

**Chicopee Municipal Lighting Board**  
**Minutes of Meeting**  
**Tuesday, July 25, 2023**

Chairman Pasternak called a regular meeting of the Chicopee Municipal Lighting Board to order at 4:00 PM on Tuesday, July 25, 2023

Present for this meeting were Commissioner Carl E. Sittard, Commissioner Joseph F. Pasternak, III, Commissioner Daniel J. Mashia, Assistant General Manager, Dan Faille and General Manager and Clerk of the Board, James M. Lisowski.

Commissioner Mashia made a motion to accept the minutes of the June 28, 2023 meeting as presented. Commissioner Sittard seconded the motion. Discussion: None; Motion was passed 3 to 0.

Commissioner Sittard made a motion to concur with the payment of **Warrant #E071423** dated 7/6/2023 in the amount of \$239,314.20; **Warrant #E071423** dated 7/10/2023 in the amount of \$135,409.55; **Warrant #E072123** dated 7/13/2023 in the amount of \$293,334.61 and **Warrant #E072123** dated 7/17/2023 in the amount of \$3,115,935.99. Commissioner Mashia seconded the motion. Discussion: None; Motion was passed 3 to 0.

Commissioner Mashia made a motion to pay **Bills and Customer Refunds** in the amount of \$226,041.05. Commissioner Sittard seconded the motion. Discussion: None; Motion was passed 3 to 0.

The General Manager informed the Board that **Write-off Uncollectibles** dating back to Q2 2022 are \$58,971.09. Of this total, one (1) account under serious illness protection was nearly \$17,000, while an additional \$21,000 was related to accounts under winter shut-off protection (2021-22), who left Chicopee during this protected period or shortly thereafter (prior to our ability to collect). The total is higher than Q1 write-offs, but is actually lower than the average Q2 figures over the last 4 years of ~ \$70,000. Looking at the stats over the past 4-5 years, Q2 tends to be the highest quarter write-off due to the winter moratorium protection. We have been working with our new attorney on what other avenues we have to collect on our larger accounts. The attorney stated that we can get a court attachment to a property, which can be applied to protected accounts (serious illness, baby, elderly, winter protection) but this will only apply to owners of property and not tenants – unfortunately, the majority of our problem customers are tenants, so we are somewhat limited on what we can do. The attorney has a collection agency he uses, but across the board, he says the success rate of collection agencies is iffy, at best. The attorney stated that we can still pursue accounts that we previously wrote-off, for a period up to 6 years. We will look back to see if we have any larger accounts over the past 3-5 years that would make sense to pursue further.

Commissioner Mashia made a motion to **Write-off Uncollectibles** in the amount of \$58,971.09 for accounts dating back to Q2 2022. Commissioner Sittard seconded the motion. Discussion: Commissioner Mashia questioned whether we could provide a 1099 to those you are in default – he mentioned that banks do this when customer defaults on a loan. The difference is bank provides money, while CEL provides a service. The Board also questioned whether we can report these uncollectibles directly to the credit reporting agencies; The General Manager and staff will investigate whether either of these are appropriate and/or feasible. Motion was passed 3-0.

### **Update on Legislative Action at State House**

The Assistant General Manager gave the Board an update on a bill that will be discussed at both the Massachusetts House and Senate that could prove to be problematic if it gains any traction. The bill would redefine the goal of the State from non-carbon emitting to renewable. It would eliminate nuclear and large scale (over 30MW) hydro from the definition of renewable energy and creates a portfolio standard for MLP's with a 100% renewable target by 2030 (vs. 2050). It also requires all new vehicles sold in Mass. be electric by 2027 and zero-emissions by 2030, which is an accelerated timeline. We don't believe this will gain any traction, but we are working with our lobbyists. MMWEC also submitted testimony in opposition to the bill.

Contract renegotiation has resumed at the state level for Avangrid to renegotiate part of the original 2019 project to allow a transmission line through Maine to supply hydro power to New England from Quebec. The Healey administration has indicated they are in support of this action. The proposed transmission line would represent 18% of the total load in Massachusetts. It is projected to provide power to the region at significantly more competitive rate than what offshore wind is projected at.

The General Manager briefly touched upon the following bills that are up for consideration:

- Bill that will provide employees of MLP's providing mutual aid to another MLP, employee retirement benefit protections to the same extent as if they were performing duties within the scope of their employment on their own system.
- Bill that will modify the MMWEC Board of Directors replacing a number of seats held by General Managers with Gubernatorial appointees with specific non-profit experience in clean energy policy and environmental justice. Also, replaces a number of seats with MLP commissioners (again political appointees). This is concerning in that it replaces individuals who are intimately familiar with the operations of MLP's with people you don't have any familiarity with the day-to-day operations of a MLP. MMWEC is working with legal and their lobbyists to educate the politicians on why this does not make sense.
- Numerous other bills related to solar development, wind, energy efficiency programs and education, state building codes, environmental justice, battery storage

The Board stated there might be value in reaching each out to our State Reps and Senator to voice our concerns about the MMWEC bill and the bill regarding non-carbon to renewable portfolio transition.

### **Front St. Generator Noise Testing**

The General Manager informed the Board that we finally performed the noise test for the Front St. generators on the 13<sup>th</sup> of July, after 3 previous attempts were postponed due to weather and wind. Preliminary findings appear to indicate that the noise levels are slightly above the allowable limit (5-7 dB). Acentech, the consultant employed by CEL, will provide the report in August for our review. Phase 2 of the evaluation will involve identifying possible noise mitigation options for consideration (with budgetary costs estimates). We will evaluate the

options and work with Tighe & Bond on presenting the findings and options to the Mass DEP to determine an acceptable approach from both CEL's and the DEP's perspective.

### **Chicopee Hydro Penstock Upgrade Update and Budget Cap**

The General Manager informed the Board that the consultant has provided 75% plan submittals for our review. We are ironing out details on site access, staging and laydown areas to be used during construction next Spring (May thru October construction period). The drawings will be incorporated into a final bid package, which we are targeting to be complete by September for bid by end of that month. It is still our goal to have a contract in place by late October / early November to allow the successful bidder to begin the process of scheduling their internal resources and ordering any long lead-time material items. The General Manager informed the Board that we should set a cap on the "price tag" for the bid so in the event that the cost comes in higher than the estimate provided by the consultant we are not obligated to proceed with the award and the project. The original estimate provided by the consultant through their construction estimating sub-consultant was \$2.5 Million. The General Manager recommends setting the price cap at \$2.75M to allow a 10% margin on the original estimate. It should be noted that this does not include other costs related to bringing the units up after not being operational for 3+ years. These costs could add 20-25% on top of the actual penstock bid price

Commissioner Mashia made a motion to set a price-cap of \$2.75M on the Penstock Replacement/Upgrade bid. Commissioner Sittard seconded the motion. Discussion: The Board requested that Ware River Power come to the September board meeting to discuss the site and whether they have any concerns about the ability of the plant to return to operation following the replacement of the penstocks. They don't want to spend several million dollars on this project if there are other issues that may prevent the plant from becoming operational again; Motion was passed 3 to 0.

### **Behind the Meter Battery Energy Storage System (BTM BESS)**

The General Manager provided an update on the status of the BTM BESS project with Delorean. CEL has engaged Tighe & Bond to perform Soil Pre-construction sampling, concrete sampling and Soil and Concrete Management Support. Since the site has been used as an electrical substation for many decades, it is necessary to test the soil to insure that we don't run into any "surprises" during construction. This service will be done over the next couple of months. CEL Engineering will need to coordinate the relocation of the fence line to accommodate the new installation between now and the end of the year. CEL has been in communication with Eversource regarding our intentions and their primary concern is that access to their equipment at the site be maintained during and after construction. Additionally, once we are in receipt of final drawings, we will present the project to the City Site Plan Review Committee this fall. We are working with MMWEC and Delorean on the Interconnection Agreement and Site License Agreement.

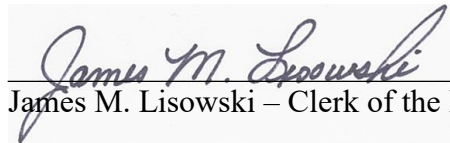
Unfortunately due to long-lead times on some items, the in-service date for the system will be pushed from late Q2 2024 to Q4 2024. Of the 13 MMWEC projects, CEL is currently 2<sup>nd</sup> or 3<sup>rd</sup> in line to be installed.

*Minutes of Meeting (4) of (4)*  
*Wednesday, July 25, 2023*

**NEW BUSINESS**

The Assistant General Manager provided a brief update on Crossroads Fiber –he informed the Board that we currently have 3,601 active residential customers and 86 business customers. There are 125 additional in the survey/install queue. There are currently 77 FSA’s open and accepting applications, 6 under construction and/or awaiting splicing and testing.

Commissioner Sittard made a motion to adjourn the meeting at 5:00 PM. Commissioner Pasternak seconded the motion. Discussion: None. Motion was passed 3 to 0.

  
James M. Lisowski – Clerk of the Board

Approved: September 28, 2023