

BOARD OF PUBLIC UTILITIES—Proceedings by Authority

State of New York:

Office of the Board:

City of Jamestown:

Regular meeting of the Board of Public Utilities, City of Jamestown, New York, held **Monday, September 27, 2021**, at **4:00 PM** in the offices of the Board, 92 Steele Street, Jamestown, New York.

BOARD MEMBERS:	Present	Absent
Greg Anderson	X	
Marie Carrubba	X	
Lana M. Huston	X	
Jeffrey A. Lehman, PE	X	
Kenneth G. Mark	X	
Grant T. Olson	X	
James N. Olson	X	
Gregory Rabb	X	
Mayor Edward A. Sundquist	X	

STAFF:		
General Manager, David L. Leathers	X	
Deputy General Manager, Michael Saar, PE	X	
Finance & Customer Accts. Mgr., Kelly Hawkins	X	
Counsel, William Wright	X	
Secretary to the Board, Shari Lake	X	
Communications Coordinator, Rebecca Robbins	X	
Transmission & Distribution Mgr., Chris Rodgers		X
Energy & Gas Resources Mgr., Kris Sellstrom, PE	X	
Associate Power Plant Supervisor, Cory Allen		X
Information Services Manager, Frank Galeazzo		X

The media was notified of this meeting and was represented by Dennis Phillips of The Post-Journal.

On motion of Ms. Carrubba, seconded by Mr. Mark, the minutes of the previous meeting were unanimously approved by BPU Board Members.

Ms. Carrubba reported she has been getting calls from numerous people about lids being left open on garbage containers (after collection) when it rains. She noted these callers have a hard time tipping the containers to get the water out; the size of the container can be a struggle for some people. Mr. Leathers responded that the BPU understands the concerns of many of our customers and noted with the upcoming exposure of cold weather, snow and ice, this issue will continue to be studied for the best resolution. Ms. Carrubba thanked Mr. Leathers for his assistance with this concern.

#210901 By Mr. J. Olson:

Whereas, the Board has been provided with proposed written resolutions prior to this meeting and,

Whereas, each Board Member has been given adequate opportunity to discuss each resolution,

Now, Therefore, Be It

Resolved, that proposed resolutions **#210901A-C** be, and hereby are approved as written.

ADOPTED. Ayes: 9 Nays: 0
September 27, 2021

#210901A:

Resolved, That the warrants be drawn on the proper funds to pay bills which have been duly audited for the period ending **September 27, 2021**, as follows:

ELECTRIC LIGHT FUND	882,296.63
WATER RENT FUND	288,436.64
DISTRICT HEATING FUND	28,618.83
WASTEWATER OPERATING FUND	356,069.17
SOLID WASTE OPERATING FUND	164,247.41
Total	\$ 1,719,668.68

itemized copies of such audits to be placed on file in the office of this Board; and be it further

Resolved, that the action of the executive officers of this Board in drawing warrants on the General Fund in **August 2021** to pay the following payrolls and disbursements be approved and ratified:

Weekly Payroll No. 31	203,651.87
Weekly Payroll No. 32	205,329.39
Weekly Payroll No. 33	207,570.61
Weekly Payroll No. 34	225,670.16
Tracey M. Heppler	454.18
PaymenTech Merchant Services	7,251.41
Invoice Cloud	4,866.55
Corporate Payment Systems	16,189.07
National Grid – Transmission Costs	200,567.54
Energy Mark	29,340.00
Direct Energy	50,350.00

Sprague Operating	77,820.00
DTE Energy Trading	124,297.00
Snyder Brothers	45,402.50
Tennessee Gas Pipeline	196.57
NYSERDA-T1REC	35,148.48
Darius Franklin	4,360.00
Mid American	1,939.11
NYS Sales Tax	40,000.00
NYPA Purchases	473,153.19
NYSERDA - ZEC	162,678.60
NY Sales Tax Assessment	17,610.76
NYSERDA-T2REC	774.66
RGGI	100,000.00
United States Post Office-Rome	9,981.67
Total	\$ 2,244,603.32

#210901B:

Resolved, That the bid of American Wire Group, of Miami, FL, on BD-11-21 opened September 2, 2021, in the amount not to exceed \$41,498 to furnish aluminum wire, be accepted; and be it further

Resolved, That the General Manager is hereby authorized to issue an Electric Division Purchase Order to American Wire Group, for this wire.

Discussion: Three bids were received. American Wire Group (“AWG”) was the successful bidder for each of the five wire types bid. The quantities to be purchased are based on planned additions and changes to the system. Due to longer than normal lead times the delivery will not be until 2022. The purchase of the wire will be included the 2022 Electric Division budget and is included in the normal overhead distribution project line in the extended five-year budget.

#210901C:

Resolved, That the bid of Ermco/Delta-Wye Associates, LTD., of Cazenovia, NY, on BD-12-21 opened September 9, 2021, in the amount not to exceed \$167,268 to furnish pole mount transformers, be accepted; and be it further

Resolved, That the General Manager is hereby authorized to issue an Electric Division Purchase Order to Delta-Wye, for these pole mount transformers.

Discussion: Three bids were received. Delta-Wye was the successful bidder for the types of transformers bid. The quantities to be purchased are based on planned additions and changes to the system. Due to longer than normal lead times the delivery will not be until 2022. The

purchase of pole mount transformers will be included the 2022 Electric Division budget and is included as a normal line item in the extended five-year budget.

#210902 By Mr. Lehman:

Whereas, the BPU has been authorized by the New York State Department of Public Service (DPS) to establish flexible-rate contracts (“Flex-Rate”), which provide reductions in electric utility charges for certain types of customers within the BPU’s service territory; and

Whereas, the BPU has submitted tariffs to the DPS, which have been approved (BPU’s Tariff, P.S.C. No. 7, Leaf Nos. 124-130), which permit the BPU and eligible customers to enter into such Flex-Rate tariffs; and

Whereas, SKF Aeroengine North America (“SKF”) is a customer of the BPU and has submitted a proposal to satisfy the objectives of the Flex-Rate Tariff; and

Whereas, the BPU is committed to enhancing and preserving the economic strength of the community and retaining and creating jobs in an increasingly competitive economy,

Now, Therefore, Be It

Resolved, that the Agreement between the City of Jamestown Board of Public Utilities and SKF, a BPU customer, consistent with the Flex-Rate tariff, is hereby approved, subject to final editorial modifications by counsel and the General Manager; the General Manager is authorized to execute the subject Agreement.

Discussion: SKF is a long standing BPU customer and a large employer in the Jamestown area and has an existing SC-6 contract that expires on 10/31/2021 and they have consistently met the requirements of the SC-6 program. The proposed agreement is structured to go into effect on November 1, 2021, and will expire on October 31, 2025. This has been reviewed and recommended by the BPU Finance and Capital Projects Committee and the BPU Strategic Planning Committee.

ADOPTED. Ayes: 9 Nays: 0

September 27, 2021

#210903 By Ms. Huston:

Whereas, the BPU has been authorized by the New York State Department of Public Service (DPS) to establish flexible-rate contracts (“Flex-Rate”), which provide reductions in electric utility charges for certain types of customers within the BPU’s service territory; and

Whereas, the BPU has submitted tariffs to the DPS, which have been approved (BPU’s Tariff, P.S.C. No. 7, Leaf Nos. 124-130), which permit the BPU and eligible customers to enter into such Flex-Rate tariffs; and

Whereas, Bush Industries, Inc. is a customer of the BPU and has submitted a proposal to satisfy the objectives of the Flex-Rate Tariff; and

Whereas, the BPU is committed to enhancing and preserving the economic strength of the community and retaining and creating jobs in an increasingly competitive economy,

Now, Therefore, Be It

Resolved, that the Agreement between the City of Jamestown Board of Public Utilities and Bush Industries, Inc., a BPU customer, consistent with the Flex-Rate tariff, is hereby approved, subject to final editorial modifications by counsel and the General Manager; the General Manager is authorized to execute the subject Agreement.

Discussion: Bush Industries, Inc. is a long-standing customer of the Jamestown BPU. Until recently, the company was not eligible to participate in the SC-6 rate due to their load factor. Bush Industries has made changes to its operations and has shown it can improve its load factor and is projected to continue to operate in a manner consistent with the requirements of the SC-6 rate for the foreseeable future. The proposed agreement is structured to go into effect on November 1, 2021, and expire on October 31, 2022. This has been reviewed and recommended by the BPU Finance and Capital Projects Committee and the BPU Strategic Planning Committee.

Ms. Carrubba inquired about the requirements to become an SC-6 rate customer. Mr. Leathers responded it is based on peak demand electric usage and load factor along with employee head count and capital investment commitments. Mr. Sellstrom noted they must also be an industrial customer that exports their products outside of Chautauqua County. There are multiple requirements that must be met annually.

ADOPTED. Ayes: 9 Nays: 0
September 27, 2021

#210904 By Mr. J. Olson:

Whereas, BPU Staff has determined that the currently installed set of fuel nozzles need to be replaced/exchanged/reconditioned for reuse, and

Whereas, Three-quarters ($\frac{3}{4}$) of the members of the Board of Public Utilities concur that General Electric (GE) Packaged Power, LLC provide the fuel nozzles on the LM6000 gas turbine at the Samuel A. Carlson Generating Station that are rotated regularly to insure reliability, efficiency, and longevity,

Now, Therefore, Be It

Resolved, That the action of the General Manager in issuing an Electric Division Purchase Order to GE Packaged Power, LLC of Houston, TX, in reference to the Request for Proposal received on September 9, 2021, to complete a rotatable fuel nozzle change-out in the amount of \$76,400 is hereby approved and ratified.

Discussion: The LM6000 utilizes water injection in its fuel combustion chamber to control NOx formation and to achieve environmental compliance with Title V permit requirements. As a result, the thermal stresses that exist in this area of the engine are severe. To ensure reliability of the unit and to keep maintenance costs as low as possible, the fuel nozzle sets must be rotated and reconditioned/replaced/exchanged on a regular basis to be ready for the next rotation.

GE Packaged Power proposes to change-out the existing fuel nozzles with a reconditioned set already located at their repair facility where the Unit will be overhauled. This will eliminate the shipping and insurance costs of transporting the fuel nozzles to another approved contractor for reconditioning. In addition, GE Packaged Power will assume all liability for any issues which may occur during the LM6000 gas turbine startup as they directly supplied the rotatable exchange fuel nozzles as part of the overhaul work.

Aviation Power & Marine (AP&M) of Boynton Beach, FL, GE Power Systems of Houston, Texas and Ethos Energy of E. Windsor, CT are the only GE approved fuel nozzle repair and recondition facilities. A total of three proposals were received. AP&M and Ethos Energy both proposed to send our fuel nozzles to their respected facilities for inspection/repair which will take a month longer than the Gas Turbine Overhaul Project time frame, and will incur insurance and shipping charges on top of their proposal pricing. The AP&M proposal totaled \$72,000, Ethos Energy totaled \$106,800. Given the additional ancillary expense savings and liability and warranty protections, GE Packaged Power (\$76,400) has been evaluated as the overall lowest cost proposal for this fuel nozzle work and therefore has been selected to perform the rotatable fuel nozzle change-out. These costs are included in the 2021 Electric Division Maintenance Budget.

ADOPTED. Ayes: 9 Nays: 0
September 27, 2021

Mr. Leathers General Manager's report began with a presentation by Kelly Hawkins. Ms. Hawkins reviewed the District Heat and Solid Waste draft budget materials that were provided to BPU Board members. These draft budgets are presented with no anticipated rate changes. Grant funds are being sought to replace the 2014 model year recycling trucks. Grant funds received in 2014 paid for one-half of the cost of 3 recycling trucks. Ms. Carrubba inquired about the rate of compliance for recycling. Mike Saar responded that 65% is the current rate of customers recycling on a weekly basis and approximately 80% of our customers get the recycling rebate each month. Key items for Wastewater and Water Division budgets were also reviewed by Ms. Hawkins. Mr. Leathers noted that draft rate schedules are being worked on for District Heat and Solid Waste Divisions. Any recommended changes will be reviewed with the Finance Committee and distributed to Board Members before the October BPU Board meeting.

Mr. Leathers continued his report noting that the Power Plant is now able to run in full operating mode, allowing successful completion of the DMNC for NYISO capacity payments. Mr. Leathers commended everyone involved at the Power Plant for doing a great job on an extremely complex and difficult project.

Two EV fast charging units that the BPU received a grant for are expected to arrive soon. These will be installed in the North Main Street parking ramp and the surface lot on the corner of

4th Street and Prendergast Avenue. Installation before the end of November is anticipated.

The 2022 Energy Efficiency Program is being studied and will likely put a greater focus on system-wide improvements. This will be reviewed with the Finance & Capital Projects Committee followed by a presentation to the Board in October.

Fall water flushing starts in Falconer this weekend and continues weekdays in the City with an expected completion date of Wednesday, October 13th.

BPU staff has continued to work on the Utility Shutoff Moratorium that expired June 23rd. Disconnects with past due customers started on July 12th. We are working with the Office of Temporary Disability Assistance (OTDA) to understand funding options available for BPU customers with arrears. The OTDA office allocates the HEAP program, the Emergency Rental Assistance Program (ERAP), and they're also developing a Regular Arrears Supplemental (RAS) payment. This is a new program where HEAP qualified customers can qualify for additional payments, up to \$10K each, to help pay for past-due electric and gas bills. This is a great opportunity for customers that haven't been able to pay their electric bills to get substantial assistance. Meetings continue with the Real Estate Investors Association (REIA) regarding past-due utility bills from their tenants that may also ultimately become a lien or part of a tax levy on their property. Three sample Suspended Debtor (SD) Courtesy Notices were reviewed: COVID Owner Occupied, COVID No Pandemic Charges and COVID with Defer Options. Landlords will be given the opportunity to defer tenant pandemic-related past-due amounts from the 2022 tax bill to the 2023 tax bill. This deferment option can be a partial or full amount. Mayor Sundquist thanked Mr. Leathers and BPU staff for continuing to work with landlords, and noted it will help out tremendously for those that aren't able to pay right away, and give those that are able to pay an option. Mr. Leathers thanked Mayor Sundquist for his support of BPU efforts in getting help for landlords, since the state law did not offer landlord assistance.

Upcoming meetings:

- Board Finance & Capital Projects Committee Meeting is scheduled for Monday, October 18th at 4:30 P.M. will likely be changed.
- Board Personnel Committee Meeting is scheduled for Monday, October 25th at 3:00 P.M.
- Board Meeting - Monday, October 25th at 4:00 P.M.

On motion of Mr. Lehman, seconded by Mr. Anderson, the Board convened into executive session to discuss a personnel issue.

On motion of Mr. Lehman, seconded by Mr. G. Olson, the Board convened into open session.

On motion of Mr. Lehman, seconded by Mr. G. Olson, the Board meeting was declared adjourned.

David L. Leathers, General Manager
Shari J. Lake, Secretary to the Board