: IMPROVEMENTS TO FACILITY				
USEFUL LIFE: 20 yr		SCHEDULED START:		SCHEDULED COMPLETION:				
RANKING:		<input checked="" type="checkbox"/> NEW CONSTRUCTION/EQUIPMENT		<input type="checkbox"/> REPLACEMENT/REFURBISHMENT				
DESCRIPTION:		JUSTIFICATION:						
Repave Parking Lot		Cracking, potholes pulling away from building allowing weeds to grow up the side of the building		\$ 30,000.00				
Remodel Men's Bathroom Area		Toilet in a closet, sink and plumbing need replacement, needs urinal		10,000.00				
Replace tile in Women's Bathroom		Discolored, cracking,		1,200.00				
EXPENDITURE SCHEDULE (000's)		Account	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	TOTAL
Structures and Improvements		390-01	11,200	30,000				41,200
TOTAL EXPENDITURES			11,200	30,000				41,200

# THIRD TAXING DISTRICT CAPITAL BUDGET WORKSHEET

DEPARTMENT: TTD		CATEGORY: Structures & Improvements				PROJECT TITLE: Storage Facility			
USEFUL LIFE: 20 yr		SCHEDULED START:				SCHEDULED COMPLETION:			
RANKING:		<input checked="" type="checkbox"/> NEW CONSTRUCTION/EQUIPMENT				<input type="checkbox"/> REPLACEMENT/REFURBISHMENT			
DESCRIPTION: Storage Facility		JUSTIFICATION: A storage facility will be constructed to house materials and supplies which are currently scattered throughout the District.							
EXPENDITURE SCHEDULE (000's)	Account	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	TOTAL		
Structures and Improvements	390-00	50,000					50,000		
TOTAL EXPENDITURES		50,000					50,000		

# THIRD TAXING DISTRICT CAPITAL BUDGET WORKSHEET

DEPARTMENT: TTD		CATEGORY: Structures & Improvements PROJECT TITLE: EXPAND / REMODEL Facility						
USEFUL LIFE: 20 yr		SCHEDULED START:			SCHEDULED COMPLETION:			
RANKING:		<input checked="" type="checkbox"/> NEW CONSTRUCTION/EQUIPMENT			<input type="checkbox"/> REPLACEMENT/REFURBISHMENT			
DESCRIPTION: Re-Configure / Expand existing administrative Facility By Adding Second Floor		JUSTIFICATION: TTD has been in it's current location at 2 Second Street since 1913.(100 years). The facility has undergone several "facelifts" since then with certain portions of the building modified to fit the needs at that time. The existing building envelope should be reconfigured to make for efficient use of the space and expand / reconfigure the lobby, customer service and conference room areas along with a computer room and storage.						
EXPENDITURE SCHEDULE (000's)	Account	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	TOTAL	
Structures and Improvements	390-01			350,000			350,000	
TOTAL EXPENDITURES				350,000			350,000	



## General Plant – Office Furniture & Equipment

## Third Taxing District Capital Budget Worksheet

DEPARTMENT: TTD	CATEGORY: Office Furniture & Equipment    PROJECT TITLE: Furniture/Equipment Purchases									
USEFUL LIFE: 5 yr	SCHEDULED START:					SCHEDULED COMPLETION:				
RANKING:	<input checked="" type="checkbox"/> NEW CONSTRUCTION/EQUIPMENT					<input type="checkbox"/> REPLACEMENT/REFURBISHMENT				
DESCRIPTION: Purchase of office furniture / equipment for department facilities.	JUSTIFICATION: Office furniture for lobby and Normal replacement of office furniture/equipment due to wear and tear, etc.									
EXPENDITURE SCHEDULE (000's)	Account	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	TOTAL			
Engineering/Design										
Site Costs & Acquisition										
Construction										
Equipment/Furnishings	391-00	10,000	5,000	5,000	15,000	5,000	40,000			
Other/Contingency										
<b>TOTAL EXPENDITURES</b>		10,000	5,000	5,000	15,000	5,000	40,000			

## General Plant – Transportation Equipment

# Third Taxing District Capital Budget Worksheet

DEPARTMENT: TTD		CATEGORY: Transportation Equipment	PROJECT TITLE: Vehicle Replacement				
USEFUL LIFE: 5 yrs.		SCHEDULED START:	SCHEDULED COMPLETION:				
RANKING:		__ NEW CONSTRUCTION/EQUIPMENT	x REPLACEMENT/REFURBISHMENT				
DESCRIPTION: Replacement of Chevy Aveo meter reading car with Pickup truck...		JUSTIFICATION: B. The existing 2005 Chevy Aveo is used every day by meter reading personnel. It is undersized and is not the appropriate Vehicle for heavy use in the field. It should be replaced within the next 2 years to minimize major repairs/breakdowns					
EXPENDITURE SCHEDULE (000's)	Account	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	TOTAL
Engineering/Design							
Site Costs & Acquisition							
Construction							
Equipment/Furnishings	392-00	20,000					20,000
Other/Contingency							
<b>TOTAL EXPENDITURES</b>		<b>20,000</b>					<b>20,000</b>



# Third Taxing District Capital Budget Worksheet

DEPARTMENT: TTD		CATEGORY: Transportation Equipment	PROJECT TITLE: Vehicle Replacement				
USEFUL LIFE: 5 yrs.		SCHEDULED START:	SCHEDULED COMPLETION:				
RANKING:		NEW CONSTRUCTION/EQUIPMENT	x REPLACEMENT/REFURBISHMENT				
DESCRIPTION: Ford Explorer		JUSTIFICATION: Replacement of existing vehicle. This vehicle is in constant use and will have approached the end of its useful life at the end of fiscal 2014.					
EXPENDITURE SCHEDULE (000's)	Account	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	TOTAL
Engineering/Design							
Site Costs & Acquisition							
Construction							
Equipment/Furnishings	392-00	30,000					30,000
Other/Contingency							
<b>TOTAL EXPENDITURES</b>		<b>30,000</b>					<b>30,000</b>

# Third Taxing District Capital Budget Worksheet

DEPARTMENT: TTD		CATEGORY: Transportation Equipment	PROJECT TITLE: Vehicle Replacement				
USEFUL LIFE: 5-7yrs.		SCHEDULED START:	SCHEDULED COMPLETION:				
RANKING:		NEW CONSTRUCTION/EQUIPMENT	x REPLACEMENT/REFURBISHMENT				
DESCRIPTION: Replacement of 2003 F-350 for substitution technician.		JUSTIFICATION: Replacement of existing vehicle. This vehicle is in constant use and will be approaching the end of it's useful life after 11 to 12 years.					
EXPENDITURE SCHEDULE (000's)	Account	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	TOTAL
Engineering/Design							
Site Costs & Acquisition							
Construction							
Equipment/Furnishings	392-00	35,000					35,000
Other/Contingency							
<b>TOTAL EXPENDITURES</b>		<b>35,000</b>					<b>35,000</b>

## General Plant – Tools, Shop & Yard Equipment

## Third Taxing District Capital Budget Worksheet

DEPARTMENT: TTD	CATEGORY: Tools, Shop, Yard	PROJECT TITLE: <b>Wire Puller</b>
USEFUL LIFE: 10 yr	SCHEDULED START:	SCHEDULED COMPLETION:
RANKING:	<input checked="" type="checkbox"/> NEW CONSTRUCTION/EQUIPMENT	<input type="checkbox"/> REPLACEMENT/REFURBISHMENT
DESCRIPTION: A. Purchase of Overhead pulling system (Spider) for stringing of conductor.		
JUSTIFICATION: A. Comprehensive pulling system for stringing overhead lines that eliminates the extensive manual labor involved with "tying off" lines on each pole.		
EXPENDITURE SCHEDULE (000's)	Account	2014-2015
Engineering/Design		
Site Costs & Acquisition		
Construction		
Equipment/Furnishings	394-00	10,000
Other/Contingency		
<b>TOTAL EXPENDITURES</b>		<b>10,000</b>

		2016-2017	2017-2018	2018-2019	TOTAL
					10,000
					<b>10,000</b>



## General Plant – Laboratory Equipment

### Third Taxing District

## Capital Budget Worksheet

DEPARTMENT: TTD		CATEGORY: Laboratory Equipment		PROJECT TITLE: Laboratory Equipment				
USEFUL LIFE: Various		SCHEDULED START:		SCHEDULED COMPLETION:				
RANKING:		<u>  </u> x NEW CONSTRUCTION/EQUIPMENT		<u>  </u> x REPLACEMENT/REFURBISHMENT				
DESCRIPTION: Various equipment used by the department for testing/calibrating meters..		JUSTIFICATION: Upgrade/Repair of existing and purchase of new meter testing equipment by the meter department.						
EXPENDITURE SCHEDULE (000's)		Account	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	TOTAL
Engineering/Design								
Site Costs & Acquisition								
Construction								
Equipment/Furnishings		395-00	2,000	2,000	2,000	2,000	2,000	10,000
Other/Contingency								
TOTAL EXPENDITURES			2,000	2,000	2,000	2,000	2,000	10,000

## General Plant – Communications Equipment

# THIRD TAXING DISTRICT CAPITAL BUDGET WORKSHEET

DEPARTMENT: TTD		CATEGORY: Communication Equipment		PROJECT TITLE: Security Systems				
USEFUL LIFE: 5 yr		SCHEDULED START:		SCHEDULED COMPLETION:				
RANKING:		NEW CONSTRUCTION/EQUIPMENT		X REPLACEMENT/REFURBISHMENT				
Security Systems		Installation of Security systems (Systems Control & Data Acquisition – SCADA) throughout the District. Equipment is for the Second Street, East Avenue, Rowan Street, Norden Place, & Fitch Street substation.						
EXPENDITURE SCHEDULE (000's)	Account	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	TOTAL	
COMMUNICATIONS EQUIPT.	390-70	14,841	38,971	12,588			66,400	
Site Costs & Acquisition								
Construction								
Equipment/Furnishings								
Other/Contingency								
TOTAL EXPENDITURES		14,841	38,971	12,588			66,400	



# THIRD TAXING DISTRICT CAPITAL BUDGET WORKSHEET

DEPARTMENT: TTD		CATEGORY: Communication Equipment		PROJECT TITLE: EQUIPMENT & SERVICES				
USEFUL LIFE: 5 yr		SCHEDULED START:		SCHEDULED COMPLETION:				
RANKING:		___ NEW CONSTRUCTION/EQUIPMENT		X_ REPLACEMENT/REFURBISHMENT				
Computer Infrastructure -Hardware & Software		Computer Hardware and Software upgrades projected.						
EXPENDITURE SCHEDULE (000's)		Account	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	TOTAL
COMMUNICATIONS EQUIPT.		390-70	23,030	10,830	8,830	7,830	59,030	109,550
TOTAL EXPENDITURES			23,030	10,830	8,830	7,830	59,030	109,550

## General Plant – Miscellaneous Equipment

