

SECOND TAXING DISTRICT COMMISSIONERS
Regular Meeting
April 21, 2009

Present:	Otha N. Brown Mary E. Burgess Al Ayme Maria Borges-Lopez Mary Mann Sylvester Maultsby Cesar A. Ramirez	Chairman Vice Chairperson
Also Present:	John M. Hiscock Candace Pampoukidis Frank Zullo Kevin Barber Scott Whittier Dave Scott James Murray	General Manager District Clerk District Counsel Dir. Admin & Customer Service Dir. Technical Services Plexus Research Photographer
Public Present:	George Leary Ira Mosby Gloria S. Tucker	Third Taxing District

Call To Order

Chairman Otha N. Brown called the Regular Meeting of the Second Taxing District Commissioners to order at 7:05 p.m. on Tuesday, April 21, 2009. The meeting was held at South Norwalk Electric and Water, One State Street, South Norwalk, Connecticut.

Acceptance of the Minutes

Commissioner Brown: "I hate to be abrupt, but we have a long night. Long in the consideration is that some of us will have to... I may have to leave even early. And my Vice Chairman, I want you to know that my Vice Chairman is Mimi Burgess. And here are the other Commissioners. And I'd like for each one of them to just indicate their name so that they get a chance to relish in it."

Commissioner Ayme: "Alright, Al Ayme."

Commissioner Mann: "Mary Mann."

Commissioner Borges-Lopez: "Maria Borges-Lopez."

Commissioner Ramirez: "Cesar Ramirez."

Commissioner Maultsby: "Maultsby."

Commissioner Brown: "Thank you very much, and welcome to this meeting. This is a Commissioners' meeting. And I have to reiterate that just about every one of them. It is not a public meeting. It's public in the sense that the public is invited to observe, and there is a place on it if you have something on your mind you'd like to bring forth to the Commission. The Chairman will take that in consideration and hope that you will let us know. Hopefully that you... however, that you might have talked to our General Manager, John Hiscock, and so he's not blindsided in any way about what you're planning to bring forward. And so we'll go very quickly. So I call this meeting to order, and I'd like to have your pleasure with regard to the minutes of... by the way, our District Clerk is Candace Pampoukidis, over here. She takes the brunt of the work, along with the General Manager. And of course our General Counsel [Frank Zullo] who's here to make sure he keeps me straight. And we know each other very well, because we've been together since 1963 when we both were elected to office. And it hasn't been the same ever since. I have only one brief remark, and that is about... I was at the NAACP meeting the other night and I was very pleased that they are giving much more consideration about coming to our meetings to the extent that they are going to modify their meeting agendas and/or their meeting dates in order for their members to be able to come to our meetings. We're going to have a good hot time for the next two years, at least, that I'm in office. So as a result I want to commend them for that, because they think it is very important..."

Commissioner Ramirez: "Mr. Chairman?"

Commissioner Maultsby: "Mr. Chairman?"

Commissioner Brown: "Okay."

Commissioner Maultsby: "We didn't vote on the minutes [directed to Commissioner Brown]."

Commissioner Ramirez: "That's correct. We need to approve the minutes."

Commissioner Ayme: "I move to approve."

Commissioner Brown: "Well I asked 'what is your pleasure of the minutes?'"

Commissioner Ayme: "Move to approve."

Commissioner Ramirez: "I'll second."

Commissioner Brown: "Any remarks?"

[No remarks]

Commissioner Brown: "If not, all those in favor say aye."

Commissioners simultaneously: "Aye."

Commissioner Brown: "Those opposed say nay."

[No opposed]

Commissioner Brown: "So ordered."

Commissioner Ayme made a motion to approve the regular meeting minutes of March 10, 2009. Commissioner Ramirez seconded and the motion passed unanimously with all seven Commissioners voting in favor and none opposed.

Chairman's Remarks

Commissioner Brown: "And I've given my remarks, and the next item is the consent agenda. What's your pleasure?"

Mr. Hiscock: "Mr. Chairman, you indicated that you wanted Mr. Murray to do his presentation during the Chairman's remarks, and that's what I indicated to the Commission."

Commissioner Brown: "Well I noticed since you had it down, I was trying make arrangements for it."

Mr. Hiscock: "Yes, you..."

Commissioner Brown: "Do I have the latest thing [referring to the agenda]? I'm going by the one that I have."

Mr. Hiscock: "Yes, but you..."

Commissioner Brown: "That's the reason why I deviated slightly."

Mr. Hiscock: "Yes, you asked me to indicate to the Commission in a memorandum. So in the third paragraph of the meeting packet it indicates 'Please be advised that under Chairman's Remarks Commissioner Brown is scheduling a presentation by James Murray with regard to Item 4.2'."

Commissioner Brown: "Well I want to say that Mr. Murray has agreed to come and to show us this presentation. I was certainly aware of it from the very beginning. I have discussed it with John [Mr. Hiscock] on more than one occasion and with the Vice Chairman and so on. And so as a result, why don't we just get the presentation and then we'll come back to the consent agenda."

Mr. Hiscock: "Okay."

Commissioner Brown: "Mr. Murray, will you present yourself?"

Mr. Murray: "Well a lot of you know who I am. I'm James Murray. I retired from the City. I went back to school, graduated from NCC. I do freelance photography. I do digital. I do... any kind of digital, I do, and I got credit (inaudible). And I made another disc for you all to see. Do you want to pass that around and let them see that first as we talk on that. I made about 300 slides and two albums. There's one... Otha [Commissioner Brown] has one. Do you have one with you [directed to Commissioner Brown]?"

Commissioner Brown: "No, I (inaudible)."

Mr. Murray: "I made him two slides; two albums."

[Mr. Murray began his slideshow picture presentation set to the National Anthem]

Mr. Murray: "I picked that music because it seemed like it was better than putting any other type of music with it."

[Presentation continues]

Mr. Murray: "I also made two discs; that one there and I got another one here."

[Presentation continues]

[Presentation ends]

Commissioner Brown: "I know you had indicated that you had another engagement, so..."

Mr. Murray: "Yes, I did. I told them I had... with the Fire Fighters. I've got two engagements."

Commissioner Brown: "Right. Thank you so very much. I really appreciate it."

Mr. Murray: "I'm going to leave this... leave everything with you."

[Mr. Murray left the meeting]

Commissioner Brown: "I should say I understand that this, all of this, will be housed at the South Norwalk Library, and it will be available based upon any policy that we have with regard to public acquisition of it. I'm going through the proper procedures. Thank you very much. The next item then is number four, consent agenda. May I have your pleasure with regard to the consent agenda; there in your booklet."

Commissioner Burgess: "Yes, excuse me."

Commissioner Brown: "Yes [acknowledging Commissioner Burgess]?"

Commissioner Burgess: "I object to having item 4.2 on the consent agenda. I've spoken to you about it. I think the Commission needs to discuss it. So I would move that it be removed onto the regular agenda."

Commissioner Ramirez: "I second the motion, with an explanation, Mr. Chair."

Commissioner Brown: "Without objection, so ordered."

Commissioner Ramirez: "Mr. Chair, with an explanation..."

Commissioner Brown: "Well you'll be able to explain because it's being removed, and then you'll be able to talk all you wish about it."

Commissioner Ramirez: "I believe we... I admire... I need to explain the reason why. It has to go on the record, okay. And the reason is, I admire you for your leadership, for your participation in the community. You dedicated long hours in our community. At the same token..."

Commissioner Brown: "You ain't seen nothing yet [responding to Commissioner Ramirez]."

Commissioner Ramirez: "...we do have to draw a line where our customers cannot pay for what... the budget was made for a specific number. We're already above 300, therefore I second the motion not to spend not even one penny beyond what was already spent, with all my respect. And then again, I admire you but this should be strictly private business."

Commissioner Brown: "Is this direct to me?"

Commissioner Ramirez: "No, I'm talking about the reason why this should be out of the agenda."

Commissioner Brown: "Well why you looking at me? I mean, I... what, what, what's your question?"

Commissioner Ramirez: "Nothing. That's all."

Commissioner Brown: "Okay. Any other remarks?"

Mr. Hiscock: "Just procedurally then, Item 4.2 moves to the regular agenda leaving 4.1 on the consent agenda."

CONSENT AGENDA

Electric Write Offs – January 1, 2009 thru March 31, 2009

Commissioner Burgess: "I would move Item 4.1 on the consent agenda."

Commissioner Borges-Lopez: "I'll second."

Commissioner Brown: "Any remarks? Second. Any remarks?"

[No remarks]

Commissioner Brown: "All those in favor say aye."

Commissioners simultaneously: "Aye."

Commissioner Brown: "So ordered."

Commissioner Burgess made a motion to approve the consent agenda, Electric Write Offs – January 1, 2009 thru March 31, 2009. Commissioner Borges-Lopez seconded and the motion passed unanimously with all seven Commissioners voting in favor and none opposed.

REGULAR AGENDA

Photographs – James Murray - Presentation

Commissioner Brown: “And then we go to [Item] 4.2. What is your pleasure?”

Commissioner Burgess: “Okay, do you want me to discuss my reasons for this?”

Commissioner Brown: “By all means.”

Commissioner Burgess: “Okay. Well we voted a certain amount, the Commission, to be spent. We overspent that budget. Those of us who were on that [Library] Planning Committee; Candace [Ms. Pampoukidis], and John [Mr. Hiscock], Mary [Commissioner Mann], me, Sylvester [Commissioner Maultsby], and Jannie Williams, we were the ones to contract and have things done. We... not that I know of, did any of us contract with Mr. Murray, number one; and number two, we already paid for DVDs. So I don't feel that we should pay...”

Commissioner Brown: “Well where are they?”

Commissioner Burgess: “I wouldn't know where they are. Your friend had them made. We paid for them.”

Commissioner Brown: “Who is my friend?”

Commissioner Burgess: “Larry Charles.”

Commissioner Brown: “I don't know anything about that.”

Commissioner Burgess: “Well okay, we paid for DVDs. I don't see using our, what little we have in that budget, to duplicate something because you chose to ask the man to do it.”

Commissioner Brown: “I did not do that.”

Commissioner Burgess: “Otha [Commissioner Brown], his letter says you did do that.”

Commissioner Mann: “It's in there, yes [responding to Commissioner Burgess].”

Commissioner Burgess: “His letter says it.”

Commissioner Brown: “Will you read that part where I asked him to do it?”

Commissioner Burgess: “Yes, it does say that.”

Commissioner Brown: “Well let's read it into the record.”

Commissioner Burgess: “Alright, I shall. ‘I James Murray Jr. on April 12, 2008 took pictures for one Mr. Otha Brown Jr. as requested by him a month or so before the big event.’ Now none of the six of us, that I can recall, asked him to do this. So it's clear that you asked him to do it. It's

equally clear that we've already paid for DVDs, and the District should not have to pay for duplicates that you ordered. I just disagree with the whole..."

Commissioner Brown: "Thank you very much."

Commissioner Burgess: "And you will admit I tried to talk to you about this before and go nowhere."

Commissioner Brown: "Thank you very much. I'll remember that. Thank you. What is your pleasure?"

Commissioner Burgess: "I would move that we do not pay Mr. Murray."

Commissioner Ramirez: "I state again, I second that motion again, and based on the fact that I believe that our customers should not pay for any personal recommendations or suggestions, okay, I believe the committee, Commissioner Burgess, (inaudible) loud and clear stated, the budget was done, it was over spent \$300.00, and therefore I personally believe, as a Commissioner, as a responsible person, that I believe that our customers shall not pay for any personal recommendations. Okay, we have to draw a line. There's a budget been done, it had not been suggested to our Commission to spend not even one more penny, okay. So we did not approve that. Again, I admire your leadership in your community, your commitment, but that's a line that we cannot cross. Our recipients must be taken care of properly, and the responsibilities, we should comply as mandated. Thank you."

Commissioner Brown: "Anything else? Discussion?"

[No remarks]

Commissioner Brown: "Well let me just make sure for the record, I did not ask that this be done, but I was told that it was being done, and my understanding is that during that day several people, several of you, were aware that it was being done, and I don't know how the committee functions, including the fact that I later on spoke with the Manager and he said he was aware of that, and I don't know whether he wanted to make any kind of a comment in that regard."

Mr. Hiscock: "I was aware that a substantial number of people were taking pictures at that event, and I was also aware that Mr. Charles contracted with somebody on our behalf."

Commissioner Brown: "I believe this is the one that she is speaking of, but that was not with them. That was not the one."

Mr. Hiscock: "No, Mr. Murray's presentation was not the individual that Mr. Charles contracted with."

Commissioner Brown: "But you were aware that they were being taken?"

Mr. Hiscock: "I was aware that they were being taken, sir, just like I was aware that many other people were taking pictures."

Commissioner Brown: “Well fine. Well let’s dispose of this as quickly as possible. What is your pleasure?”

Commissioner Borges-Lopez: “There’s a motion...”

Commissioner Ayme: “Are you calling for a vote?”

Commissioner Burgess: “The motion was that we do not...”

Commissioner Brown: Yes [responding to Commissioner Ayme], it’s been moved and seconded.

Commissioner Ayme: “Okay.”

Commissioner Brown: “Are there any other remarks?”

[No remarks]

Commissioner Brown: “Then all those... then all those in favor... what is the motion? The motion...”

Commissioner Burgess: “The motion was...”

Commissioner Ramirez: “The motion is to move it from the consent agenda, sir.”

Commissioner Borges-Lopez: “To the... no, the motion was to deny payment of \$650.00 to Mr. Murray.”

Commissioner Ramirez: “That’s correct. To remove this and to deny the payment also.”

Commissioner Brown: “Who made them motion?”

Commissioner Borges-Lopez: “Mimi Burgess.”

Commissioner Burgess: “I did.”

Commissioner Brown: “She made the motion...”

Commissioner Ramirez: “And I second the motion.”

Commissioner Brown: “And second... will you please make sure that’s on the record [directed to Ms. Pampoukidis]. Okay, then now we’ll call for the vote. All those in favor say aye.”

Commissioners simultaneously: “Aye.”

Commissioner Brown: “Those opposed say nay.”

Commissioner Brown: “Will all those that say ‘aye’ raise your hand.”

[Commissioners Ayme, Mann, Borges-Lopez, Burgess and Ramirez all raised their hands]

Commissioner Brown: “Was this... what is the motion again? The motion is not to pay, or to...?”

Commissioners simultaneously: “Not to pay.”

Commissioner Brown: “Not to pay. Oh, fine.”

Mr. Hiscock: “Okay, I think the Clerk needs a clarification of the vote.”

Ms. Pampoukidis: “Can you vote one more time?”

Commissioner Mann: “Yes [responding to Ms. Pampoukidis].”

Commissioner Brown: “Alright, those who vote in favor of the motion will you raise your hand.”

Commissioner Ayme: “Which is to deny payment.”

Commissioner Brown: “That’s correct [responding to Commissioner Ayme].”

Commissioner Ramirez: “That’s correct [also responding to Commissioner Ayme], to deny the payment.”

[Commissioners Ayme, Mann, Borges-Lopez, Burgess and Ramirez all raised their hands]

Commissioner Brown: “Okay and those who are of different persuasion raise your hand.”

[Commissioner Brown raised his hand]

Commissioner Maultsby: “Abstention.”

Commissioner Brown: “Abstention [acknowledging Commissioner Maultsby]. Thank you very much. The motion did not pass. Thank you.”

The vote to deny payment to Mr. Murray for photographs taken at the South Norwalk Branch Library Dedication Ceremony passed with Commissioners Ayme, Borges-Lopez, Burgess, Mann and Ramirez voting in favor to deny payment, and Commissioner Brown opposed. Commissioner Maultsby abstained.

GENERAL MANAGER

Automated Meter Infrastructure - Presentation

Commissioner Brown: “I will go to the next regular part of the agenda. John [Mr. Hiscock] I will speak to you in terms of the disposition of all that.”

Mr. Hiscock: “Okay.”

Commissioner Brown: “We’ll go to the regular agenda, project.”

Mr. Hiscock: “Item 5 on the regular agenda, Automated Meter Infrastructure. We have a presentation this evening for the District’s AMI consultant, Plexus Research. We have present this evening to give the Commission an explanation of AMI, present the business case and other information with respect to the project, Mr. Dave Scott of Plexus Research; and also in the audience are Kevin Barber and Scott Whittier, who are the project managers for this particular project. AMI is Automated Meter Infrastructure, and it’s a metering system which allows our meters to be read remotely, routinely, on very short intervals to allow us more flexibility in billing and greater levels of customer service. Dave [acknowledging to Mr. Scott]?”

Mr. Scott: “Thank you. Good evening everybody; Commissioners. Thank you very much for this opportunity. I need to let this warm up here [referring to the presentation equipment]. And while it’s warming up I’ll just tell you a little bit about myself. I used to work for Northeast Utilities for 34 years. I’m retired from Northeast Utilities, and went to work for Plexus RW Beck about a year and a half ago. And I worked for helping utilities like South Norwalk Electric and Water in looking at business cases for what’s called here Advance Metering. This is a hot subject that’s going on all around the country, and there’s a lot of installations for these types of meters going on around the country which I will tell you about. And as I go through this, if you have any questions please go ahead and ask me at anytime. I’d be very happy to answer those questions. What we did, the outline here that we’ll talk about here is what we did was get together and work out a process of looking at all the costs in the existing structure that exist here today at SNEW for the metering infrastructure. We looked at what the capabilities are of the new type of meters that are out there available in the industry today; looking at what’s going on in the industry today. Did a business case; essentially what that is, is looking at the existing cost for doing the business of reading meters today and billing process, and looking at the cost of the new infrastructure and the savings that would be associated with it, and we’ll go through that. And then the results showed us that there was a cost benefit to go ahead with deploying this new technology and its capabilities, and a recommendation to go out for bids for this infrastructure, and getting the actual costs associated with deploying AMI. So in order to kind of figure out where we want to go, and where SNEW needs to go in the future, to be prepared for where energy costs are going in the future, we needed to create a vision as far as what SNEW sees itself in the future, create that business case and then look at all the recommendations. Now Scott Whittier and Kevin Barber helped us put together all of this information. We started this process back in November 18th of last year. One of the visions that we saw needing here for SNEW in preparing for the future is that we need to provide the ability for customers to be able to reduce their energy costs and their water costs, and improve the quality of service that we do provide them. And we want to give them the ability to have the power to manage their energy, and manage their water usage much more than they can today. We also looked at what’s going on in the Federal environment and the State environment. We’re actually... I don’t know if you’re aware of it right now, but actually that stimulus bill has over \$4.5 billion set aside for this type of infrastructure to be built into utilities going forward, because that is what’s needed for the future, for the country. And we want to move toward what’s called a smarter grid, which means a smarter electrical system that can think for itself a bit more than what it can do today. And by doing so we’re creating a setup for SNEW to have a platform to be able to operate for what the future is going to bring for the electric industry; and water also. Just to give you an idea, around the country today, as I mentioned, there are quite a few utilities starting to change out all of their meters and put in this new advanced metering system. What this shows here is that there’s a definite ramp up here of meters being installed. In fact this year here, something in the range of 2 to 3 million meters are being installed around the country, replacing existing meters that are there; mostly in California, which is taking a lead in this. In fact, in California the leading utilities, Southern California, Edison, Specific Gas and Electric, San Diego Gas and Electric are replacing 15 million

meters over the next five years to this new advanced infrastructure to allow them to provide the top infrastructure they need for the future. And in Texas too; that's another 10 to 15 million meters being changed out in Texas over the next five years to this advanced meter infrastructure. And other companies around the country are all also doing the same thing. So there's a definite ramping of this type of technology, and it's happening all around us. What is this whole technology, and what does it really mean? Well today at SNEW you are already fairly advanced compared to many utilities around the country. You do have a radio system where you can read your electric meter, and it's read by walking by with a device that will read the electric meter. And also you have the ability to read your water meters with what's called a touch read system. And that's fairly advanced first time, but still you're only getting the readings once a month, and the information that you're gathering is essentially one reading once per month for information, so today that is AMR. What AMI is doing, Advanced Metering Infrastructure, is it's actually allowing SNEW to be able to collect information from every single electric meter and water meter, collecting hourly information. Why do we want to collect hourly information from every single electric meter? Well the price of electricity is based on the hour. ISO New England and CMEEC price the cost of electricity by the hour. The cost of electricity in the evening is actually a lot less expensive than it is during the day. But we have no way of knowing how SNEW customers are using their electricity. If we knew that they were using electricity by every hour, then we could provide the ability for customers to maybe shift their load from an on peak to an off peak period and talk it over with..."

Commissioner Burgess: "Would this enable us to detect very quickly some unusual usage of water and electricity?"

Mr. Scott: "Absolutely."

Commissioner Burgess: "...rather than waiting a month and discovering a leak?"

Mr. Scott: "Yes, you're right on target there, because what would happen is that with AMI, not only are the meters collecting this hourly information, but as John [Mr. Hiscock] mentioned, we're going to get this information every day. And the system that collects this information will be able to detect that there's some unusual amount of usage going on for this particular customer, or a lot of customers that there's uses going on 24 hours a day that you wouldn't normally expect, which would be a leak that might be existing. And so there would be an alert that we could then call a customer and say, you know, 'You're using a lot of water. It looks unusual. Is something going on there?' And that could help them avoid a bill that they would be getting maybe two or three months later that would be large, and avoid that type of situation."

Commissioner Burgess: "Thank you."

Mr. Scott: "Good question [directed Commissioner Burgess]?"

Commissioner Ramirez: "Would it be fair to say that this will be all, obviously a digital computerized system that will be supervised from the main office itself, is that correct?"

Mr. Scott: "That's correct."

Commissioner Ramirez: "That no longer we will need those... how many read; two, three people to read the meters right now?"

Mr. Hiscock: "We have a meter reading staff of three."

Commissioner Ramirez: "Okay."

Mr. Hiscock: "Will need fewer people. They'll be redirected to... and as we get into the presentation you'll see, but they'll be redirected to do other work in the metering portion of the business."

Commissioner Ramirez: "Okay."

Mr. Scott: "And so instead of reading they could be better utilized doing other things that would help our customers. So you catch on very quickly. We're catching information, hourly information. We're getting it for electric meters and water meters. We're collecting it every day, so we can be right on top of what's going on, and we can also share this information with the customers so they can better understand how they're using their electricity."

Commissioner Maultsby: "Question. I saw something today that's similar to do that, where it allows the consumer to utilize a lower cost at a... what's the word I want to use...?"

Mr. Scott: "I think they call it off peak."

Commissioner Maultsby: "Off peak, exactly. Yes, off peak. Now would this assist one in making a decision when to use heavy. For instance, if I had something to do at my house that I know would need heavy duty power let's say, I'm going hypothetical now, as opposed to just arbitrarily doing it whenever I chose to?"

Mr. Scott: "Right on target. Today SNEW customers pay the same for a kilowatt hour whether they're using it at two o'clock in the afternoon or at two o'clock in the morning, but two o'clock in the morning the cost of electricity is very, very low."

Commissioner Maultsby: "Very low."

Mr. Scott: "But two o'clock in the afternoon, especially on a hot summer day, it can be very, very high. And in New England it has even reached a point of \$1.00 a kilowatt hour at two o'clock in the afternoon on the worst possible day of the year; in Connecticut, not at SNEW, but in Connecticut it's occurred. But in the evening, at two o'clock in the morning, it's probably \$0.02 or \$0.04 a kilowatt hour. By having this information from the meters, SNEW can then offer rates for customers that allow them to shift from the heavy periods, the costly periods, to the low cost periods, and allow customers actually to do what's called a demand response and shift their load from the high demand period to the low demand period, and therefore allow them to save some money in their costs instead of a flat rate."

Commissioner Ayme: "I just have one... this question is for John [Mr. Hiscock]. John, Mr. Hiscock, if we do the implementation of this system, are we going to be able... we are talking about changing rates from peak to off peak and so on. How is this going to work? Are we going to be able to pass the savings on to the customers if they use off peak consumption?"

Mr. Hiscock: "Yes, CMEEC is currently investigating billing its members based on time of use rates, and they're looking forward to all of us using these kinds of systems. They are going to

provide us with time of use billing for our wholesale rate, and then we will create time of use billing for our retail customers so that we will allow customers who want to change their energy utilization pattern to pay less for power. So it does get passed down to the customer.”

Commissioner Ayme: “So the customers will have a choice, is that what you’re saying?”

Mr. Hiscock: “They will absolutely have a choice, and when we get to time of use rates they will be able to change their usage patterns if they so desire to get cheaper power.”

Commissioner Ramirez: “Would that...?”

Commissioner Ayme: “How is this going to affect our revenues on the electric side, and the water side?”

Mr. Hiscock: “Our gross revenue pattern will change because our wholesale billing rate will change. Our rate structure hopefully will design in a way that we will obviously maintain enough revenue to appropriately run the system. It’s a fairly complex rate design. It’s going to be necessary from all of this information, but yes we will one, hopefully get cheaper power. We will penalize those who don’t change their pattern, if you want to call it a penalty, we’ll reward those who do change their pattern, and we’ll have to come up with a rate structure that does that while it keeps the Department having sufficient revenues to cover its expenses.”

Commissioner Ayme: “This whole thing is subordinated to CMEEC agreeing to change the (inaudible) rates, right?”

Mr. Hiscock: “Yes, and...”

Commissioner Ayme: “And are they willing to do that?”

Mr. Hiscock: “Oh absolutely, absolutely. We’ve been discussing this at the CMEEC level for a considerable time period. We all understand we’re going to time of use billing from CMEEC to the utilities. The only question left is implementation; when it’s actually going to occur.”

Commissioner Ayme: “So the rates will be even less than we have now for the off peak, and then we’ll make it available to the consumers?”

Mr. Hiscock: “Yes.”

Commissioner Maultsby: “Educate the consumer.”

Mr. Hiscock: “Yes.”

Commissioner Ayme: “And then on the high side they will... the same rates that we have now will be maintained?”

Mr. Hiscock: “I’m not so sure that will be the case. That will have to come up during the rate design situation. Some of the individuals who use power during the peak timeframes, and not adjust their load, as we call it, load shape, may end up paying more. So it’s in essence an incentive to change your ways to save money.”

Commissioner Ayme: "I would say that knowing exactly the rates and how they're going to be affected, I mean it's crucial before we make a decision on this."

Mr. Hiscock: "Oh absolutely. This is going to require a tremendous amount of education to the customer; information. This is an ongoing process that's going to take some time."

Commissioner Ayme: "Okay, and my last question. Based upon the implementation of the... how long do you anticipate this will take if we do decide to go ahead with it?"

Mr. Hiscock: "I think you'll find that's going to come along in a little bit more detail on the presentation."

Commissioner Ayme: "Oh okay. Alright. Alright."

Commissioner Ramirez: "May I bother for a second please? With (inaudible) a lot of questions and answers before we continue, my concern is the businesses that work through the daytime, and most of these individuals that I would consider this, that they cannot change the pattern of save... I mean conduct or perhaps do it any other way of utilizing the services during the daytime. How will you penalize these people when there is no way they can change it? Let's say a restaurant, for instance."

Mr. Hiscock: "It's not necessarily a situation where they can't change. We're involved in conservation and load management programs now. We reward certain customers for taking actions that will lower our bills. So this is a part of this whole change in the electric industry that we have no choice but to follow along. I mean this is not just SNEW, this is not just CMEEC, this is nationwide happening."

Commissioner Ramirez: "Exactly, but on the same token how can you, for the better, you know for the... just playing equal advocate here, for the businesses that actually have no way of changing their behaviors of utilizing electricity, how can they be penalized...?"

Mr. Hiscock: "You can incent them through the conservation and load management program and give them grants to improve their facilities. A lot of the air conditioning systems that are out in, especially the old businesses are extremely old..."

Commissioner Ramirez: "You answered my question. You answered my question."

Mr. Hiscock: "...and there are programs to incent people..."

Commissioner Ramirez: "That's what I want to hear, okay. Thank you."

Commissioner Ayme: "Let me ask you something, through the Chair. For the sake of arguments, say a house maker that's used to doing the washing in the morning, and we say that off peak would be say after 7:00 p.m., or after 10:00 p.m.; if he or she changes the washing time at home from say 9:00 in the morning until 10:00 p.m. at night, that would be a saving for her, or for him."

Mr. Hiscock: "Yes. Yes."

Commissioner Mann: "Absolutely."

Commissioner Ayme: "Okay. That's for practical purposes."

Mr. Scott: "Today..."

Commissioner Ayme: "We're talking about changing people's habits here."

Mr. Hiscock: "That is correct."

Commissioner Ayme: "And we are also talking about the times of the day where most of the consumption will take place at home, or... is this going to apply to commercial also?"

Mr. Hiscock: "Yes it will."

Commissioner Ramirez: "Sure, everybody."

Mr. Hiscock: "Everybody."

Commissioner Mann: "Everybody."

Commissioner Ayme: "And how...?"

Commissioner Maultsby: "And also a change in economics."

Commissioner Ayme: "How a business, that is open from 9:00 to 5:00, or from 9:00 to 10:00, say a store, would benefit from this?"

Mr. Scott: "As John [Mr. Hiscock] mentioned, too..."

Commissioner Mann: "Incentives [responding to Commissioner Ayme]."

Mr. Scott: "... there are new technologies that control air conditioning. Usually in a big store there might be several condensers that are operating to cool the store. Right now they all turn on whenever they need the air conditioning, but there are systems that would control it so that only one would turn on at a time, therefore levelizing the load, and therefore reducing the peak usage that they would actually use. So that's one area."

Commissioner Ayme: "So the system not only entails a changing of the electric meters, but the installation of sensors?"

Mr. Scott: "It would encourage the customers to put more advanced technologies into their systems that would help them reduce the costs..."

Commissioner Ayme: "How would they do that? How do they do that?"

Commissioner Ramirez: "I believe he just explained that."

Commissioner Maultsby: "Bottom line, isn't this to reduce the surge?"

Mr. Scott: "This is to reduce the demand that's growing in the... there's a constant demand growth, mostly due to the air conditioning, and it's causing a strain on the distribution system and the generators. There is not enough generation being built to satisfy the growing demand. And the generation too, that is being used during those peak times to meet those growing demands is generally the very dirtiest generators that are out there, so it's causing more pollution. So there's also an environmental impact that by reducing demand will help also our environment going forward. So in a national level, this is a serious concern for the whole country. As I mentioned, President Obama approved a stimulus bill which is got money in that bill to invest in this type of infrastructure throughout the country, and the need for our customers to adjust their usage to help control the demand and reduce the environmental impact of dirty pollutants is (inaudible)."

Commissioner Maultsby: "Okay, so then this would virtually eliminate, wipeout, brownouts if you would?"

Mr. Hiscock: "It all works together. It will help. It will help. And as we go through the rest of the presentation you will see all of the kinds of devices and things that can help out. I think as you get further in the presentation you'll see there's more information about the kind of things you're asking."

Mr. Scott: "And this is a good lead into to that. And this page here, what is evolving with this technology, primarily driven by California, and Texas, and some other states, is that the ability for customers to have equipment in their house to... let's say a display that would show them how much their using in electricity right now. Right now think about how you use electricity, and kind of relate that to driving your car. What I mean by that is can you imagine driving your car without a speedometer, without an odometer that tells you how many miles you went, and without a gas gage. That's how you're using electricity right now. You have no idea how much you're using. The only time you find out is when you get your bill, and usually your bill is 30 to 60 to 90 days after you used it. And how much can you do about it then? So the vision here is that if you knew more of what was going on as you're using it, you'd be more aware of how you're using it, and in more control of what you're using; an ability to manage your energy intake. So that's what this does. And what it does is it also... the electric meter would help customers, encourage them. It will allow solar panels to be installed in homes where they can generate their own power, and the power, anything they would generate in excess of what they're using, the meter would measure going back into the SNEW system. The customer would get paid for that extra energy. It also would help control thermostats. There are new thermostats that are being designed right now that actually will talk to the meter, and it will know what the cost of electricity is right now. And based on the cost of electricity, the thermostat you could have preset so that it will allow the air conditioning too not cool the house quite as much right now because the cost is very high, and make those decisions while you're here, and not even at home. Or for those that have computers, you could go on a screen and see what you're actual usage is now, how much your bill is to date; those types of information is available. This wouldn't be available day one with system, but this is the capability that you would have going forward. And last but not least, on the very top there, is the Plug In Electric Vehicle. The call it a PHEV, Plug In Electric Vehicle; a lot of talk going on about that right now. In fact in the stimulus bill there's billions of dollars going into plug in electric vehicles, and the first ones are due out in 2010/2011. And the whole vision of a plug in electric vehicle is a customer would come home, plug in their vehicle at night when the energy is cheap, charge up the car, and then drive the car during the day. And in order for that to be economical, the customer would need to be on what's called a time of use rate in order to buy their electricity cheaper, and the meter needs to be able to measure that lower cost energy during that time. And there's even visions

of a plug in electric vehicle being able to provide power back to SNEW if there ever were an emergency situation. So a lot is going on in this area and around the country right now. And I'll go through this quickly, but AMI supports the whole smart grid technology. Have any of you seen the commercial that GE is showing at least once a day right now that shows the scarecrow dancing kind of on the wires in the substation? That's kind of talking about the smart grid, and the whole idea is giving the electricity system the brains to think and to be able to adapt. Right now the electricity system is really not very smart, and it needs to have the brains in order to adapt for our future, and that's what the smart grid is about. So let's look at this a little bit here, and you've already caught on to some of this. There's different parts of an AMI technology, and what we're talking about here for SNEW is installing new electric meters and water modules with these radio devices that can talk two-way communications to either a pole top device or radio tower, and that information comes back to what's called a Master Station or computer system set here in the building, and this information is collected once a day from the electric meters and the water meters, and then actually passed into the billing system for billing purposes, or to the customer service for a customer calling in and having a question, 'Why is my electric bill high this last month?'. We'll be able to go right on a screen and see that 'Oh, last Saturday at 2:00 you had a lot of usage going on.' And the customer might say 'Oh, I wasn't home then. The kids were home in the hot tub I guess maybe or something like that. So you can kind of figure out exactly what's going on. Another part of the system is called the home area network. This is where the meters will be able to communicate with things inside the house such as thermostats and in-home displays. And even appliances, smart appliances are now being developed. The new energy bill that's in the legislature right now in Washington has provisions in there for advancing Energy Star products to also have in-home communications so they can talk to these meters and get information, and decide how to use energy..."

Commissioner Ayme: "Let me ask how many people on the average in the U.S., nationwide, small town, big cities, whatever, have a network of appliances, smart appliances, that can communicate with these meters?"

Mr. Scott: "Today nobody."

Commissioner Mann: "It says future [responding to Commissioner Ayme]."

Commissioner Ayme: "Nobody?"

Mr. Scott: "Today nobody, but these systems are being put in. These meters will be out there for 15 to 20 years. In 5 years from now there'll be a lot of people with this. 10 years from now there will be millions of customers with that. And that's the vision, is that you build it and so that you will be able to support what's coming shortly down the road. If you don't build it now, then you will probably have customers wanting to buy this equipment that won't be able to use it in your system, and they'll be needing that type of information. They'll be wanting to buy the electric cars, but they won't be able to get the advantage of that because you don't have the capability to give them time of use rates. Those are the type of things that are occurring. So you're absolutely right. Today it's not here, but what's happening as I mentioned, the Energy Star appliances of the future are going to be probably required to have this capability built into them in the future, so this is a vision the whole country is moving forward."

Commissioner Ayme: "Do you have any idea how far into the future we're talking about?"

Mr. Scott: Well let's look at an example of California. California is installing, as I mentioned, 15 million meters over the next 5 years. They have about 1 million installed right now. These meters all have this capability of communicating with thermostats inside the house, and displays, and they are testing that technology today. And there are pilots going on today in California, testing that capability; and in Texas and other parts of the country. The vision is, is that in another 2 to 3 years a customer will be able to go to Home Depot and buy a thermostat like that, that would be able to talk to the meter right off the shelf from Home Depot, and California will drive that, and the rest of the country will pretty much follow it. So you'll see some of it starting in the next 3 or 4 years. In the next 5 to 7 years there will be a lot of it occurring, driven by mostly California, Texas. Then in Illinois is another area that's a hot area. Connecticut is very active in this area. As you know Connecticut Light and Power is doing a test right now in Stamford with this technology, and part of what they're testing is the communication with the in-home displays and the time of use rates to see how customers will react to this technology, because the Commission in Connecticut has required them to go ahead and start installing this type of equipment. United Illuminating is replacing their older AMR system that uses communications on poles to a newer system that will talk two-way to every meter, and they're now upgrading their system to get in preparation for this. So you're surrounded by quite a lot of them now in Connecticut, with a lot of activity that's moving in this direction. And the Connecticut customers all around here are going to be expecting stability and have this technology supported going forward. So you're right, it's not here today but it's rapidly coming."

Commissioner Ayme: "How far into the future? Do you know?"

Mr. Scott: "I'm not a... I can't give you a guarantee, but the visions are in the next 5..."

Commissioner Ayme: "Well how far until... when will they be available as you said at Home Depot for people to go in and buy these things?"

Mr. Scott: "As..."

Commissioner Ayme: "I have a thermostat pretty much like the one pictured here."

Mr. Scott: "Yes."

Commissioner Ayme: "But I don't know if it will be talking to everybody when the... that, that particular one that I have."

[Laughter]

Mr. Scott: "No, those thermostats are not available today, but in California they will be available next year."

Commissioner Ramirez: "It's a digital communication."

Mr. Scott: "And it will spread throughout the United States."

Commissioner Ayme: "The other question that I have, when we drive a car, we are looking at the gauges as you said before, but that's private information. I know that some cars have a little computer that will measure, you know, that no one knows where they're... what part of the country

the installation was done, but when they take that installation they'll know how far you were driving or how many miles. If you get involved into an accident they'll know exactly, and that technology is built into some cars right now. That mini computer if you will, will measure exactly how many miles per hour you were driving at some point in time. Aside from that, and having said that, the other type of information that we get from our cars is private information that we see on our gages day in and day out. What we are talking about here is involving a company, in this case SNEW, to know what my habits are inside my house. How is that viewed?"

Mr. Scott: "The same way that you..."

Commissioner Ayme: "...By other people?"

Mr. Scott: "The same way that you're protecting information of your customers today, you'll protect it in the future. You don't know something today about how your customers..."

Commissioner Ayme: "Isn't that sort of an invasion of privacy if I use this appliance or that appliance at a certain time of the day or night?"

Commissioner Ramirez: "The way I look at it, this is basically... and I share your feelings up to a point, at the same token it gives the flexibility to the client to know exactly what he or she is doing wrong that there spending a lot more."

Commissioner Ayme: "Oh, I can... I know the advantages. I know the advantages."

Commissioner Ramirez: "The confidentiality, I'm pretty sure, okay, that that will be up to the management in how to keep those files confidential if that's the case. This technology, for what I see and I heard before in some other cases, is coming. One way or the other, we're going to have it, and all over the United States, that's... how soon it is, I don't know. I'm very surprised at this point that our company is actually doing it. Believe me, because I've been listening to this for a long time, and California is. We have family... I have a family up there that actually engaging in all kinds of experiments and all these things, so it's coming. No doubt about it."

Mr. Scott: "And the information, you're right it is coming, and the information, you're right, is important and it has to be managed in a secure way. And we would treat that with different levels of security like you do today."

Commissioner Ramirez: "And I'm pretty sure that you, as guest of John [Mr. Hiscock], the customer itself will be provided with such an education slowly, I'm not saying full of information all at once, but slowly would be educated, and this table works, and how to conserve or change their behaviors. It will be a little... it's not going to be easy, but eventually that's part of the communication system. Is that correct?"

Mr. Hiscock: "It's all part of the system."

Commissioner Ramirez: "Yes."

Mr. Hiscock: "You have to educate the customer as to what they can and cannot do. And to answer your question Commissioner Ayme, we don't give out customer billing information to anyone other

than a customer, and it would stay that way. We certainly are not going to sell this information to somebody, or anything along that line. So it will be confidential...”

Commissioner Ayme: “That will be... okay.”

Mr. Hiscock: “...into the future.”

Mr. Scott: “Right. Just to give you a little bit more information as to how this works a little bit, here’s your house [pointing to the presentation]; your electric meter; and there’s a water meter. And so that the radio tower; (inaudible) pretty much use radio communications, so there’s a radio within the water meter; some of them talk directly to the electric meter, and your electric meter talks back to a tower, and it’s two-way communication, so the tower can talk to the meter, and the meter can talk to the tower. So as a customer is calling in right now, we could actually say to the customer ‘Well I’m looking at your meter right now, I’m reading it, and I see that you have 1,299 kilowatt hours, and that’s so much since your last bill’. So you can help customers right then and there. Instead of having to send somebody out to read the meter, you’ll have the information right there available. You can go read the meter immediately, while you’re on the phone. Somewhere down the road you can even offer the ability for the customer to go on the internet and see this information (inaudible). So we have this frequency that talks to the meters, and then the information from the tower is brought back to the SNEW head office here through different types of communications...”

Commissioner Ayme: “It involves the installation of towers?”

Mr. Scott: “There’s really two different types of technologies that we’re looking at, either a tower technology or a pole top technology, where you put the radio on a pole or on a building. So it could involve the need to put these radios on some poles or some buildings, or put them on towers. The tower technology, frankly what’s available is sometimes you have your own tower that you can put this equipment on, or in your case here your area is so dense that there are existing towers that you would be able to put this equipment on that would allow you to install the equipment and to be able to read your meters. You just put two towers...”

Commissioner Ramirez: “Of course, if you pay the rent, yes.”

Mr. Scott: “And there would be a monthly fee with that.”

Commissioner Ramirez: “Right.”

Mr. Scott: “So you have a choice of leasing space on an existing tower, or building a tower that doesn’t have to be very high in this case here to be able to read your whole service territory.”

Commissioner Ayme: “Mr. Hiscock, do we have the towers?”

Mr. Hiscock: “Actually we’ve got about five of them around town; our water tanks.”

Commissioner Ayme: “Would that cover the entire area?”

Mr. Hiscock: “We believe so.”

Commissioner Ayme: "Oh, okay."

Mr. Hiscock: "At this point we believe so."

Commissioner Ayme: "Then we don't have to pay any fees or any leasing?"

Mr. Hiscock: "Hopefully not. Hopefully, that if we go to the tower technology that it can be placed on existing facilities; and not only ours, but there are some First District facilities that we could utilize also. So I'm hoping that we'll be on existing water towers through the system."

Mr. Scott: "Actually you're fortunate in that case in that you have your water area with your water towers to be able to attach these antennas. A lot of municipal utilities that we do work with; that is probably the normal way of communications is to put the antennas on the water tower and not have to pay that monthly fee. Here's an example of how the in-house communications again, the electric meter can talk to in-home displays. These displays are now being developed. There are literally tons of different types that are now becoming available. This is a... it doesn't show it very well, but it's an electric dryer. And actually electric dryers are now being developed that can communicate and get pricing information from the meters. The thermostat again, and..."

Commissioner Ramirez: "With that in mind, sorry, what are the caliber of error of a malfunction, a meter malfunction, when you have so many cordless apparatus in the neighborhood, in a various, in a secluded neighborhood, that would interfere with a reading from the tower to the meter? I mean, what is the percentage? It's a fraction of an error, or what was the...?"

Mr. Scott: "That's a good question. First of all there are... what's going on in radio communications is like a handshake..."

Commissioner Ramirez: "Right, that's correct."

Mr. Scott: "... so there's a... I communicate with you, handshake; you communicate with me, and there's this verification that information..."

Commissioner Ramirez: "You're dealing with digital meters, right, so."

Mr. Scott: "...the information going back and forth is accurate. So there... what you collect for information is accurate information, because of this error checking going on back and forth between us in the communication. The systems that are out there, generally we see a 99.5% rate of collecting readings every hour, and many of whom are able to get to 99.9% over a one month period, so you collect the information very reliably, and the information we do collect is also very accurate. And actually it's more accurate often times than a meter reader; might misread a meter also. That may occur."

Commissioner Maultsby: "Is this all on the AM, I mean the FM frequency?"

Mr. Scott: "Well, frequency, FM, it's a digital communication."

Commissioner Maultsby: "So 90% of the digital is FM, isn't it?"

Mr. Scott: "Well it's a 900 megahertz frequency range that generally is used here, which is outside the radio FM channels."

Commissioner Maultsby: "Okay, okay. Yes, I got you."

Mr. Scott: "It's a special... special dedicated frequencies just used for things like this that is being used out there. So let's talk a little bit about the costs and savings associated with this, and what it does. First of all it's a very high level here. It's about a \$3.2 million investment. That is a lot of money. But it does save a lot of money too, and we'll show you how it does that. To be deployed on the electric side in one year, and I believe you had a question as far as how long it would take, so all of the electric meters, all 6,000 electric meters could be changed out within a one year period. We would get help from an outside source. The water meters we're planning on doing by ourselves; SNEW employees over a three-year period or so. The main emphasis there is on the electric side to get that done, and then the water could be done afterwards. There's an annual savings associated with this of over \$319,000.00 in benefits, and I'll explain where that comes from. And what we didn't, even with this, we see a positive business case meaning that it pays for itself in 9 years or less, and it actually has a present value, and what that means is the cost of money and the savings over a 15 year period, it's really going to save you \$1 million over a 15 year period. And it's almost like getting a return on your investment of 13%, which is a very good return..."

Commissioner Ayme: "This information applies to us?"

Mr. Scott: "Yes it does."

Commissioner Ayme: "\$3.2 million?"

Mr. Scott: "Yes sir."

Commissioner Ayme: "Applies to SNEW?"

Mr. Scott: "Applies to SNEW, and I'll show you how that breaks down. What we didn't include here are your other benefits to your customers, of course in better customer service, enabling them in the future to have rates that will help benefit them for the time of use type of environment. So we took information, and what this shows here is that..."

Commissioner Ramirez: "I'm sorry to interrupt you sir."

Mr. Scott: "Sure [responding to Commissioner Ramirez]."

Commissioner Ramirez: "Your meters, what's the warranty on these meters?"

Mr. Scott: "The new meters are generally warranted for one or two years."

Commissioner Ramirez: "You say by approximately between 9 or less years we will re-acquire our \$3.2 million, right? At that point the meter will be half life or three-quarters life; 90% ready to be deleted, or what?"

Mr. Scott: "The electric... okay, I think the question is the meters that you'd be purchasing, electric meters, are expected to last 20 years, and we're seeing here that after 15 years or less that they're

act... after 9 years actually, or less, that there's actually a positive payback that you see. But over a 15-year period there's a positive payback over \$1 million for the whole SNEW business case. What this shows here is that there's an initial investment, and as each year goes by in your 9 [years] the investment gets positive (inaudible) in the future; there's a positive investment going forward. So let's look at how this is broken down. There's about \$889,000 in the electric meters and their installation. Each meter will have... a residential type customer, will have a built in service switch. What that means is that your meters now are able... from here you're able to turn on a customer or turn off a customer for moving in and out right from the office, and no longer have to send somebody out to disconnect or reconnect the meter. Also these meters will have this communication in it so that it can talk inside the house. And the standard technology that's being developed right now is called a ZigBee radio that talks between the meter and the house, and that's part of this also. The water AMI modules would cost about \$1.2 million, and those will have a radio in it and communicate back to the home office; and then there's computer systems for what's called Communication Infrastructure in the towers; and then the whole project management; and that adds up to the \$1.18, or \$1.2... I'm sorry, \$3.2 million in costs."

Commissioner Ramirez: "It's interesting that water's more expensive."

Mr. Scott: "So it adds to about \$200.00 per... \$202.00 per meter on average. But here are the benefits that we see in installing such a system, and I'll go through each one of these individually. The annual savings is over \$318,000 per year. There's a one-time savings in... today, what we do when we're reading electric meters, we're reading them every other month..."

Mr. Barber: "Every month."

Mr. Scott: "Every month by... but billing every other month right now..."

Mr. Barber: "Electric is read monthly, and billed monthly."

Mr. Scott: "Billed... read and billed monthly, I'm sorry. Electric is read and billed monthly, I'm sorry, but what we're doing is we're lagging in time. When we read the meter there's an average of about 15 days between when the meter is read and the actual bill is sent out. That lag is causing a lot of money not to be able to be billed. With an AMI infrastructure what you'd be able to do is you'd be able to read the meter today and then send the bill out immediately the next day. So the customer would see right up to what they used just a day ago when they receive their bill."

Commissioner Ayme: "And that's a savings of \$1.1 million?"

Mr. Scott: "What this will do is that there would be the extra income associated with collecting this information more closer to when the..."

Commissioner Ayme: "But that won't save any money, would it?"

Mr. Scott: "...the reading is actually captured."

Commissioner Ayme: "That's not a savings."

Mr. Scott: "Well it is a savings. It's more revenue that you'll see in one year for the company as you're collecting this information from the meters and able to bill it on a timely basis."

Commissioner Ayme: "We're collecting, say 15 days faster."

Mr. Scott: "Yes."

Commissioner Ayme: "How is that a savings of \$1.1 million?"

Mr. Scott: "Well it's almost like if you were to get an extra paycheck in one year, that's in one year extra money that you do capture, but it is a one-time value."

Commissioner Ayme: "How much...?"

Mr. Scott: "So you're able to bill for 15 days worth of energy that today you're not able to bill for because it's being help up in the process of between the reading of the..."

Commissioner Ayme: "Mr. Hiscock, is that in line with our collection?"

Mr. Hiscock: "Yes."

Commissioner Ayme: "\$1.1 million?"

Mr. Hiscock: "It's spread between the two utilities, electric and water; and the water is different because we have quarterly there and that's a much bigger lag."

Commissioner Ayme: "So by collecting 15 days faster, sooner, in one year we would have collected between the two companies \$1.1 million?"

Mr. Hiscock: "A one-time savings."

Commissioner Ayme: "One-time savings?"

Mr. Hiscock: "One-time cash flow savings."

Commissioner Ayme: "For one year? Okay."

Mr. Hiscock: "It would just move the cash up sooner. You get it in hand faster."

Commissioner Ayme: "Right, okay."

Mr. Scott: "Broken down between electric and gas... in water."

Commissioner Ayme: "And the water."

Commissioner Ramirez: "May I ask a question sir?"

Commissioner Maultsby: "What about peak...? I'm sorry, go ahead."

Commissioner Ramirez: "With those incentives from the government, because actually this helps the environment and the culture that we're in, in the future. The government itself, right now... for instance you buy a hybrid car the government gives you 'X' amount of money, and incentive to

buy. Would this apply to us? Will the government, the federal government say 'Okay, we do have a grant, and you're going to invest \$2.2 million, \$3.2 million, since you're going to make this system more sophisticated and assist the environment as well as the customers, we'll give you so much'. Is that in existence, or not?"

Mr. Scott: "There are grant funds now part of the stimulus bill."

Commissioner Ramirez: "So therefore we can do... apply for one of those grants and make up... spend... we will not be able to, I mean let's say we get subsidized from the government?"

Mr. Hiscock: "We are jointly applying with the other utilities in Connecticut through CMEEC for stimulus funds for AMI projects. Success I don't know, but we're certainly applying."

Commissioner Ramirez: "But if we do... I mean if we become successful, SNEW will not pay \$3.2 million from our pocket. Is that correct? That's what I'm looking for. Can we get assistance?"

Mr. Hiscock: "We may be able to get some assistance, and it will cut the cost of the project down..."

Commissioner Ramirez: "So it is out there somewhere?"

Mr. Hiscock: "Yes."

Commissioner Ramirez: "Okay."

Mr. Scott: "It's something to check into."

Commissioner Ayme: "There is a difference here. I know what Commissioner Ramirez is asking in terms of the subsidy, if we're getting a subsidy to help from the... I don't... bailout came to mind. What was the...?"

Commissioner Borges-Lopez: "Stimulus package [responding to Commissioner Ayme]."

Commissioner Ayme: "Stimulus, from the stimulus. If we get a subsidy to help pay for the \$3.2 million, that subsidy is coming to SNEW, or is it going to CMEEC?"

Mr. Hiscock: "I don't know at this point, however the benefit will come to SNEW. So whether it's direct, or indirect, I don't know how it will get to us, but we're applying jointly so that we have a bigger program so that we can compete with the two larger investor owned utilities in Connecticut."

Commissioner Ayme: "Okay."

Mr. Hiscock: "Generally the way CMEEC does things, it's based on load ratio share, so if we get money, and we're getting into a program... but it's really hard to tell at this point. We will apply in accordance with the deadline."

Commissioner Ayme: "Okay, but when you... John, Mr. Hiscock, when you say that we're applying jointly, are you saying we are applying jointly SNEW and CMEEC, or all the other utilities and CMEEC, including SNEW?"

Mr. Hiscock: "CMEEC is preparing the documentation for all of the utilities to apply, and it will apply, and each of the communities that involve themselves will have a portion of that application, so they will recover funds in accordance with the application. And that's about the best I can tell you at this point."

Commissioner Ayme: "So if they're preparing the documentation they will get the funds, and they will be distributed?"

Mr. Hiscock: "They are not going to get to apply for funds..."

Commissioner Ayme: "Oh."

Mr. Hiscock: "...without having the ability to spend the funds, and there's going to be certification that it's spent, and CMEEC doesn't have the ability to spend funds on this because they don't have any meters anywhere. So it has to come back to the utilities."

Commissioner Ayme: "Okay."

Mr. Hiscock: "So it's on our behalf. You know we are a member and owner of CMEEC."

Commissioner Ayme: "Right. Right."

Mr. Hiscock: "And CMEEC only exists by virtue of the municipal entities."

Commissioner Ayme: "Are the other utilities in CMEEC doing... considering or viewing this type of a...?"

Mr. Hiscock: "Groton is doing... 5,000...?"

Mr. Barber: "Groton is in a pilot study I believe right now [responding to Mr. Hiscock]."

Mr. Hiscock: "Do you... I don't know. Do you know the number? It's quite a few thousand at Groton in a pilot study, but I don't know the exact numbers. And they're actually installed now. And they're infrastructure is in place for reading. Yes, so they're a little bit ahead of us, but they're not going to deploy as fast as we will."

Commissioner Ayme: "Without getting into the last item on the agenda, which is in executive session. Without getting into that, will this technology help in any way, shape, or form what we'll be talking about tonight in executive session?"

Mr. Hiscock: "No. No."

Commissioner Ayme: "No?"

Mr. Hiscock: "No."

Commissioner Ayme: "Okay. Thank you."

Commissioner Maultsby: "If you would, please, help me here."

Mr. Scott: "Yes sir [acknowledging Commissioner Maultsby]."

Commissioner Maultsby: "Why is it that a one time savings is mentioned? Only the one time? What's the relevance?"

Mr. Scott: "Well when you look at the pluses and the minuses to an investment, you look at all of the pluses and whether there's an annual plus or a one-time plus. It comes into the equation. So, yes, in all the business cases that we do for utilities around the country, we look at this one-time savings and apply it to the business base in it's appropriate..."

Commissioner Ayme: "Because, if I may, the bottom line here is that for one month of the year, the first month of the whole system, consumers will be billed a higher bill; because they'll be paying the regular bill plus 15 days of consumption in advance. So we can expect a higher bill for one month, and that's where the \$1.1 million comes in."

Mr. Hiscock: "It does, but we will phase it in. We're not going to make them jump in one month. We will phase it in over several months."

Commissioner Ayme: "If we don't do it the people will scream."

Mr. Scott: "Over time it can be gradually brought in, and over time the ultimate net savings is the (inaudible)."

Commissioner Ayme: "So you'll pro rate it, is that what you're... John [Mr. Hiscock]?"

Mr. Hiscock: "Yes."

Commissioner Ayme: "You'll pro rate it. Okay."

Mr. Hiscock: "Yes. We don't want a one shot impact."

Commissioner Ayme: "Right. Okay."

Mr. Hiscock: "We'll do it over several months."

Commissioner Ayme: "Alright."

Mr. Scott: "There are other factors here too that have to play. Today the mechanical meters that are out there, like people the electric meters slow down over time, and on average they slow down a little bit, and by replacing them with the newer electronic meters, they're more accurate and they hold their accuracy over time so there won't be this slowing down going on. And in fact that's, you know, it's occurring today with your electric meters that are out there. So there's a half a percent gain in accuracy which relates to annual savings. Also too we're able to catch if there's any theft, or if there's any problems with meters that are causing failures, or are unable to bill the customer. We catch that more readily and quickly, and avoid those type of situations. On average, that will add another half a percent in revenue. And so all the customers are gaining from those who are cheating us, and therefore if we're able benefit all the customers throughout the system. There's also a one-time savings; today, your handheld meter reading system is getting old, and it's in the process of where it needs to be replaced. Those handhelds usually only last about five years, and

they get a lot of use, and that whole system needs to be replaced. Either you need to buy a whole new system very soon or, you know, looking at doing this instead. So that's a savings by not having to replace the handheld system. Also there's a savings associated with not having to go out and read the meters for your scheduled readings, and for your readings that are... where you have to go out and read a meter in and out for a customer moving in/moving out. That averages out to be, we see here, something about one and three-quarters person savings, which is \$120,000 annually."

Commissioner Ramirez: "Question, sir."

Mr. Scott: "Yes [acknowledging Commissioner Ramirez]."

Commissioner Ramirez: "When it concerns for the temperatures in New England, and it drops to below zero, what will be the accurate then to put a digital apparatus to slow down or perhaps misread the... or to provide, excuse me, the mis... to provide a wrong reading?"

Mr. Scott: "Good question. The electric meters and the water modules are all designed according to American National Standards, institute standard, and it's a wide range of temperatures that can run from the hot temperatures of Arizona to the cool temperatures of Alaska, and so the meters can operate in this temperature environment with no problems to accuracy or to reliability. So they are not affected by temperature actually."

Commissioner Ramirez: "What are the chances for a genius fellow up there that are trying to slow down the reading by tampering with another electronic apparatus, a digital; or the locks? How can we prevent that, whether there's any lack of prevention?"

Mr. Scott: "Yes, actually there's... the ability to tamper with the existing meters today that you have is a lot easier than it is with the new AMI meters they have. So the electronics... one of the most common methods today of tampering with an electric meter is to unplug and plug it in upside down. In the old days it used to just turn the dial backwards, and then when they knew the meter reader was coming, turn it back around again, and you read less kilowatt hours. Well these meters here, when you do something like that on an electronic meter, the meter is still going to register forward and tell you in the system that 'I'm upside down right now, and something funny's going on here, you should check me out'."

[Laughter]

Mr. Scott: "So you'll get that kind of information right away, and the meter will still be able to register everything accordingly. So they're a lot smarter. There's tamper detection within meters. And even on a commercial customer, it could help detect if there's a problem with a loss of a phase where you might be under-registering a customer without this technology today. There's a lot more smarts within the meter. They're called smart meters for a reason."

Commissioner Ayme: "Let me... may I ask you... on the water side..."

Mr. Scott: "Yes [acknowledging Commissioner Ayme]."

Commissioner Ayme: "We are exp... on this normal, tiny water utility company we are experiencing leakage; not from homes, but from the system, the pipelines. Is there any way of installing sensors along the system to detect where the leakages are located?"

Mr. Scott: "There are a couple of methods of doing that. These technologies support the ability to put additional sensors within a system to detect what's going through some of the pipes, but what you'll also have is hourly information from every single water meter, from every single customer..."

Commissioner Ayme: "Yes, but I'm not talking about..."

Mr. Scott: "So you'd be able to know where..."

Commissioner Ayme: "Right. Right."

Mr. Scott: "Okay, you put in 100 gallons for this hour, and you measured all the way out here on 90 gallons going out..."

Commissioner Ayme: "Okay, but I'm not talking about the customers, I'm talking about the supply line."

Commissioner Ramirez: "The main pipelines."

Commissioner Ayme: "The main pipelines."

Mr. Scott: "Well where I was going with that is that you'd be able to analyze and say 'Well we know that this section of town we're able to measure all the gallons that went into that area, but in this section we're not getting all of it.' So you can narrow it down to a part of the main that might be causing the problem. So there's the ability to run information in models to help you identify where the leaks might be occurring in your system."

Commissioner Ayme: "Mr. Hiscock, do you see that as a possibility?"

Mr. Hiscock: "Yes, right now we have a single line that goes under the river and feeds East Norwalk. We've got a meter on the west side of the river, before it goes under. We know the number of customers and the meter number for every customer on the other side of the river. You take the total that goes into the line that crosses the river, you add up all of the customer usage on that side of the river, subtract one from the other and determine your leakage."

Commissioner Ayme: "That's good."

Mr. Hiscock: "Okay. And we use it today in a different mode. We use it today in what's called night flow readings, and if the night flow doesn't drop down to where it normally should at night, we know we have excess leakage."

Commissioner Ayme: "That could help with a project whereby we replace sections of line, of the main line, right?"

Mr. Hiscock: "It varies in different parts of the distribution system. That was one example I was giving of what we can do and what we actually do today. The metering system would give us the benefit of being able to do it on a daily basis, and not have to, you know, just guess based on night loads. We'd have a full day of information. And we have other zones that are metered. Pump stations are metered, and there finite with certain customers. Our Wilton Water Commission

system is the same way. It has a meter on it. We have a certain number of customers. So eventually you would be able to utilize all of the tools, and this would help considerably.”

Commissioner Ayme: “It would help.”

Mr. Scott: “It helps in managing your water system. It helps in managing your electric system too, in the same way, knowing exactly where the electricity is going, what transformers might be overloaded, what transformers might be under loaded. So you can manage your assets (inaudible). Another area of savings is as I mentioned there’s a switch inside the meter. This is an electronic meter with all its electronic parts. This little piece down here is actually a 200 amp switch. And by having that there you can be able to turn the service on and off as customers move in and out without having to send somebody out to actually do the service disconnect and reconnect. And that we see saving another half a person. So this, along with the meter reading savings adds up to (inaudible) save through investment with AMI infrastructure. Also too with the service switch there is a savings associated with reducing your write offs. If today we’re not able to... if a customer is not paying their bills we have to do out and disconnect the customer, and by having the ability to do that more promptly we can keep our collections more in line with our actual usage. So there is a benefit there, and it’s a training tool for our customers to help them actually manage their bills. There’s actually a capability there with the switch to somewhere down the road offer what’s called pre-payment services too, if that would be something that would ever interest SNEW down the road. That would be a capability this system would support. I’m sorry [acknowledging Commissioner Ramirez].”

Commissioner Ramirez: “Would it be fair to say for the new system you would be able to shut off the meter from the office itself?”

Mr. Scott: “Yes sir.”

Commissioner Ramirez: “Okay, good.”

Mr. Scott: “For a residential.”

Commissioner Ramirez: “Right.”

Mr. Scott: “It can’t be done for a three phase customer, but for a residential. And then the other things that are hard to measure, as I mentioned transformer sizing. A beautiful benefit of this too is that today when you lose power to a customer you have to wait for the customer to call you to tell you ‘I don’t have power’. These meters will automatically notify us here that there’s no power in the house, or when the power is restored, so we’ll be able to know when the power is off, when the power is on, before the customer even knows about it; let’s say as their sleeping at night. It supports better customer service, and for a customer calling in, we have a lot more information now, we can help the customer analyze their bills. And as I mentioned you can offer pre-pay service somewhere down the road. And pre-pay is something that is starting to take off in California.”

Commissioner Ramirez: “I’m going to be... I’m sorry to interrupt, but it’s just... technology is unbelievable the way it goes. Sir [directed to Mr. Hiscock]?”

Mr. Hiscock: “Oh, I’m sorry [responding to Commissioner Ramirez].”

Commissioner Ramirez: "The electrical, to both... the... well, power lines, okay, I'm sorry. The... I just went blank on this one, okay."

[Laughter]

Commissioner Ramirez: "No, on the name specifically. The lights itself, the traffic control light, okay, that is actually, I mean it's our power. Is that correct?"

Mr. Hiscock: "That's correct."

Commissioner Ramirez: "In South Norwalk."

Mr. Hiscock: "Yes."

Commissioner Ramirez: "Would this system itself, would it be able to automatically turn those traffic lights in a normal system. But right now if the system goes off..."

Mr. Hiscock: "Right."

Commissioner Ramirez: "...once it goes back again it comes back to flashing, or remains flashing, okay, perhaps comes back flashing. With our system, with this sophisticated system, would it automatically turn these lights into the normal process?"

Mr. Hiscock: "No."

Commissioner Ramirez: "There's no capability in the future of doing that?"

Mr. Hiscock: "No, that's programming that the City would have to do in their own street lighting system."

Commissioner Ramirez: "I figured that I'd gone too far on that one."

Mr. Hiscock: "Yes, that's a little too far."

[Laughter]

Mr. Scott: "The vision is California, who is a state that has experienced blackouts, brownouts..."

Commissioner Ramirez: "Right."

Mr. Scott: "...is where they had situations where their demand was growing so high, generation wasn't there, they had to actually do brownouts in order to manage the energy, the system before it crashed. So they would send somebody to a substation to turn off a feeder for an hour, and then turn off the next feeder for an hour, and that's called a rolling brownout. Well when you're turning off a feeder, what are you doing? You're turning off the traffic lights, you're turning off the elevators, or some circuits there's a health situation; you can't turn that circuit off. So the vision in California with these switches, you can actually turn off individual homes and the traffic lights will still work."

Commissioner Ramirez: "But not the entire system."

Mr. Scott: "The elevators will still work."

Commissioner Ramirez: "Right."

Mr. Scott: "And manage the ability to get through those difficult times in a much better way, and maybe even offer those customers who are willing to allow themselves to be turned off a break on their bill for those situations. And so that's how things are changing so much with this technology."

Commissioner Maultsby: "Pinpoint control."

Mr. Scott: "Pardon?"

Commissioner Maultsby: "Pinpoint control."

Mr. Scott: "Pinpoint control right down to every single meter, absolutely sir. You're right. So overall we're looking at today there's, in the meter reading service area there's four folks, and two of them would not have to be working this area anymore, they could be working in another area in the company, and it reduces that cost and saves SNEW from having to pay that from going forward. So that's the savings associated with the AMI system. Now what we're recommending here, what is being looked at is that we need to go out now and get actual costs associated with a system. We've identified two different technologies that look very viable for SNEW. One from a company called Aclara and the other from a company called Sensus; both radio technologies. And by the way, we used in the business case the costs that we're comfortable with for developing the business case. We might find the cost come in lower. We may actually get bids from these manufacturers. But the company that I work for, we do this all the time, and get the bids and prices, so we pretty much know what the going price is around the country. So we used that in the business case here. So we're developing requirements, and we're going to be putting together what's called a Request for Purchase [Proposals], and with that information will be able to get bids from two very reputable suppliers of this technology, and we'll do evaluation of those bids to see how they meet your requirements, evaluate the cost, re-evaluate the business case after this, and then choose a vendor to award a contract, and then we would work out a deployment plant. So these are two vendors we talked about, Aclara and Sensus, and the request for proposals for the meters and the modules, the installation for electric and the managing a project. And last but not least here's a timeline of what we do going forward. We started this in November last year, developed a business case, I'm sharing that with you now. We'll be developing the Request for Purchase [Proposals], it's like a 50 to 80 page document that we'll define exactly all what your needs are and how the vendors are supposed to respond to that. That will go out in May. And by September this year we'll be scoring those bids, selecting a finalist in October, and then working out contract negotiations with a finalist by the end of this year. And actual deployment could start early next year, with the electric meters done by the end of next year if all goes as planned. And that's the schedule that we have made out here, and your water meters could be done two or three years out, after the electric is done."

Commissioner Ramirez: "These two companies are located where, sir?"

Mr. Scott: "There both American companies. Aclara I think is a big company that's... I can't remember. Their main office I think is in Missouri. And Sensus, their main office is in (inaudible)."

Commissioner Ramirez: “So around the nation, is there any other companies that are capable, or (inaudible) like these companies; or there’s only two in the United States?”

Mr. Scott: “Well there are actually a lot of different companies that manufacture AMI technology, but when we looked at all the available technologies, and the configuration of SNEW being electric and water; a small electric area and a large water area, the best fit looked to be these two different technologies that we narrowed it down to. So there are other technologies out there that are more designed just for electric meters, but since you want to get electric and water these two are companies that have a lot of equipment already installed throughout the United States and around the world, and now it’s been working for a considerable amount of time. We didn’t want to choose a technology that’s just being built in somebody’s garage right now.”

Commissioner Ramirez: “Absolutely not. No.”

Mr. Scott: “We wanted to get reputable companies that you know are going to be there for good, forever, and that have a lot of established base, and that we can rely on going forward. And these two are both very reputable companies in that direction.”

Commissioner Ramirez: “Well I might be... I thank you, very well presented.”

Mr. Scott: “Thank you.”

Commissioner Brown: “The Chairman has an inquiry of the General Manager since this is under his aegis on the agenda. Do you feel that... have we reached a point where we can bring it to closure?”

Mr. Hiscock: “Yes, I believe so. This is the end of the presentation. I think the Commissioners had a pretty good opportunity to ask questions, and there is a much more detailed document we can make available to the Commission for their review. This is...”

Commissioner Brown: “Because I notice that we do not... there’s no action to be taken tonight. It’s strictly for information.”

Mr. Hiscock: “No, no action whatsoever at this point. This was... we believed there was a need to inform the Commission of progress to date and the information that had been developed, yes.”

Commissioner Brown: “So we can anticipate perhaps a recommendation from you subsequently.”

Mr. Hiscock: “Yes, probably in the September timeframe.”

Commissioner Brown: “Very well, thank you.”

Commissioner Ayme: “The...”

Commissioner Brown: “Are you addressing me now?”

Commissioner Ayme: “Through the Chair.”

Commissioner Brown: "I mean it was in the General Manager's, it's now under me now. So are you addressing me as to...?"

Commissioner Ayme: "Yes, I am, through the Chair."

Commissioner Brown: "Okay, very well."

Commissioner Ayme: "Do we need a motion tonight?"

Mr. Hiscock: "No."

Commissioner Ayme: "Oh."

Mr. Hiscock: "Strictly informational this evening."

Commissioner Ayme: "Alright. I have one... through the Chair, I have one question. The Plexus Research, I understand you did all this research for this presentation."

Mr. Scott: "Yes sir."

Commissioner Ayme: "If we do... when we do decide, if we do decide to go through with this here, do you stay with the project until the end? You'll be sub-contracting the... any of these two companies here?"

Mr. Scott: "That depends on what SNEW wants to do going forward. What generally occurs here when a contract is awarded, we're looking for what's called a turnkey contract which would make it a lot easier for SNEW to manage, meaning that you would choose a vendor, whether it's Aclara or Sensus, for them to do everything; to manage the project, to provide the meters, to do the installation, and to have a project manager there to report to you. So you pretty much can work directly with them in getting this whole project done. And so that's the beauty of this infrastructure set up. We will be available to help out in looking for other things..."

Commissioner Ramirez: "A very simple question, through the Chair. Does your company have any relationship with these two other companies or any...?"

Mr. Scott: "Excellent question. Absolutely none."

Commissioner Ramirez: "No, it's just..."

Mr. Scott: "We take a lot of pride in not having any financial or other connections with any of these manufacturers. They've come to us often times looking to hire us to help them look at different types of markets, and we say thank you but no thank you, we do not want the business..."

Commissioner Ramirez: "So there's not any of the changes, okay."

Mr. Scott: "...Our business is with the utilities."

Commissioner Ramirez: "Okay."

Mr. Scott: "Plexus is now part of RW Beck which is very big in the municipal markets, so most of our clients are municipals, and we take pride in..."

Commissioner Ramirez: "I just needed to clear that question out of my mind."

Mr. Scott: "Absolutely."

Commissioner Ramirez: "Thank you."

CMEEC – Municipal Trust – Update

Commissioner Brown: "If there's nothing else, we can go to the next item on the agenda under General Manager. That's [item] number 6, CMEEC Municipal Trust, an update."

Mr. Hiscock: "Okay, there is nothing..."

Commissioner Brown: "Can you anticipate about that..."

Mr. Hiscock: "I didn't put anything in the board book because this is a very simple update. The CMEEC bonds have been floated. We have the cash in hand. We paid back the Wachovia line of credit. It was all done without touching any of the companies' competitive municipal trusts, so the liquidity crisis is over, and without touching any of our money, and that made all of us happy. I attended..."

Commissioner Ayme: "That sounds good to me."

Mr. Hiscock: "Yes. ...I attended the Bond closing and everything else, so CMEEC appreciates everybody's effort in being the backstop, but none of the municipal trusts were ever touched."

Commissioner Ayme: "Thank you."

Mr. Hiscock: "And that's all I have on that item, sir."

Filtration Plant Project – Loan Closing

Commissioner Brown: "The next one is the filtration plant."

Mr. Hiscock: "Okay, I included some documents in the package. On the 30th of April we will close the permanent loan, paying back the construction loan. I mean even though we don't move cash around, in essence the construction loan will be over, permanent finance will be in place. The Chairman came in last week and signed his name a whole pile of times on documents to indicate the District's acceptance of the process, as did the Treasurer. So both the Treasurer and the Chairman came in and signed all of the documentation."

Commissioner Ramirez: "Our Chairman?"

Mr. Hiscock: "Yes, Chairman Brown."

Commissioner Ramirez: "Okay."

Mr. Hiscock: "So at this point, as of the end of the month we'll be into the permanent loan and the permanent loan repayment schedule is in your book. And we all talked about that frightening first payment due on November 30th of 2009 of \$1.487 million, we talked about that in the budget process, and then from there on out it's \$124,000 per month."

Mr. Hiscock: "Okay, so that's really all I have on that item. I just wanted to report that we essentially completed the process."

Commissioner Brown: "Any questions of the General Manager?"

Commissioner Ramirez: "I assume that this was all rechecked again through our attorneys, is that correct?"

Mr. Hiscock: "Yes, all of this went through Bond counsel. Bond counsel led us through this process from beginning to end, and Bond counsel works for us to make sure that all of the documents are appropriate."

Commissioner Ramirez: "So if SNEW doesn't pay, the Chair will pay."

[Laughter]

Mr. Hiscock: "The Chair doesn't want to pay. I don't want to pay."

[Laughter]

Commissioner Ramirez: "I don't think he heard that one."

Mr. Hiscock: "The customers will pay."

Commissioner Maultsby: "If not the Chair, then the Vice Chair, right?"

[Laughter]

Public Participation

Commissioner Brown: "Don't worry about it. Okay, very well, the public participation. Is there anyone who would like to testify or anything? If not, then that part is closed. And finally..."

Commissioner Ramirez: "Mr. Chair, I'm sorry, there is one. Do you have...? Do you have anything to say [acknowledging Ms. Tucker]?"

Ms. Tucker: "Yes, I'm very sorry if I intruded, but I was... I told..."

Commissioner Brown: "Will you give your name please? I know you very well, but if you give it for the record."

Ms. Tucker: "Yes, I did. I gave her my name [referring to Ms. Pampoukidis]."

Commissioner Brown: "Okay, very well."

Ms. Tucker: "So I'm sorry if intruded, but it was very interesting. It was very, very interesting."

Commissioner Ramirez: "You're not intruding ma'am. You're welcome to be here."

Ms. Tucker: "Thank you very much, and I'm going to leave now because I have to get home, but I enjoyed what I heard. And I read a lot in the newspaper, but to hear something direct from the mouth, it makes a difference, and I thank you all very much for letting me intrude on your meeting tonight. And I thank you."

Commissioner Ayme: "Well thank you for being here."

Commissioner Maultsby: "Thank you for coming."

Commissioner Brown: "We meet every third Tuesday, you're welcome."

Ms. Tucker: "Thank you very much, and have a nice evening."

Commissioner Ayme: "Thank you."

Commissioner Ramirez: "You're quite welcome anytime. Have nice evening yourself. Thank you for your comments."

Commissioner Ayme: "Mr. Chairman, I call for a two minute recess."

Commissioner Brown: "Without objection."

Generation Plant Rebuild Project – Update

EXECUTIVE SESSION

The District Commissioners moved into executive session at 9:03 p.m. following a brief recess. The purpose of the executive session was to discuss land issues related to the power plant project.

Present in executive session were Commissioners Brown, Burgess, Ayme, Borges-Lopez, Mann, Maultsby and Ramirez; General Manager, John M. Hiscock; District Counsel, Frank Zullo; and District Clerk, Candace Pampoukidis.

REGULAR SESSION

The District Commissioners returned to regular session at 10:21 p.m. There was no action taken as a result of the executive session.

Commissioner Brown: "Okay, we'll go back into the regular session."

Commissioner Maultsby: "No, we're back in. We're back on now [directed to Commissioner Brown]."

Commissioner Ayme: “Alright, Mr. Chairman, for the record I just want to say that... I want to say thank you to Commissioner Burgess and to Counsel Frank Zullo for the excellent work they did in saving Ryan’s Park for the Second Taxing District.”

Commissioner Ramirez: “Just for the record also, for the CO, and as well the staff, we appreciate it very much, at least on my behalf, for being very proactive...”

Commissioner Brown: “I don’t have a dog in that hunt, but...”

Commissioner Ramirez: “Excuse me [directed to Commissioner Brown] ...very proactive...”

Commissioner Brown: “I have another dog in another hunt.”

Commissioner Ramirez: “...in such a presentation of bringing this corporation to the future. I like that. That was very...”

Mr. Zullo: “The only thing I didn’t like was I wish he had done that after the executive session.”

[Laughter]

Commissioner Ramirez: “Well this is after executive session.”

Commissioner Maultsby: “You would’ve been going home [laughing].”

Mr. Zullo: “I would have been home now watching the dance off tonight.”

Mr. Hiscock: “We’re still on the record, Ladies and Gentlemen.”

Commissioner Borges-Lopez: “Motion to adjourn.”

Mr. Zullo: “Otha [Commissioner Brown], we’re in the regular session now.”

Commissioner Brown: “Are we in regular session?”

Commissioner Borges-Lopez: “Yes, we are.”

Commissioner Maultsby: “Motion to adjourn, Mr. Chairman.”

Commissioner Brown: “Without objection.”

Adjournment

The meeting adjourned at 10:22 p.m.

Attest:

Candace Pampoukidis
District Clerk