



Third Taxing District

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Memorandum

To: TTD Commissioners

From: **Kevin Barber – General Manager**

Date: May 16, 2024

Subject: Fiscal Year 2024-2025 Operating and Capital Budgets

Enclosed please find the draft Operating and Capital Budgets for the Third Taxing District Electric Department for the fiscal year 2024-2025. The draft budget is being provided to you in advance of the May 28th Regular Commission Meeting to provide you with an opportunity to review the budget and ask any questions that you may have.

The format of the budget is the same as last year, with the intent of providing you with a clear understanding of the financial picture of the Electric Department, resulting from the budget. This year’s budget has been developed using a similar approach to previous years. One difference is related to the development of the revenue side of the budget.

As the Commission is aware, TTD engaged Utility Financial Services (UFS) to perform a Cost-of-Service (COS) Study and a redesign of TTD’s electric rates. TTD has been working with UFS on the COS and while the study has not been completed, we have identified the need for rate increases beginning in fiscal year 2024-25. The exact structure of any rate changes has not been determined as of the development of this draft budget. In order to provide the Commission with a budget to review and possibly approve, a three percent (3%) rate increase has been factored into the revenue side of the budget.

With this proposed rate increase, TTD’s electric operating budget has a positive “Net Income” for FY2024-25. This is the first time we’ve budgeted a positive “Net Income” in the budget since fiscal year 2021-22. We have also included small two percent (2%) rate increases for the following fiscal years. These increases are necessary to ensure TTD maintains a strong financial position for the future. As a reminder, TTD has not had any changes to its base electric rates in over 10 years. All adjustments were made through the Power Cost Adjustment (PCA) mechanism in the rates.

District Commissioners

Johnnie Mae Weldon	203-216-2652	Chairperson	Kevin Barber	203-866-9271	General Manager
Pamela Parkington	203-858-4261	Commissioner	Ron Scofield	203-866-9271	Assistant General Manager
Michele Sweeney	203-820-3107	Commissioner	Red Auerbach	203-451-7047	Treasurer

At a future Commission meeting, UFS will make a presentation to the Commission on the results of the COS along with recommendations for changes to the electric rates. At that time, a decision will be made on the rates and the timing of implementing any changes.

Another item of note for this year's budget is the inclusion of labor dollars for a possible twelfth full time employee (FTE). I have been reviewing with staff the current labor force and working to determine if the addition of one additional FTE is necessary and appropriate. At this time, no decision has been made. Additional labor funds have been included in this year's operating budget. The inclusion of these funds provides the flexibility to add an FTE if it is determined to be required. Currently TTD operates with eleven FTEs. Once a determination has been made, it will be brought before the Commission for review and approval, if an additional FTE is requested.

At the Commission meeting, I will be reviewing the entire budget and the inputs used in the development of the budget. Based on the discussion, changes can be made to the budget.

The format of the budget is broken down into the following five categories:

- **Operating Budget**: This section contains the Summary Operating Budget that combines the Operating and Capital budgets to provide you with an understanding if we can "afford" this budget. This section also contains a detailed budget comparison with the previous year's budget and supporting documents for the calculation of the revenue and purchased power components of the budget. Also included is an analysis of TTD's staff labor.
- **Capital Budget**: This section lists the projects being presented for approval for the current fiscal year, projects being carried over from previous fiscal years and the vehicle replacement schedule.
- **Capital Projects**: This section provides detailed project worksheets for each project presented for approval. We have also included the detailed project worksheets for projects that we are carrying over from previous fiscal years.
- **Five-Year Operating Budget Forecast**: The five-year forecast presents our forecast of the Electric Department's budget for the periods 2024-2025 through 2028-2029. This forecast presents the financial position of the Electric Department for the next five years based on the information currently available.
- **Five-Year Capital Budget**: The five-year capital budget provides a picture of the capital projects that have been scheduled for the next five years.

Please review the draft budget and let me know if you have any questions or comments. I would be happy to meet individually to review the budget in detail and address any questions or concerns that you may have.

Third Taxing District Electric Department

Fiscal Year 2024-25 Annual Operating & Capital Budgets

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Third Taxing District Electric Department

Operating Budget - Summary

Fiscal Year 2024-2025

	FY 2024-2025	FY 2023-2024	Change	% Change
Operating Revenue				
Data Center Revenues	1,347,548	796,207	551,340	69.25%
Residential Sales	4,555,954	4,466,503	89,450	2.00%
Large Commercial Sales	804,690	789,025	15,666	1.99%
Small Commercial Sales	2,710,228	2,700,060	10,168	0.38%
Water Pollution Control Plant Sales	1,151,377	1,124,689	26,688	2.37%
Flat Rate	103,964	104,284	-319	-0.31%
Miscellaneous Service Revenue	10,000	10,055	-55	-0.55%
Power Cost Adjustment (PCA)	2,059,788	2,009,298	50,490	2.51%
Total Operating Revenue	12,743,549	12,000,121	743,428	6.20%
Operating Expenses				
Purchased Power	6,523,984	6,131,099	392,885	6.41%
Substation Expense	230,000	198,500	31,500	15.87%
Depreciation Expense	900,000	900,000	0	0.00%
Taxes	413,500	413,395	105	0.03%
Other Power Generation Expense	75,000	140,000	-65,000	-46.43%
Distribution System - Operations	261,000	251,000	10,000	3.98%
Distribution System - Maintenance	766,000	651,000	115,000	17.67%
Customer Accounts & Service Expense	535,490	521,049	14,442	2.77%
Administrative Expenses	2,816,442	2,659,194	157,248	5.91%
Total Operating Expense	12,521,416	11,865,237	656,180	5.53%
Net Ordinary Income	222,132	134,884	87,248	64.68%
Other Income				
Dividends	110,000	80,000	30,000	37.50%
Interest Income	35,000	6,000	29,000	483.33%
Norden Project Income	36,000	140,000	-104,000	-74.29%
Gain/(Loss) from Sale of Fixed Assets	5,000	5,000	0	0.00%
Energy Conservation Fund Income	142,842	143,521	-679	-0.47%
Miscellaneous Income	15,000	15,000	0	0.00%
Total Other Income	343,842	389,521	-45,679	-11.73%
Other Expense				
Person To Person	25,000	25,000	0	0.00%
Distribution to "District Fund"	480,000	815,000	-335,000	-41.10%
Interest Expense	0	0	0	
Miscellaneous items	0	0	0	
Total Other Expense	505,000	840,000	-335,000	-39.88%
Net Other Income	-161,158	-450,479	289,321	-64.23%
NET INCOME	60,975	-315,595	376,570	-119.32%
Estimated Opening Cash Balance	14,153,904			
Current Year's Net Income	60,975			
RSF Projected Additions/Subtractions (+/-) (1)	66,919			
Capital Appropriations	-688,000			
Previous Year's Capital Appropriations to be Spent (2)	-2,201,000			
Add back - Depreciation Expense	900,000			
Estimated Ending Cash Balance	12,292,798			

Note:

(1) RSF = Rate Stabilization Fund

(2) See FY 2024-25 Capital Projects - Carryover for listing of projects to carryover into FY2024-2025

**Third Taxing District Electric Department
Detailed Budget Comparison
FY 2024-2025 to FY 2023-2024**

	FY 2024-2025	FY 2023-2024	Change (\$)	%	Notes
Operating Revenue					
443-00 · Data Center Revenues	1,347,548	796,207	551,340	69.25%	(1)
440-00 · Residential Sales	4,555,954	4,466,503	89,450	2.00%	
442-01 · Large Commercial Sales	804,690	789,025	15,666	1.99%	
442-02 · Small Commercial Sales	2,710,228	2,700,060	10,168	0.38%	
445-01 · Water Pollution Control Plant Sales	1,151,377	1,124,689	26,688	2.37%	
445-02 · Flat Rate	103,964	104,284	-319	-0.31%	
451-00 · Miscellaneous Service Revenue	10,000	10,055	-55	-0.55%	
557-00 · Power Cost Adjustment (PCA)	2,059,788	2,009,298	50,490	2.51%	(2)
Total Operating Revenue	12,743,549	12,000,121	743,428	6.20%	(3)
Operating Expenses					
555-00 · Electrical Power Purchased	5,447,381	5,473,270	-25,889	-0.47%	(4)
555-10 · Electrical Power Purchased - Data Center	1,076,603	657,829	418,774	63.66%	(1)
Total Purchased Power	6,523,984	6,131,099	392,885	6.41%	
904-00 · Substation					
904-15 · Substation Call Time	64,000	62,000	2,000	3.23%	
904-12 · Payroll - Substation	166,000	136,500	29,500	21.61%	
Total 904-00 · Substation	230,000	198,500	31,500	15.87%	
403-00 · Depreciation Expense					
	900,000	900,000	0	0.00%	
408-00 · Taxes					
408-10 · Gross Receipts Tax	400,000	400,000	0	0.00%	
408-19 · Rebates of G/R Taxes	10,000	10,000	0	0.00%	
408-50 · Taxes - Other	3,500	3,395	105	3.10%	
Total 408-00 · Taxes	413,500	413,395	105	0.03%	
540-00 · Other Power Generation Expense					
548-00 · Generation Expense	75,000	140,000	-65,000	-46.43%	(5)
Total 540-00 · Other Power Generation Expense	75,000	140,000	-65,000	-46.43%	
580-00 · Distribution Expenses					
582-00 · Sub-Station Expense	35,000	35,000	0	0.00%	
583-00 · Overhead Lines Expense	50,000	40,000	10,000	25.00%	
584-00 · Underground Lines Expense	35,000	35,000	0	0.00%	
586-00 · Meter Operations Expense	6,000	6,000	0	0.00%	
588-00 · Misc. Distribution Expense	135,000	135,000	0	0.00%	
Total 580-00 · Distribution Expenses	261,000	251,000	10,000	3.98%	
590-00 · Maintenance Expenses					
592-00 · Sub-Stations-Maintenance	55,000	25,000	30,000	120.00%	
593-00 · Overhead Lines-Maintenance					
593-12 · Payroll - Line Department	488,000	425,000	63,000	14.82%	
593-15 · Payroll - Line Call Time	104,000	101,000	3,000	2.97%	
593-00 · Overhead Lines-Maintenance - Other	70,000	50,000	20,000	40.00%	
Total 593-00 · Overhead Lines-Maintenance	662,000	576,000	86,000	14.93%	
597-00 · Meters-Maintenance	4,000	5,000	-1,000	-20.00%	
598-00 · Misc. Maintenance Expense - Other	45,000	45,000	0	0.00%	
Total 590-00 · Maintenance Expenses	766,000	651,000	115,000	17.67%	
900-00 · Customer Accounts & Service					
902-00 · Meter Reading Expense					
902-12 · Payroll - Meter Reader	125,000	118,000	7,000	5.93%	
902-13 · Payroll - Meter Reader - Call Time	22,000	20,000	2,000	10.00%	
Total 902-00 · Meter Reading Expense	147,000	138,000	9,000	6.52%	
903-00 · Customer Recordkeeping Expense					
903-12 · Payroll - Customer Recordkeeping	155,000	175,049	-20,049	-11.45%	
903- Customer Recordkeeping - Call Time	23,000				
903-00 · Cust. Recordkeeping Expense - Other	125,000	125,000	0	0.00%	

Third Taxing District Electric Department
Detailed Budget Comparison
FY 2024-2025 to FY 2023-2024

	<u>FY 2024-2025</u>	<u>FY 2023-2024</u>	<u>Change (\$)</u>	<u>%</u>	<u>Notes</u>
Total 903-00 · Customer Recordkeeping Expense	303,000	300,049	2,952	0.98%	
905-00 · Credit Card Discount Fee	85,490	83,000	2,490	3.00%	
Total 900-00 · Customer Accounts & Service	535,490	521,049	14,442	2.77%	
920-00 · Administrative Expenses					
920-05 · Payroll Taxes	125,000	114,577	10,423	9.10%	
920-12 · Payroll - Admin. Dept.	575,000	525,146	49,855	9.49%	
920-15 · Admin P/R-On Call Time	13,000	12,000	1,000	8.33%	
921-00 · Office Expense					
921-20 · Bank Service Charges	250	200	50	25.00%	
921-30 · Postage	20,000	32,000	-12,000	-37.50%	
921-35 · Office Equipment Rental	9,500	8,000	1,500	18.75%	
921-40 · Office Supplies	12,000	9,000	3,000	33.33%	
921-40 · Office Expenses - Other	5,000	5,000	0	0.00%	
Total 921-00 · Office Expense	46,750	54,200	-7,450	-13.75%	
923-00 · Outside Services					
923-10 · Computer Services	55,000	55,000	0	0.00%	
923-20 · Audit Fees & Expenses	25,600	25,000	600	2.40%	
923-30 · Legal Fees	30,000	25,000	5,000	20.00%	
923-35 · Legal Fees - Labor Relations	3,000	3,000	0	0.00%	
923-40 · Pension Plan Actuarial & Legal	25,000	25,000	0	0.00%	
923-45 · Engineering	50,000	50,000	0	0.00%	
923-65 · Outside Accounting Services	60,000	42,500	17,500	41.18%	
923-70 · Office Bldg. Maintenance & Repair	65,000	77,000	-12,000	-15.58%	
923-80 · Security Monitoring	2,500	3,500	-1,000	-28.57%	
923-00 · Outside Services - Other	60,000	60,000	0	0.00%	
Total 923-00 · Outside Services	376,100	366,000	10,100	2.76%	
924-00 · Commercial Package Insurance	466,400	424,000	42,400	10.00%	
925-00 · Workman's Comp Insurance	23,100	21,000	2,100	10.00%	
925-10 · Long & Short Term Disability	15,950	14,500	1,450	10.00%	
926-00 · Pension & Benefits					
926-10 · Pension Contributions	303,000	300,000	3,000	1.00%	
926-20 · Employee Health & Life Insurance					
926-22 Current Employees	290,000	280,000	10,000	3.57%	
926-23 Retired Employees	220,000	185,000	35,000	18.92%	
926-30 · Self Insurances					
926-32 · Current Employees	46,000	45,000	1,000	2.22%	
926-34 · Retired Employees	15,000	15,000	0	0.00%	
926-90 · Miscellaneous Employee Benefits	29,000	27,000	2,000	7.41%	
Total 926-00 · Pension & Benefits	903,000	852,000	51,000	5.99%	
928-00 · Regulatory Expense	19,500	19,000	500	2.63%	
930-00 · General Expense					
930-10 · Conservation Inducements Expense	142,842	143,521	-679	-0.47%	(6)
930-40 · Promotions	25,000	25,750	-750	-2.91%	
930-45 · Travel & Lodging	11,000	10,500	500	4.76%	
930-50 · Seminars & Training	10,800	9,000	1,800	20.00%	
930-00 · General Expense - Other	25,000	25,000	0	0.00%	
Total 930-00 · General Expense	214,642	213,771	871	0.41%	
940-00 · Truck Expense					
940-10 · Company Autos - GM Vehicle	3,000	3,000	0	0.00%	
940-30 · Company Autos - Trucks & Cars	35,000	40,000	-5,000	-12.50%	
Total 940-00 · Truck Expense	38,000	43,000	-5,000	-11.63%	
Total 920-00 · Administrative Expenses	2,816,442	2,659,194	157,248	5.91%	
Total Operating Expense	12,521,416	11,865,237	656,180	5.53%	

**Third Taxing District Electric Department
Detailed Budget Comparison
FY 2024-2025 to FY 2023-2024**

	<u>FY 2024-2025</u>	<u>FY 2023-2024</u>	<u>Change (\$)</u>	<u>%</u>	<u>Notes</u>
Net Ordinary Income	222,132	134,884	87,248	64.68%	
Other Income/Expense					
Other Income					
418-00 · Dividends	110,000	80,000	30,000	37.50%	
419-00 · Interest Income	35,000	6,000	29,000	483.33%	
421-00 · Norden Project Income	36,000	140,000	-104,000	-74.29%	(5)
423-00 · Gain/(Loss) from Sale of Fixed Assets	5,000	5,000	0	0.00%	
424-00 · Energy Conservation Fund Income	142,842	143,521	-679	-0.47%	(6)
425-00 · Miscellaneous Income	15,000	15,000	0	0	
Total Other Income	<u>343,842</u>	<u>389,521</u>	<u>-45,679</u>	<u>-11.73%</u>	
Other Expense					
426-30 · Person to Person	25,000	25,000	0	0.00%	
426-10 · Distribution to "District Fund"	480,000	815,000	-335,000	-41.10%	(7)
942-00 · Interest Expense	0	0	0		
990-00 · Miscellaneous Items	0	0	0		
Total Other Expense	<u>505,000</u>	<u>840,000</u>	<u>-335,000</u>	<u>-39.88%</u>	
Net Other Income	<u>-161,158</u>	<u>-450,479</u>	<u>289,321</u>	<u>-64.23%</u>	
Net Income	<u><u>60,975</u></u>	<u><u>-315,595</u></u>	<u><u>376,570</u></u>	<u><u>-119.32%</u></u>	

Notes:

- (1) Data Center Revenue and Purchase Power adjusted to reflect changes in the projected sales forecast and energy market.
- (2) Power Cost Adjustment (PCA) rate maintained at \$0.035/kWh for fiscal year 2023-24, pending the results of the Cost of Service study and rate redesign.
- (3) Overall rate increase of 3% factored into revenue budget (not including Data Center).
- (4) Purchased Power - adjusted to reflect a change in the sales forecasts and energy markets.
- (5) Generation Expense and Norden Project Income adjusted to reflect the planned retirement of the Norden Generators.
- (6) Conservation Income and Expense reflect an expectation to incur expenses equal to the income received.
- (7) Distribution to the "District Fund" based on the approved Third Taxing District budget

TTD Power Cost Projections FY2024 - FY2028

2024	Jul 2023	Aug 2023	Sep 2023	Oct 2023	Nov 2023	Dec 2023	Jan 2024	Feb 2024	Mar 2024	Apr 2024	May 2024	Jun 2024	Projected	Annual Cost Forecast Feb 2024
Energy (MWh)	6,740	5,722	4,997	4,106	4,515	5,047	5,591	4,851	4,937	4,115	4,238	5,136	59,995	60,322
Fixed Cost Obligation (\$/MWh)	\$ 5.89	\$ 5.76	\$ 6.87	\$ 6.87	\$ 8.65	\$ 9.83	\$ 7.02	\$ 7.51	\$ 7.41	\$ 7.56	\$ 9.26	\$ 10.08	\$ 6.77	\$ 7.55
Generation Service Charge (\$/MWh)	\$ 73.42	\$ 79.45	\$ 72.32	\$ 72.66	\$ 71.83	\$ 77.31	\$ 103.48	\$ 106.65	\$ 80.82	\$ 85.56	\$ 87.39	\$ 80.53	\$ 82.58	\$ 83.88
Transmission (\$/MWh)	\$ 2.38	\$ 3.56	\$ 4.41	\$ 2.84	\$ 1.25	\$ 3.25	\$ 1.15	\$ 1.66	\$ 3.58	\$ 6.09	\$ 7.04	\$ 1.52	\$ 1.02	\$ 0.36
ISO & Federal Mandated Costs (\$/MWh)	\$ 1.05	\$ 1.70	\$ 1.69	\$ 2.09	\$ 1.35	\$ 1.28	\$ 0.96	\$ 1.96	\$ 2.18	\$ 2.35	\$ 2.19	\$ 2.30	\$ 1.71	\$ 1.79
Projected/Actual (\$/MWh)	\$ 82.74	\$ 90.46	\$ 85.30	\$ 86.24	\$ 81.76	\$ 88.86	\$ 113.10	\$ 114.36	\$ 86.98	\$ 91.08	\$ 92.62	\$ 88.08	\$ 91.83	\$ 92.72
Percent of Load Hedged	Actual 46%	Actual 48%	Actual 56%	Actual 64%	Actual 60%	Actual 52%	Actual 43%	Actual 44%	Actual 50%	Forecast 61%	Forecast 61%	Forecast 47%	Forecast	Forecast Feb 2024

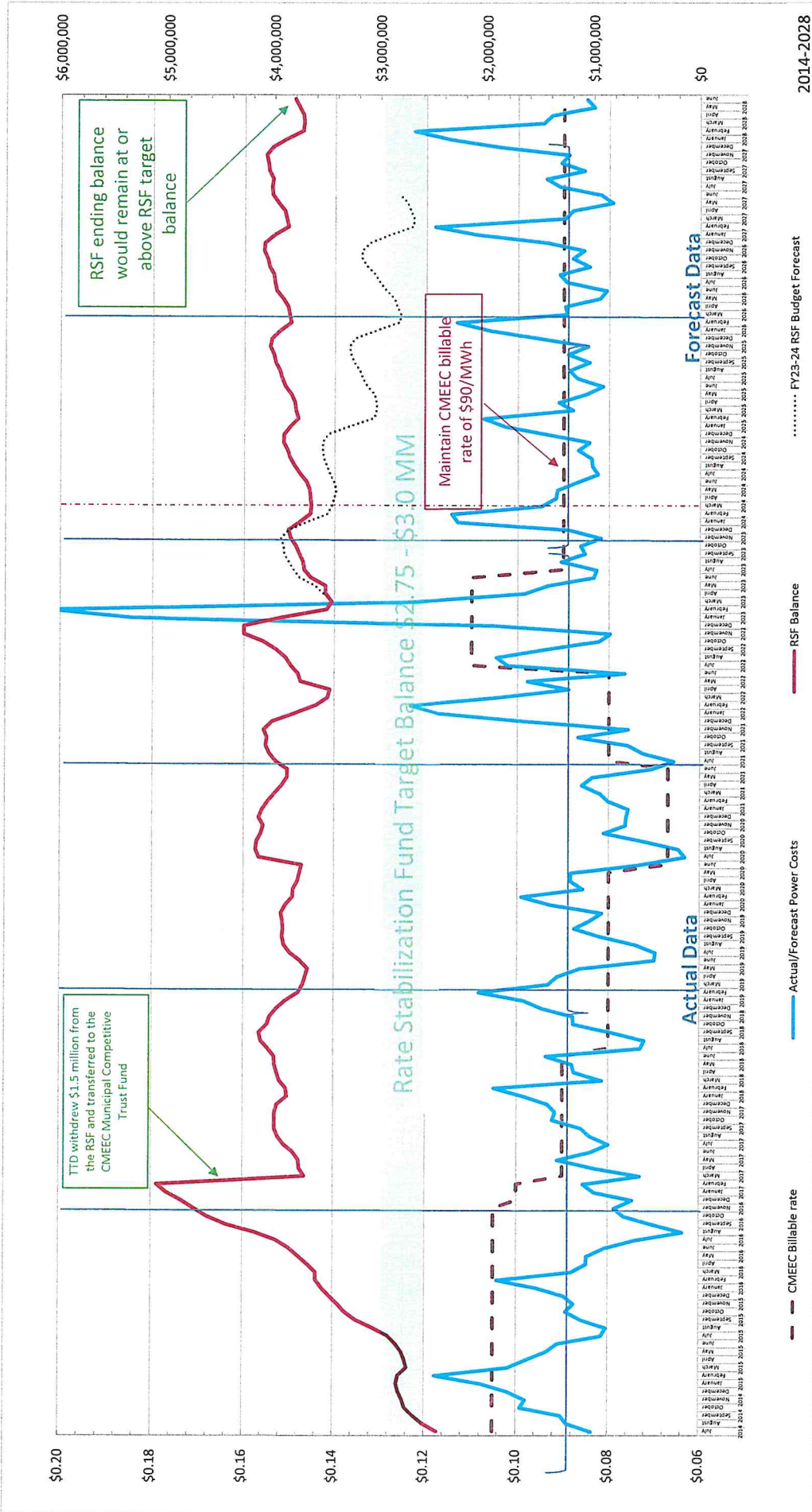
2025	Jul 2024	Aug 2024	Sep 2024	Oct 2024	Nov 2024	Dec 2024	Jan 2025	Feb 2025	Mar 2025	Apr 2025	May 2025	Jun 2025	Projected	Annual Cost Forecast Feb 2024
Energy (MWh)	6,496	6,159	4,771	4,130	4,441	5,406	5,757	4,949	4,974	4,127	4,217	5,100	60,526	60,589
Fixed Cost Obligation (\$/MWh)	\$ 5.46	\$ 5.76	\$ 7.09	\$ 11.08	\$ 7.75	\$ 7.25	\$ 6.91	\$ 8.48	\$ 8.01	\$ 12.41	\$ 9.40	\$ 9.40	\$ 7.96	\$ 7.88
Generation Service Charge (\$/MWh)	\$ 74.25	\$ 74.68	\$ 76.03	\$ 78.45	\$ 83.31	\$ 90.18	\$ 98.01	\$ 97.55	\$ 81.07	\$ 81.27	\$ 79.87	\$ 73.48	\$ 82.34	\$ 84.38
Transmission (\$/MWh)	\$ (0.06)	\$ 0.27	\$ (2.74)	\$ (4.10)	\$ (6.74)	\$ (4.93)	\$ (5.05)	\$ (3.25)	\$ (4.12)	\$ (5.19)	\$ (6.37)	\$ (3.00)	\$ (3.54)	\$ (3.17)
ISO & Federal Mandated Costs (\$/MWh)	\$ 2.13	\$ 2.39	\$ 3.26	\$ 2.49	\$ 1.80	\$ 1.70	\$ 1.61	\$ 2.32	\$ 2.25	\$ 2.37	\$ 2.13	\$ 2.35	\$ 2.22	\$ 2.22
Projected/Actual (\$/MWh)	\$ 81.78	\$ 83.10	\$ 83.64	\$ 87.92	\$ 86.12	\$ 94.20	\$ 101.48	\$ 105.10	\$ 87.20	\$ 90.84	\$ 85.03	\$ 80.79	\$ 88.89	\$ 91.30
Percent of Load Hedged	Forecast 46%	Forecast 48%	Forecast 56%	Forecast 64%	Forecast 60%	Forecast 52%	Forecast 43%	Forecast 44%	Forecast 50%	Forecast 61%	Forecast 61%	Forecast 47%	Forecast	Forecast Feb 2024

2026	Jul 2025	Aug 2025	Sep 2025	Oct 2025	Nov 2025	Dec 2025	Jan 2026	Feb 2026	Mar 2026	Apr 2026	May 2026	Jun 2026	Projected	Annual Cost Forecast Feb 2024
Energy (MWh)	6,480	6,183	4,816	4,135	4,425	5,399	5,756	4,953	4,981	4,129	4,215	5,104	60,577	60,640
Fixed Cost Obligation (\$/MWh)	\$ 6.25	\$ 6.45	\$ 8.52	\$ 13.98	\$ 8.83	\$ 8.09	\$ 7.43	\$ 8.06	\$ 8.15	\$ 12.85	\$ 9.71	\$ 7.86	\$ 8.58	\$ 8.57
Generation Service Charge (\$/MWh)	\$ 75.72	\$ 75.49	\$ 72.95	\$ 74.50	\$ 78.56	\$ 87.84	\$ 97.72	\$ 101.30	\$ 79.23	\$ 75.72	\$ 73.28	\$ 69.56	\$ 80.46	\$ 81.39
Transmission (\$/MWh)	\$ 0.48	\$ 1.85	\$ (0.85)	\$ (2.18)	\$ (5.25)	\$ (4.13)	\$ (3.82)	\$ (1.29)	\$ (2.22)	\$ (2.99)	\$ (4.70)	\$ (1.34)	\$ (2.02)	\$ (1.90)
ISO & Federal Mandated Costs (\$/MWh)	\$ 2.02	\$ 2.41	\$ 3.33	\$ 2.50	\$ 1.83	\$ 1.70	\$ 1.68	\$ 2.33	\$ 2.41	\$ 2.41	\$ 2.21	\$ 2.27	\$ 2.23	\$ 2.24
Projected/Actual (\$/MWh)	\$ 84.47	\$ 86.19	\$ 83.94	\$ 88.80	\$ 83.96	\$ 93.51	\$ 103.01	\$ 110.41	\$ 87.49	\$ 87.99	\$ 80.50	\$ 78.34	\$ 89.25	\$ 90.29
Percent of Load Hedged	Forecast 40%	Forecast 41%	Forecast 48%	Forecast 56%	Forecast 52%	Forecast 46%	Forecast 33%	Forecast 34%	Forecast 39%	Forecast 48%	Forecast 47%	Forecast 35%	Forecast	Forecast Feb 2024

2027	Jul 2026	Aug 2026	Sep 2026	Oct 2026	Nov 2026	Dec 2026	Jan 2027	Feb 2027	Mar 2027	Apr 2027	May 2027	Jun 2027	Projected	Annual Cost Forecast Feb 2024
Energy (MWh)	6,481	6,185	4,818	4,132	4,432	5,402	5,761	4,960	4,988	4,137	4,219	5,105	60,618	60,680
Fixed Cost Obligation (\$/MWh)	\$ 6.38	\$ 6.64	\$ 8.51	\$ 14.46	\$ 9.02	\$ 8.19	\$ 7.50	\$ 8.47	\$ 8.40	\$ 13.09	\$ 9.92	\$ 8.52	\$ 8.81	\$ 8.80
Generation Service Charge (\$/MWh)	\$ 73.01	\$ 72.12	\$ 68.26	\$ 68.69	\$ 75.73	\$ 83.18	\$ 97.61	\$ 102.27	\$ 76.09	\$ 73.12	\$ 68.19	\$ 67.23	\$ 77.52	\$ 78.85
Transmission (\$/MWh)	\$ 2.74	\$ 4.68	\$ 2.40	\$ 0.70	\$ (3.46)	\$ (2.40)	\$ (2.06)	\$ 1.04	\$ 0.07	\$ (0.53)	\$ (2.67)	\$ 1.48	\$ 0.34	\$ 0.46
ISO & Federal Mandated Costs (\$/MWh)	\$ 2.10	\$ 2.45	\$ 3.32	\$ 2.56	\$ 1.86	\$ 1.72	\$ 1.65	\$ 2.37	\$ 2.32	\$ 2.42	\$ 2.24	\$ 2.35	\$ 2.26	\$ 2.27
Projected/Actual (\$/MWh)	\$ 84.23	\$ 85.89	\$ 82.49	\$ 86.40	\$ 83.16	\$ 90.69	\$ 104.70	\$ 114.16	\$ 86.87	\$ 88.10	\$ 77.67	\$ 79.59	\$ 88.93	\$ 90.38
Percent of Load Hedged	Forecast 30%	Forecast 31%	Forecast 36%	Forecast 42%	Forecast 40%	Forecast 35%	Forecast 21%	Forecast 21%	Forecast 25%	Forecast 32%	Forecast 31%	Forecast 21%	Forecast	Forecast Feb 2024

2028	Jul 2027	Aug 2027	Sep 2027	Oct 2027	Nov 2027	Dec 2027	Jan 2028	Feb 2028	Mar 2028	Apr 2028	May 2028	Jun 2028	Projected	Annual Cost Forecast Feb 2024
Energy (MWh)	6,478	6,193	4,819	4,130	4,438	5,406	5,773	5,199	4,970	4,111	4,248	5,151	60,915	60,917
Fixed Cost Obligation (\$/MWh)	\$ 6.54	\$ 6.76	\$ 8.70	\$ 14.98	\$ 9.32	\$ 8.41	\$ 7.84	\$ 8.59	\$ 8.73	\$ 13.53	\$ 10.10	\$ 8.27	\$ 9.02	\$ 9.02
Generation Service Charge (\$/MWh)	\$ 71.68	\$ 71.67	\$ 65.41	\$ 67.20	\$ 76.21	\$ 90.42	\$ 99.63	\$ 104.19	\$ 78.29	\$ 75.16	\$ 70.14	\$ 67.01	\$ 78.57	\$ 79.80
Transmission (\$/MWh)	\$ 5.28	\$ 7.42	\$ 6.13	\$ 4.43	\$ (1.21)	\$ (0.31)	\$ (0.13)	\$ 3.07	\$ 2.80	\$ 1.54	\$ (0.86)	\$ 4.78	\$ 2.91	\$ 3.02
ISO & Federal Mandated Costs (\$/MWh)	\$ 2.13	\$ 2.47	\$ 3.37	\$ 2.58	\$ 1.88	\$ 1.75	\$ 1.68	\$ 2.34	\$ 2.37	\$ 2.47	\$ 2.31	\$ 2.40	\$ 2.29	\$ 2.30
Projected/Actual (\$/MWh)	\$ 85.63	\$ 88.32	\$ 83.62	\$ 89.20	\$ 86.20	\$ 100.27	\$ 109.02	\$ 118.19	\$ 92.19	\$ 92.70	\$ 81.69	\$ 82.47	\$ 92.79	\$ 94.14
Percent of Load Hedged	Forecast 18%	Forecast 19%	Forecast 21%	Forecast 26%	Forecast 26%	Forecast 23%	Forecast 19%	Forecast 19%	Forecast 23%	Forecast 30%	Forecast 28%	Forecast 19%	Forecast	Forecast Feb 2024

Third Taxing District Electric Department Rate Stabilization Fund Analysis: 2014-2028



..... FY23-24 RSF Budget Forecast

2014-2028

Third Taxing District Electric Department Labor Analysis

Department	# of Emp	Labor	On-Call	Total Labor	Prev FY Total Labor	% Change
Substation	1.5	166,000	64,000	230,000	198,500	15.87%
Line Department	2.5	488,000	104,000	592,000	526,000	12.55%
Meter Department	1	125,000	22,000	147,000	138,000	6.52%
Customer Service	2	155,000	23,000	178,000	175,049	1.69%
Administration	4	575,000	13,000	588,000	537,146	9.47%
Total Labor	11	1,509,000	226,000	1,735,000	1,574,694	10.18%

Notes:

Added \$100,000 in labor expense for the possible addition of one full time employee (FTE)
 No determination has been made if the additional FTE will be added in FY2024-25 or at a
 later date. Budgeting the additional labor provides flexibility if the FTE is determined
 to be necessary.

Third Taxing District Electric Department

FY 2024-25 Capital Projects

Project Title	Description	2024-25	Page #
SCADA	Implementation of SCADA System upgrade.	\$ 25,000	CP-1
Poles	Replacement of Poles	\$ 25,000	CP-2
Transformers	A replacement of transformers in the distribution system.	\$ 150,000	CP-3
Meters	A) Replacement/Upgrade of meters and B) Purchase of meters with remote read capabilities.	\$ 20,000	CP-4
Furniture/Equipment Purchases	Purchase of office furniture/equipment for department facilities.	\$ 8,000	CP-5
Laboratory Equipment	Various equipment used by the department for testing/calibrating meters.	\$ 7,500	CP-6
Equipment & Services	Computer Infrastructure - Hardware & Software	\$ 25,000	CP-7
Replace Company Vehicles	Replacement of vehicles as per the vehicle replacement schedule	\$ 100,000	CP-8
Distribution Improvements - State CT DOT Projects	TTD's portion of distribution system improvements for State of CT DOT Projects	\$ 50,000	CP-9
Overhead Conductor Replacement	This project replaces existing 4kV Overhead conductors that are inadequately insulated or undersized	\$ 187,500	CP-10
Field Equipment	Purchase of equipment/tools required for the operation/maintenance of the distribution system.	\$ 15,000	CP-11
Miscellaneous Equipment	Miscellaneous capital equipment purchased by the department.	\$ 75,000	CP-12
TOTAL		\$ 688,000	

Miscellaneous Capital Purchases: Project replaces contingency amounts previously budgeted in the following categories:	
Transmission Plant - Underground Conduits	
Transmission Plant - Underground Conductors	
Distribution Plant - Structures and Improvements	
Distribution Plant - Underground Conduits	
Distribution Plant - Street Lights & Signals	
General Plant - Structures and Improvements	
Other unexpected emergency purchases	
Total - Miscellaneous Capital Purchases	\$ 75,000

Third Taxing District Electric Department

FY 2024-25 Capital Projects - Carryover

Project Title	Description	Previously Approved	Spent To Date	Balance	Page #
Rowan Substation service transformer	This project replaces the existing station service with a 3 phase service and an automatic Transfer switch.	\$ 45,000	\$ 8,000	\$ 37,000	COP-1
Second Street Roof - Line Garage	Replace roof and reinsulate line garage at 2 Second Street.	\$ 100,000	\$ -	\$ 100,000	COP-2
Distribution Improvements - State CT DOT Projects from FY22-23 and FY23-24	TTD's portion of distribution system improvements for State of CT DOT Projects	\$ 200,000	\$ -	\$ 200,000	COP-3
Rowan Substation - Lot Improvements - Phase II	Rowan Substation - Lot Improvements	\$ 64,000	\$ -	\$ 64,000	COP-4
Replace Oil Circuit Breakers	This project addresses the replacement of 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.	\$ 550,000	\$ -	\$ 550,000	COP-5
Substation	Rowan Street Substaion Transformenr (T4) Replacement	\$ 1,250,000	\$ -	\$ 1,250,000	COP-6
TOTAL		\$ 2,209,000	\$ 8,000	\$ 2,201,000	

THIRD TAXING DISTRICT

VEHICLE FLEET – Replacement Schedule

As of May 2024

SINGLE SPARE PLATES: 295 NW and 54 NW

<u>VEHICLE MAKE/MODEL</u>	<u>YEAR</u>	<u>VIN #</u>	<u>PLATE #</u>	<u>GVW</u>	<u>2024/25</u>	<u>2025/26</u>	<u>2026/27</u>	<u>2027/28</u>	<u>2028/29</u>
FORD F750 (Digger Derrick)	2019	1FDXF7DC8KDF09559	243 NW	33,000					
CHEVY SILVERADO 2500	2015	1GB0KUEG6FZ546706	289 NW	9,500					
FREIGHTLINER (Bucket)	2014	1FVACXDT5EHFJ9621	119 NW	33,000					
BROOKS BROS. TRAILER	2014	1B9CS1228EM274033	257 NW	16,000					
CHEVY SILVERADO	2022	1GC5YPE74NFB352399	50 NW	10,550					
FORD EXPLORER	2022	1FMSK8DH7NGB83277	294 NW	5,940					
FORD FIESTA	2012	3FADP4BJ8CM101207	54 NW	3,620	X	TRADE IN			
CHEVY EQUINOX	2015	2GNFLGE39G6164384	AA 54585	5,300					
FORD F-750 (Bucket)	2007	3FRXF75HX7V506976	69 NW	33,000	SELL				
FORD F-350 (Rack Body)	2005	1FDWF37Y35EA44618	23 NW	13,000	X				
FORD F-750 (Digger Derrick)	2004	3FRXF76424V617870	128 NW	33,000					
Eagle Pole Trailer	1954	V7775	299 NW	3,220					

Third Taxing District Capital Budget Worksheet

DEPARTMENT: TTD		CATEGORY: Transmission-Structures & Improvements				PROJECT TITLE: SCADA		
USEFUL LIFE: Various		SCHEDULED START:				SCHEDULED COMPLETION:		
RANKING:		<input checked="" type="checkbox"/> NEW CONSTRUCTION/EQUIPMENT				<input type="checkbox"/> REPLACEMENT/REFURBISHMENT		
DESCRIPTION:		JUSTIFICATION:						
Implementation of SCADA System and remote access.		Need to be NERC and FERC compliant as well as comply with the responsibilities of being a transmission owner.						
EXPENDITURE SCHEDULE (000's)	Account	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	TOTAL	
Engineering/Design	350-20						-	
Site Costs & Acquisition							0	
Construction	350-20						-	
Equipment/Furnishings	350-20	25,000	20,000	20,000	20,000	20,000	105,000	
Other/Contingency							0	
TOTAL EXPENDITURES		25,000	20,000	20,000	20,000	20,000	105,000	

Third Taxing District Capital Budget Worksheet

DEPARTMENT: TTD		CATEGORY: Poles, Towers & Equipment				PROJECT TITLE: Poles		
USEFUL LIFE: 20-30 Yrs.		SCHEDULED START:				SCHEDULED COMPLETION:		
RANKING:		<input type="checkbox"/> NEW CONSTRUCTION/EQUIPMENT				<input checked="" type="checkbox"/> REPLACEMENT/REFURBISHMENT		
DESCRIPTION:		JUSTIFICATION:						
Replacement of Poles.		Replacement and installation of poles and inventory stock.						
EXPENDITURE SCHEDULE (000's)	Account	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	TOTAL	
Engineering/Design							0	
Site Costs & Acquisition							0	
Construction							0	
Equipment/Furnishings	360-40	25,000	25,000	25,000	25,000	25,000	125,000	
Other/Contingency							-	
TOTAL EXPENDITURES		25,000	25,000	25,000	25,000	25,000	125,000	

Third Taxing District Capital Budget Worksheet

DEPARTMENT: TTD		CATEGORY: Line Transformers	PROJECT TITLE: Transformers				
USEFUL LIFE: 40 Yrs.		SCHEDULED START:	SCHEDULED COMPLETION:				
RANKING:		<input type="checkbox"/> NEW CONSTRUCTION/EQUIPMENT	<input checked="" type="checkbox"/> REPLACEMENT/REFURBISHMENT				
DESCRIPTION: Replacement of transformers in the distribution system.		JUSTIFICATION: Normal replacement/maintain stock inventory levels.					
EXPENDITURE SCHEDULE (000's)	Account	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	TOTAL
Engineering/Design							-
Site Costs & Acquisition							-
Construction							-
Equipment	360-80	150,000	100,000	100,000	100,000	100,000	550,000
Other/Contingency							-
TOTAL EXPENDITURES		150,000	100,000	100,000	100,000	100,000	550,000

Third Taxing District Capital Budget Worksheet

DEPARTMENT: TTD	CATEGORY: Meters	PROJECT TITLE: Meters					
USEFUL LIFE: 15 Yrs.	SCHEDULED START:	SCHEDULED COMPLETION:					
RANKING:	<input checked="" type="checkbox"/> NEW CONSTRUCTION/EQUIPMENT	<input checked="" type="checkbox"/> REPLACEMENT/REFURBISHMENT					
DESCRIPTION: A) Replacement/Upgrade of meters. B) Purchase of meters with remote read capabilities.	JUSTIFICATION: A) Normal replacement/maintain stock inventory levels. B) Continuation of program to replace hard to read meters in the distribution system (radio-read project).						
EXPENDITURE SCHEDULE (000's)	Account	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	TOTAL
Engineering/Design							-
Site Costs & Acquisition							-
Construction							-
Equipment	370-01	20,000	15,000	15,000	15,000	15,000	80,000
Other/Contingency							-
TOTAL EXPENDITURES		20,000	15,000	15,000	15,000	15,000	80,000

**Third Taxing District
Capital Budget Worksheet**

DEPARTMENT: TTD		CATEGORY: Office Furniture & Equipment				PROJECT TITLE: Furniture/Equip. Purchase			
USEFUL LIFE: 5 Yrs.		SCHEDULED START:				SCHEDULED COMPLETION:			
RANKING:		<input checked="" type="checkbox"/> NEW CONSTRUCTION/EQUIPMENT				<input checked="" type="checkbox"/> REPLACEMENT/REFURBISHMENT			
DESCRIPTION:		JUSTIFICATION:							
Purchase of office furniture/equipment for department facilities.		Normal replacement of office furniture/equipment due to wear and tear, etc.							
EXPENDITURE SCHEDULE (000's)	Account	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	TOTAL	
Engineering/Design									-
Site Costs & Acquisition									-
Construction									-
Equipment/Furnishings	390-01	8,000	4,000	4,000	4,000	4,000		24,000	
Other/Contingency									-
TOTAL EXPENDITURES		8,000	4,000	4,000	4,000	4,000	-	24,000	

Third Taxing District Capital Budget Worksheet

DEPARTMENT: TTD		CATEGORY: Laboratory Equipment		PROJECT TITLE: Laboratory Equipment			
USEFUL LIFE: Various		SCHEDULED START:		SCHEDULED COMPLETION:			
RANKING:		<input checked="" type="checkbox"/> NEW CONSTRUCTION/EQUIPMENT		<input checked="" type="checkbox"/> REPLACEMENT/REFURBISHMENT			
DESCRIPTION:		JUSTIFICATION:					
Various equipment used by the department for testing/calibrating meters.		Upgrade/Repair of existing and purchase of new meter testing equipment by the meter department (Meter Test Board).					
EXPENDITURE SCHEDULE (000's)	Account	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	TOTAL
Engineering/Design							-
Site Costs & Acquisition							-
Construction							-
Equipment/Furnishings	390-50	7,500	10,000	55,000	10,000	10,000	92,500
Other/Contingency							-
TOTAL EXPENDITURES		7,500	10,000	55,000	10,000	10,000	92,500

Third Taxing District Capital Budget Worksheet

DEPARTMENT: TTD	CATEGORY: Communication Equipment	PROJECT TITLE: Equipment & Services						
USEFUL LIFE: 5 Yrs.	SCHEDULED START:	SCHEDULED COMPLETION:						
RANKING:	<input type="checkbox"/> NEW CONSTRUCTION/EQUIPMENT	<input checked="" type="checkbox"/> REPLACEMENT/REFURBISHMENT						
DESCRIPTION:	JUSTIFICATION:							
Computer Infrastructure - Hardware and Software	Computer Hardware and Software upgrades projected to be needed in future years.							
EXPENDITURE SCHEDULE (000's)	Account	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	TOTAL
Communications Equipment	390-70	25,000	10,000	10,000	10,000	10,000		65,000
Site Costs & Acquisition								-
Construction								-
Equipment/Furnishings								-
Other/Contingency								-
TOTAL EXPENDITURES		25,000	10,000	10,000	10,000	10,000	-	65,000

Third Taxing District Capital Budget Worksheet

DEPARTMENT: TTD	CATEGORY: Transportation Equipment	PROJECT TITLE: Replace Company Vehicles					
USEFUL LIFE: 5 Yrs.	SCHEDULED START:	SCHEDULED COMPLETION:					
RANKING:	<input type="checkbox"/> NEW CONSTRUCTION/EQUIPMENT	<input checked="" type="checkbox"/> REPLACEMENT/REFURBISHMENT					
DESCRIPTION:	JUSTIFICATION:						
Replace company vehicles.	Scheduled replacement of company vehicles as per the Vehicle Replacement schedule.						
	2024-25 - Replacement of Rack Body						
EXPENDITURE SCHEDULE (000's)	Account	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	TOTAL
Engineering/Design							-
Site Costs & Acquisition							-
Construction							-
Equipment/Furnishings		100,000					100,000
Other/Contingency							-
TOTAL EXPENDITURES		100,000	-	-	-	-	100,000

Third Taxing District Capital Budget Worksheet

DEPARTMENT: TTD		CATEGORY: Distribution	PROJECT TITLE: Distribution System Improvements - State DOT Projects				
USEFUL LIFE:		SCHEDULED START:	SCHEDULED COMPLETION:				
RANKING:		___ NEW CONSTRUCTION/EQUIPMENT	___ REPLACEMENT/REFURBISHMENT				
DESCRIPTION: This project is to fund the TTD distribution improvements that are not paid for by the State in CT DOT projects.		JUSTIFICATION: With the State of CT DOT projects, the State will reimburse TTD for work, with the exception of system betterments, which will be TTD's responsibility. This project funds the betterments for the State projects.					
EXPENDITURE SCHEDULE (000's)	Account	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	TOTAL
Engineering/Design							-
Site Costs & Acquisition							-
Construction							-
Equipment/Furnishings		50,000					50,000
Other/Contingency							-
TOTAL EXPENDITURES		50,000	-	-	-	-	50,000

Third Taxing District Capital Budget Worksheet

DEPARTMENT: TTD		CATEGORY: Overhead Conductors	PROJECT TITLE: Overhead Conductor Replacement				
USEFUL LIFE: 25 Yrs.		SCHEDULED START:	SCHEDULED COMPLETION:				
RANKING:		<input type="checkbox"/> NEW CONSTRUCTION/EQUIPMENT	<input checked="" type="checkbox"/> 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. This 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 (000's)	Account	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	TOTAL
Engineering/Design	360-50	10,000	10,000	10,000	10,000	10,000	50,000
Site Costs & Acquisition							-
Construction	360-50	100,000	100,000	100,000	100,000	75,000	475,000
Equipment/Furnishings	360-50	75,000	75,000	75,000	75,000	50,000	350,000
Other/Contingency	360-50	2,500	2,500	2,500	2,500	2,500	12,500
TOTAL EXPENDITURES		187,500	187,500	187,500	187,500	137,500	887,500

Third Taxing District Capital Budget Worksheet

DEPARTMENT: TTD		CATEGORY: Tools, Shop, Yard	PROJECT TITLE: Field Equipment				
USEFUL LIFE: 10 Yrs.		SCHEDULED START:	SCHEDULED COMPLETION:				
RANKING:		<input checked="" type="checkbox"/> NEW CONSTRUCTION/EQUIPMENT	<input type="checkbox"/> REPLACEMENT/REFURBISHMENT				
DESCRIPTION:		JUSTIFICATION:					
Purchase of equipment/tools required for the operation/maintenance of the distribution system.		Purchase of equipment/tools required for the operation/maintenance of the distribution system.					
EXPENDITURE SCHEDULE (000's)	Account	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	TOTAL
Engineering/Design							-
Site Costs & Acquisition							-
Construction							-
Equipment/Furnishings	390-40	15,000	15,000	15,000	15,000	15,000	75,000
Other/Contingency							-
TOTAL EXPENDITURES		15,000	15,000	15,000	15,000	15,000	75,000

Third Taxing District Capital Budget Worksheet

DEPARTMENT: TTD		CATEGORY: Miscellaneous Capital	PROJECT TITLE: Misc. Capital Purchases				
USEFUL LIFE: Various		SCHEDULED START:	SCHEDULED COMPLETION:				
RANKING:		<input checked="" type="checkbox"/> NEW CONSTRUCTION/EQUIPMENT	<input checked="" type="checkbox"/> REPLACEMENT/REFURBISHMENT				
DESCRIPTION: Miscellaneous capital expenses.		JUSTIFICATION: Purchase of capital equipment and services by the department that was unforeseen or does not fit into any other capital expense category.					
EXPENDITURE SCHEDULE (000's)	Account	2025-2026	2026-2027	2027-2028	2027-2028	2028-2029	TOTAL
Engineering/Design							-
Site Costs & Acquisition							-
Construction							-
Equipment/Furnishings	390-80	75,000	75,000	75,000	75,000	75,000	375,000
Other/Contingency							-
TOTAL EXPENDITURES		75,000	75,000	75,000	75,000	75,000	450,000

Third Taxing District Capital Budget Worksheet

DEPARTMENT: TTD	CATEGORY: SUBSTATION	PROJECT TITLE: Rowan Station Service	
USEFUL LIFE: 25 Years	SCHEDULED START:	SCHEDULED COMPLETION:	
RANKING:	<input checked="" type="checkbox"/> NEW CONSTRUCTION/EQUIPMENT	<input type="checkbox"/> REPLACEMENT/REFURBISHMENT	
DESCRIPTION: This project installs a new 3 phase station service to our Rowan Street facilities.	JUSTIFICATION: The substation requires 2 station services for redundancy. The current installation of a dry type transformer behind the switch gear is only single phase. This project would remove old equipment while installing an automatic transfer switch to improve station reliability.		
Originally approved in FY18-19.			
EXPENDITURE SCHEDULE (000's)	Account	Carryover 2024-2025	TOTAL
Engineering/Design	360-20	7,500	7,500
Site Costs & Acquisition			-
Construction	360-20	10,500	10,500
Equipment/Furnishings	360-20	25,000	25,000
Other/Contingency	360-20	2,000	2,000
TOTAL EXPENDITURES		45,000	45,000

Third Taxing District Capital Budget Worksheet

DEPARTMENT: TTD	CATEGORY: Misc. Equipment	PROJECT TITLE: Second Street Roof-Line Garage					
USEFUL LIFE: 20 Years	SCHEDULED START:	SCHEDULED COMPLETION:					
RANKING:	<input type="checkbox"/> NEW CONSTRUCTION/EQUIPMENT	<input checked="" type="checkbox"/> REPLACEMENT/REFURBISHMENT					
DESCRIPTION: Replace roof and reinsulate line garage at 2 Second Street.	JUSTIFICATION: Install a new roof on the line garage at the 2 Second Street office. Project will include the removal/remediation of insulation and installation of new insulation.						
Originally approved in FY21-22.							
EXPENDITURE SCHEDULE (000's)	Account	Carryover 2024-2025					TOTAL
Engineering/Design							-
Site Costs & Acquisition							-
Construction							-
Equipment/Furnishings		100,000					100,000
Other/Contingency							-
TOTAL EXPENDITURES		100,000					100,000

Third Taxing District Capital Budget Worksheet

DEPARTMENT: TTD	CATEGORY: Distribution	PROJECT TITLE: Distribution System Improvements - State DOT Projects	
USEFUL LIFE:	SCHEDULED START:	SCHEDULED COMPLETION:	
RANKING:	___ NEW CONSTRUCTION/EQUIPMENT	___ REPLACEMENT/REFURBISHMENT	
DESCRIPTION: This project is to fund the TTD distribution improvements that are not paid for by the State in CT DOT projects. JUSTIFICATION: With the State of CT DOT projects, the State will reimburse TTD for work, with the exception of system betterments, which will be TTD's responsibility. This project funds the betterments for the State projects. Originally approved in 2022-2023 (\$100,000). Originally approved in 2023-2024 (\$100,000).			
EXPENDITURE SCHEDULE (000's)	Account	Carryover 2024-2025	TOTAL
Engineering/Design			-
Site Costs & Acquisition			-
Construction			-
Equipment/Furnishings		200,000	200,000
Other/Contingency			-
TOTAL EXPENDITURES		200,000	200,000

Third Taxing District Capital Budget Worksheet

DEPARTMENT: TTD		CATEGORY: Distribution	PROJECT TITLE: Rowan Sub Lot Improvements- Phase II				
USEFUL LIFE: 20 Years		SCHEDULED START:	SCHEDULED COMPLETION:				
RANKING:		<input type="checkbox"/> NEW CONSTRUCTION/EQUIPMENT	<input checked="" type="checkbox"/> REPLACEMENT/REFURBISHMENT				
DESCRIPTION: This project removes existing transformer storage platform, reorganize lot and repave driveway.		JUSTIFICATION: The completion of the Rowan Street Storage Facility provides indoor storage for many of our transformers and cable reels currently stored outside. This project will also include a new concrete pad for storage of our larger padmount transformers to prevent them from sinking into driveway while keeping them off the ground. In addition, an outside storage area will be established to store fill required for construction projects.					
EXPENDITURE SCHEDULE (000's)	Account	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	TOTAL
Engineering/Design	360-20	1,000					1,000
Site Costs & Acquisition							-
Construction	360-20	55,000					55,000
Equipment/Furnishings	360-20	3,000					3,000
Other/Contingency	360-20	5,000					5,000
TOTAL EXPENDITURES		64,000	-	-	-	-	64,000

Third Taxing District Capital Budget Worksheet

DEPARTMENT: TTD		CATEGORY: Substation	PROJECT TITLE: Replace Oil Circuit Breakers				
USEFUL LIFE: 25 Yrs.		SCHEDULED START:	SCHEDULED COMPLETION:				
RANKING:		<input type="checkbox"/> NEW CONSTRUCTION/EQUIPMENT	<input checked="" type="checkbox"/> REPLACEMENT/REFURBISHMENT				
DESCRIPTION:		JUSTIFICATION:					
<p>This project addresses the replacement of 34.5kV oil circuit breakers that are approximately 50 years old. The replacement of these circuit breakers will eliminate the presence of insulating oil in all substation devices, except the main power transformers.</p>		<p>Rowan Street and East Avenue substations utilize 34,500-volt (34.5kV) circuit breakers that have 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 (000's)	Account	East/Rowan 50 2024-2025	Rowan St. 51 2025-2026	2026-2027	2027-2028	2028-2029	TOTAL
Engineering/Design	360-20	20,000	20,000				40,000
Site Costs & Acquisition							-
Construction	360-20	75,000	75,000				150,000
Equipment/Furnishings	360-20	420,000	15,000				435,000
Other/Contingency	360-20	35,000	30,000				65,000
TOTAL EXPENDITURES		550,000	140,000	-	-	-	690,000

Third Taxing District Capital Budget Worksheet

DEPARTMENT: TTD		CATEGORY: Substation	PROJECT TITLE: T4 Replacement				
USEFUL LIFE: 40 Years		SCHEDULED START:	SCHEDULED COMPLETION:				
RANKING:		___ NEW CONSTRUCTION/EQUIPMENT	<u>X</u> REPLACEMENT/REFURBISHMENT				
DESCRIPTION:		JUSTIFICATION:					
This project will replace the T4 substation transformer located at the Rowan Street Substation.		The T4 Transformer is a 10 Mva transformer located at the Rowan Street Substation. It was manufactured in 1979 and is reaching its life expectancy while starting to show signs of deterioration. The purchase and installation will reduce any power interruptions that will result from its eventual failure.					
EXPENDITURE SCHEDULE (000's)	Account	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	TOTAL
Engineering/Design	360-20	75,000					75,000
Site Costs & Acquisition							-
Construction	360-20	100,000					100,000
Equipment/Furnishings	360-20	1,050,000					1,050,000
Other/Contingency	360-20	25,000					25,000
TOTAL EXPENDITURES		1,250,000	-	-	-	-	1,250,000

Third Taxing District Electric Department

Five Year Operating Budget Forecast

FY 2024-2025 through FY2028-2029

	FY 2024-2025	FY 2025-2026	FY 2026-2027	FY 2027-2028	FY 2028-2029
OPERATING REVENUE					
443-00 · Data Center Revenues	1,347,548	1,373,062	1,344,024	1,352,767	1,364,092
440-00 · Residential Sales	4,555,954	4,650,731	4,746,860	4,864,323	4,961,138
442-01 · Large Commercial Sales	804,690	821,430	838,409	859,156	876,255
442-02 · Small Commercial Sales	2,710,228	2,766,608	2,823,793	2,893,669	2,951,262
445-01 · Water Pollution Control Plant Sales	1,151,377	1,175,329	1,199,623	1,229,308	1,253,775
445-02 · Flat Rate	103,964	106,127	108,321	111,001	113,211
451-00 · Miscellaneous Service Revenue	10,000	10,000	10,000	10,000	10,000
557-00 · Power Cost Adjustment (PCA)	2,059,788	2,041,480	2,042,891	2,052,896	2,052,690
TOTAL OPERATING REVENUE	12,743,549	12,944,767	13,113,919	13,373,120	13,582,422
OPERATING EXPENSES					
555-00 · Electrical Power Purchased	5,447,381	5,451,895	5,455,662	5,482,380	5,481,831
555-10 · Electrical Power Purchased - Data Center	1,076,603	1,102,086	1,073,059	1,083,675	1,093,640
Total Purchased Power	6,523,984	6,553,981	6,528,721	6,566,055	6,575,471
904-00 · Substation					
904-15 · Substation Call Time	64,000	65,440	66,912	68,418	69,957
904-12 · Payroll - Substation	166,000	169,735	173,554	177,459	181,452
Total 904-00 · Substation	230,000	235,175	240,466	245,877	251,409
403-00 · Depreciation Expense	900,000	900,000	900,000	900,000	900,000
408-00 · Taxes					
408-10 · Gross Receipts Tax	400,000	400,000	400,000	400,000	400,000
408-19 · Rebates of G/R Taxes	10,000	10,000	10,000	10,000	10,000
408-50 · Taxes - Other	3,500	3,605	3,713	3,825	3,939
Total 408-00 · Taxes	413,500	413,605	413,713	413,825	413,939

Third Taxing District Electric Department

Five Year Operating Budget Forecast

FY 2024-2025 through FY2028-2029

	FY 2024-2025	FY 2025-2026	FY 2026-2027	FY 2027-2028	FY 2028-2029
540-00 · Other Power Generation Expense					
548-00 · Generation Expense	75,000	0	0	0	0
Total 540-00 · Other Power Generation Expense	75,000	0	0	0	0
580-00 · Distribution Expenses					
582-00 · Sub-Station Expense	35,000	36,050	37,132	38,245	39,393
583-00 · Overhead Lines Expense	50,000	51,500	53,045	54,636	56,275
584-00 · Underground Lines Expense	35,000	36,050	37,132	38,245	39,393
586-00 · Meter Operations Expense	6,000	6,180	6,365	6,556	6,753
588-00 · Misc. Distribution Expense	135,000	139,050	143,222	147,518	151,944
Total 580-00 · Distribution Expenses	261,000	268,830	276,895	285,202	293,758
590-00 · Maintenance Expenses					
592-00 · Sub-Stations-Maintenance	55,000	56,650	58,350	60,100	61,903
593-00 · Overhead Lines-Maintenance					
593-12 · Payroll - Line Department	488,000	498,980	510,207	521,687	533,425
593-15 · Payroll - Line Call Time	104,000	106,340	108,733	111,179	113,681
593-00 · Overhead Lines-Maintenance - Other	70,000	72,100	74,263	76,491	78,786
Total 593-00 · Overhead Lines-Maintenance	662,000	677,420	693,203	709,357	725,891
597-00 · Meters-Maintenance	4,000	4,120	4,244	4,371	4,502
598-00 · Misc. Maintenance Expense	45,000	46,350	47,741	49,173	50,648
Total 590-00 · Maintenance Expenses	766,000	784,540	803,536	823,000	842,944
900-00 · Customer Accounts & Service					
902-00 · Meter Reading Expense					
902-12 · Payroll - Meter Reader	125,000	127,813	130,688	133,629	136,635
902-13 · Payroll - Meter Reader - Call Time	22,000	22,495	23,001	23,519	24,048
Total 902-00 · Meter Reading Expense	147,000	150,308	153,689	157,147	160,683

Third Taxing District Electric Department

Five Year Operating Budget Forecast

FY 2024-2025 through FY2028-2029

	FY 2024-2025	FY 2025-2026	FY 2026-2027	FY 2027-2028	FY 2028-2029
903-00 · Customer Recordkeeping Expense					
903-12 · Payroll - Customer Recordkeeping	155,000	158,488	162,053	165,700	169,428
903- Customer Recordkeeping - Call Time	23,000				
903-00 · Customer Recordkeeping Expense - Other	125,000	128,750	132,613	136,591	140,689
Total 903-00 · Customer Recordkeeping Expense	303,000	287,238	294,666	302,291	310,117
905-00 · Credit Card Discount Fee	85,490	88,055	90,696	93,417	96,220
Total 900-00 · Customer Accounts & Service	535,490	525,600	539,052	552,855	567,020
920-00 · Administrative Expenses					
920-05 · Payroll Taxes	125,000	127,813	130,688	133,629	136,635
920-12 · Payroll - Admin. Dept.	575,000	587,938	601,166	614,692	628,523
920-15 · Admin P/R-On Call Time	13,000	13,390	13,792	14,205	14,632
921-00 · Office Expense					
921-20 · Bank Service Charges	250	258	265	273	281
921-30 · Postage	20,000	20,600	21,218	21,855	22,510
921-35 · Office Equipment Rental	9,500	9,785	10,079	10,381	10,692
921-40 · Office Supplies	12,000	12,360	12,731	13,113	13,506
921-00 · Office Expense - Other	5,000	5,150	5,305	5,464	5,628
Total 921-00 · Office Expense	46,750	48,153	49,597	51,085	52,618
923-00 · Outside Services					
923-10 · Computer Services	55,000	56,650	58,350	60,100	61,903
923-20 · Audit Fees & Expenses	25,600	26,368	27,159	27,974	28,813
923-30 · Legal Fees	30,000	30,900	31,827	32,782	33,765
923-35 · Legal Fees - Labor Relations	3,000	7,000	3,000	3,000	3,000
923-40 · Pension Plan Actuarial & Legal	25,000	25,750	26,523	27,318	28,138
923-45 · Engineering	50,000	50,000	50,000	50,000	50,000
923-65 · Outside Accounting Services	60,000	61,800	63,654	65,564	67,531

Third Taxing District Electric Department

Five Year Operating Budget Forecast

FY 2024-2025 through FY2028-2029

	FY 2024-2025	FY 2025-2026	FY 2026-2027	FY 2027-2028	FY 2028-2029
923-70 · Office Bldg. Maintenance & Repair	65,000	66,950	68,959	71,027	73,158
923-80 · Security Monitoring	2,500	2,575	2,652	2,732	2,814
923-00 · Outside Services - Other	60,000	25,000	25,000	25,000	25,000
Total 923-00 · Outside Services	376,100	352,993	357,123	365,496	374,121
924-00 · Commercial Package Insurance	466,400	480,392	494,804	509,648	524,937
925-00 · Workman's Comp Insurance	23,100	23,793	24,507	25,242	25,999
925-10 · Long & Short Term Disability	15,950	16,429	16,921	17,429	17,952
926-00 · Pension & Benefits					
926-10 · Pension Contributions	303,000	318,000	333,000	348,000	363,000
926-20 · Employee Health & Life Insurance					
926-22 Current Employees	290,000	298,700	307,661	316,891	326,398
926-23 Retired Employees	220,000	226,600	233,398	240,400	247,612
926-30 · Self Insurances					
926-32 · Current Employees	46,000	47,380	48,801	50,265	51,773
926-34 · Retired Employees	15,000	15,450	15,914	16,391	16,883
926-90 · Miscellaneous Employee Benefits	29,000	29,870	30,766	31,689	32,640
Total 926-00 · Pension & Benefits	903,000	936,000	969,540	1,003,636	1,038,305
928-00 · Regulatory Expense	19,500	20,085	20,688	21,308	21,947
930-00 · General Expense					
930-10 · Conservation Inducements Expense	142,842	142,961	143,060	143,760	143,746
930-40 · Promotions	25,000	25,750	26,523	27,318	28,138
930-45 · Travel & Lodging	11,000	11,330	11,670	12,020	12,381
930-50 · Seminars & Training	10,800	11,124	11,458	11,801	12,155
930-00 · General Expense - Other	25,000	25,000	25,000	25,000	25,000
Total 930-00 · General Expense	214,642	216,165	217,710	219,900	221,420

Third Taxing District Electric Department

Five Year Operating Budget Forecast

FY 2024-2025 through FY2028-2029

	FY 2024-2025	FY 2025-2026	FY 2026-2027	FY 2027-2028	FY 2028-2029
940-00 · Truck Expense					
940-10 · Company Autos - GM Vehicle	3,000	3,090	3,183	3,278	3,377
940-30 · Company Autos - Trucks & Cars	35,000	36,050	37,132	38,245	39,393
Total 940-00 · Truck Expense	38,000	39,140	40,314	41,524	42,769
Total 920-00 · Administrative Expenses	2,816,442	2,862,289	2,936,849	3,017,795	3,099,859
TOTAL OPERATING EXPENSES	12,521,416	12,544,019	12,639,233	12,804,609	12,944,399
NET ORDINARY INCOME	222,132	400,748	474,686	568,512	638,023
OTHER INCOME					
418-00 · Dividends	110,000	113,300	116,699	120,200	123,806
419-00 · Interest Income	35,000	5,000	5,000	5,000	5,000
421-00 · Norden Project Income	36,000	36,000	36,000	0	0
423-00 · Gain/(Loss) from Sale of FA	5,000	5,000	5,000	5,000	5,000
424-00 · Energy Conservation Fund Income	142,842	142,961	143,060	143,760	143,746
425-00 · Miscellaneous Income	15,000	15,000	15,000	15,000	15,000
Total OTHER INCOME	343,842	317,261	320,759	288,960	292,552
OTHER EXPENSE					
426-30 · PERSON TO PERSON	25,000	25,000	25,000	25,000	25,000
426-10 · Distribution to "District Fund"	480,000	350,000	350,000	350,000	350,000
942-00 · Interest Expense	0	0	0	0	0
990-00 · Miscellaneous Items	0	0	0	0	0
Total OTHER EXPENSE	505,000	375,000	375,000	375,000	375,000
NET OTHER INCOME-EXPENSE	-161,158	-57,739	-54,241	-86,040	-82,448
NET INCOME	60,975	343,009	420,445	482,472	555,575

Third Taxing District Electric Department

Five Year Operating Budget Forecast

FY 2024-2025 through FY2028-2029

	FY 2024-2025	FY 2025-2026	FY 2026-2027	FY 2027-2028	FY 2028-2029
Cash Projection					
Beginning Cash	14,153,904	12,292,798	12,984,986	12,513,501	13,269,333
Plus Current Fiscal Year Operating Net Income	60,975	343,009	420,445	482,472	555,575
Plus Current Fiscal Year RSF Projected Additions/Subtractions	66,919	45,680	64,570	-170,139	-252,858
Less Prior Fiscal Years Approved Capital Projects to be Spent	-2,201,000				
Less Current Fiscal Year Capital Appropriations	-688,000	-596,500	-1,856,500	-456,500	-406,500
Add Back - Depreciation Expense	900,000	900,000	900,000	900,000	900,000
Ending Cash Projections	12,292,798	12,984,986	12,513,501	13,269,333	14,065,550

Current Year Input Assumptions					
Purchased Energy - /MWh	60,526	60,577	60,618	60,915	60,909
Purchased Power Cost - /MWh	\$90.00	\$90.00	\$90.00	\$90.00	\$90.00
Fuel Cost - PCA - /kWh	\$0.0350	\$0.0350	\$0.0350	\$0.0350	\$0.0350

Third Taxing District Electric Department
FY 2024-25 to FY2028-29
Five-Year Capital Projects Budget

Category	Project Title	Description	Carryover	2024-25	2025-26	2026-27	2027-28	2028-29
Substation	Rowan Substation Service Transformer	This project replaces the existing station service with a 3-phase service and an automatic transfer switch	\$ 37,000	\$ -	\$ -	\$ -	\$ -	\$ -
Misc. Equipment	Second Street Roof - Line Garage	Replace roof and reinsulate line garage at 2 Second Street.	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -
Transmission-Structures & Improvements	SCADA	Implementation of SCADA System upgrade and remote access.	\$ -	\$ 25,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
Poles, Towers & Equipment	Purchase of Replacements	Replacement of Poles.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Line Transformers	Transformers	A) Replacement of transformers in the distribution system.	\$ -	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Meters	Meters	A) Replacement/Upgrade of meters and B) Purchase of meters with remote read capabilities.	\$ -	\$ 20,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
Office Furniture & Equipment	Furniture/Equipment Purchases	Purchase of office furniture/equipment for department facilities.	\$ -	\$ 8,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000
Laboratory Equipment	Laboratory Equipment	Various equipment used by the department for testing/calibrating meters.	\$ -	\$ 7,500	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
Communication Equipment	Laboratory Expenses	Computer Infrastructure - Hardware & Software	\$ -	\$ 25,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Transportation Equipment	Replace Company Vehicles	Replace company vehicles.	\$ 64,000	\$ -	\$ -	\$ -	\$ -	\$ -
Distribution	Rowan Substation Lot Improvements - Phase II	This project removes existing transformer storage platform, reorganize lot and repave driveway.	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -
Distribution	Distribution System Improvements - State DOT Projects	This project is to fund the TTD distribution improvements that are not paid for by the state in CT DOT projects.	\$ 200,000	\$ 50,000	\$ -	\$ -	\$ -	\$ -
Overhead Conductors	Overhead Conductor Replacement	This project replaces existing 4kV Overhead conductors that are inadequately insulated or undersized.	\$ -	\$ 187,500	\$ 187,500	\$ 187,500	\$ 187,500	\$ 137,500
Tools, Shop, Yard	Field Equipment	Purchase of equipment/tools required for the operation/maintenance of the distribution system.	\$ -	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
Substation	Replace Oil Circuit Breakers Replacement Schedule: 50 Circuit OCB 22/23 51 Circuit OCB's 23/24	This project addresses the replacement of 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.	\$ 550,000	\$ -	\$ 140,000	\$ -	\$ -	\$ -
Substation	Rowan Street Substation Transformer (T4) Replacement	Replace T4 substation transformer located at the Rowan Street Substation.	\$ 1,250,000	\$ -	\$ -	\$ -	\$ -	\$ -
Substation	Rowan Street Substation Transformer (T2) Replacement	Replace T2 substation transformer located at the Rowan Street Substation.	\$ -	\$ -	\$ -	\$ 1,400,000	\$ -	\$ -
Miscellaneous Capital	Misc. Capital Purchases	Miscellaneous capital expenses.	\$ -	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000
		TOTAL	\$ 2,201,000	\$ 688,000	\$ 596,500	\$ 1,856,500	\$ 456,500	\$ 406,500