

*Chicopee Municipal Lighting Board
Minutes of Meeting
Wednesday, August 26, 2020*

Chairman Pajak called a regular meeting of the Chicopee Municipal Lighting Board to order at 4:00 pm, Wednesday, August 26, 2020.

Present for this meeting were Commissioner Robert L. Pajak, Commissioner Joseph F. Pasternak, III, Commissioner Carl E. Sittard and General Manager and Clerk of the Board Jeffrey R. Cady.

Commissioner Pasternak made a motion to accept the minutes of July 22, 2020 as presented. Commissioner Sittard seconded the motion. Discussion: None; Motion was passed 3 to 0.

Commissioner Pasternak made a motion to concur with the payment of **Warrant #E072720** dated 7/27/2020 in the amount of \$1,381,108.10; **Warrant #E080720** dated 8/3/2020 in the amount of \$62,660.48; **Warrant #E080720** dated 7/31/2020 in the amount of \$299,615.16; **Warrant #E081420** dated 8/6/2020 in the amount of \$279,857.46; **Warrant #E081420** dated 8/10/2020 in the amount of \$275,816.16; **Warrant #E082120** dated 8/13/2020 in the amount of \$222,347.90; **Warrant #E082120** dated 8/17/2020 in the amount of \$3,539,427.48; **Warrant #E082820** dated 8/24/2020 in the amount of \$70,769.85 and **Warrant #E082820** dated 8/20/2020 in the amount of \$150,380.84. Commissioner Sittard seconded the motion. Discussion: None; Motion was passed 3 to 0.

Commissioner Sittard made a motion to pay **Bills and Customer Refunds** in the amount of **\$55,595.08**. Commissioner Pasternak seconded the motion. Discussion: None; Motion was passed 3 to 0.

The General Manager discussed the opportunity for CEL to receive revenue from MMWEC based on the transfer of its flow rights to another entity. In addition CEL has the opportunity to purchase non carbon energy as part of the transaction. MMWEC was recommending that CEL participate in the flow rights deal and purchase up to 2mw of non carbon power, which will be bought at a competitive rate compared to the market. The General Manager stated that he was in agreement with MMWEC's recommendation to sign the flow rights and purchase 2mw's of non carbon power. Commissioner Pasternak made a motion to authorize the General Manager to take actions necessary to move forward with HQ flow rights deal and purchase of 2mw non carbon power. Commissioner Sittard seconded the motion. Discussion: None; Motion was passed 3 to 0.

The General Manager discussed potential climate bills and the impact on CEL's portfolio. He recommended that CEL start to move toward the 50% non carbon target that most likely will be in place by 2030. He recommended purchasing REC's equivalent to 10% of CEL's sales in 2020 and adding 5% a year to get to 50% by 2030. Commissioner Sittard made a motion that CEL purchase 10% in REC based on Kwh sales for 2020 and

increase by 5% a year to reach the 50% target by 2030. Commissioner Pasternak seconded the motion. Discussion: None; Motion was passed 3 to 0.

The General Manager stated that they continue to fix issues with Hydro as work is being done. Current issue is compromised support structure that holds up generator bulb. Approximately \$30,000 to reinforce. Looks like we may be able to use fiber glass reinforcement on inside which should be substantially cheaper.

The General Manager notified the Commissioners that CEL will be looking for at least 2 additional lineman as 2 left to work for another utility. In addition, CEL is looking to hire an additional Telecommunications Technician.

The General Manager provided an update on the Automated Meter project. To date over 12,800 meters which represent almost half of CEL meters have been installed. Installing additional gateways to meet upcoming replacement areas. Had some reporting issues to outage management system during past outage. Working with Honeywell and Northstar to resolve issue.

General Manager gave an update on building renovations. The elevator cladding has been installed and roof has been completed. Contractor is installing drywall. Generator was tested on load bank. Delivered with wrong stack that need to be replaced. Electrical cutout to admin building expected to take place by middle of September.

The General Manager provided an update on the High Speed Internet project. He explained that 10 Fiber Hoods are now accepting applications and a number of others will be ready for applications soon. The contractor has increased the number of installation crews to help with the backlog caused from our halt in installations.

The General Manager reviewed the June Financials with the Commissioners. He explained that both Revenues and Power Supply expenses were down due to drop in load and energy prices caused by COVID-19. There has been a 4% reduction in Kwh sales overall Net Income for the month was higher than budget by \$567,029 driven by lower energy costs and unrealized gains. Year to date Net Income is higher than budget by \$1,494,926. (*CEL Document: June Financials*)

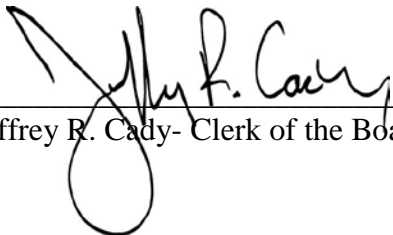
The General Manager informed the Commissioners that CEL is currently undergoing its 6 year NERC/NPCC Audit. The process has been changed from past audits, which has increased the time to complete the audit. Staff and Utility Services have been working to answer questions and provide information to auditors as requested. CEL also has a NERC-CIP audit coming this year as well.

The General Manager gave a brief overview of our August 4th outage. Initial Customers out <5,000. By the end of the day there were under 2,000 customers out. All customers were restored on the 6th. Crews did an excellent job of restoring customers

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quickly and safely. We had mutual aid crews in from Russell, Wakefield and Littleton to help with restoration.

Commissioner Pasternak made a motion to adjourn at 5:15 pm. Commissioner Sittard seconded the motion. Discussion: None; Motion was passed 3 to 0.



Jeffrey R. Cady- Clerk of the Board

Approved: September 24, 2020