

MINUTES OF THE AUBURN MUNICIPAL POWER AGENCY  
MONDAY, MAY 12, 2014  
AT 4:00 PM

Members Present: Denny Zach, Chairperson, Mike Luksa, Peter Ruzicka and Nancy Hussey

Members Absent: Krste Biljanoski, Mike Daley, John Montone, Jim Wride and Mike Quill

Staff Present: Bill Lupien and Anthony DeCaro

Staff Absent:

Chairperson Denny Zach called the meeting to order on Monday, May 12, 2014 at 4:00 pm.

Minutes tabled until next month as there is no quorum.

**Public to be heard:**

None

**Hydroelectric Facilities:**

Anthony advised that that Mill Street is shaping up nicely. Concrete work is being done inside the raceway and the flow was low enough so they could get it poured and cured. The channel has been cleared out and Cranebrook has done trees on the east side of the headrace and we have cleared as much of the vegetation off there as we can and we are going to be working with Sullivan Water Conservation District to riprapp that so we can cut down substantially the amount of vegetation that is there. A tentative startup date was discussed but nothing has been confirmed. The lake level is up and rain is expected. The highest lake levels were discussed. Denny inquired if water had gone through the penstock and Anthony confirmed that some had. He was not sure if any had gone through since the concrete work had been performed. Cure times were discussed. The cure times were not spelled out in the contract. There was more discussion on this. Testing, design fail and liability was discussed.

On North Division, Anthony reported that nothing has changed. We're still waiting for some legal input as to whether or not we have the ability to do anything different under the contract. Should that happen, then we will find out if we have an ability to apply for net metering. We got the pricing that we needed to be able to put a service there, meaning a camera and a light but we need a legal opinion before we can do that.

Denny advised that he had a meeting with Doug last week and he advised that Doug would like us to have a meeting with Fitch and Nozzolio to discuss matters.

Bill Lupien advised that his recommendation would be that we roll over both hydro-electric plants in the same agreement like we do for Mill Street. He recommends rolling the two contracts into remote net metering for producing electricity. NYSEG, by tariff, has to purchase so much energy from the small hydro plants and being as the City is in one of their service areas and their hometown be one of the ones that they pick. The problem is that it's too sensible an idea. Remote net metering was discussed. It was suggested that we put a meter down there so we could participate in the program. We have quotations but we're still reluctant to act on it, however, we're going to be doing a North Division Street Bridge project in two years and we still need security lighting for that site. Bill advised that we should proceed with getting the meter in whether we go with remote net metering or not just for the fact of security lighting. Also, if repairs are needed, we have something to plug our electric appliances in. Fixing the turbine was discussed. Anthony advised that some people think that with the avoidance cost, we won't make the money back but against the cost that were charged, he's not sure that's true. This was discussed. The matter of how the damage occurred was discussed together with options to repair. Peter Ruzicka advised that a plan of action should be drafted and submitted to Council. Options were discussed. Frustration was evidenced in what best to do to fix the problem. Nancy asked Denny to present this concern to Doug and ask him to bring it before Council for an authorization prior to our next meeting. Bottom line if nothing is being done and we're not making any money. In fact, we're losing money. Nancy wants this to be a separate proposal outside of NYSEG to maintain it and get it working again.

### **LFGTE Facility:**

Denny advised that Zeloff has made the recommendation that we go back onto NYSEG for the Wastewater Treatment Plant. Hopefully, very shortly, we will be putting power into the New England Market and that is estimated at \$110 a megawatt hour if we generate nonstop 8,760 hours for the year, this works out to be close to \$1 million. He advised that if we use the power here at the Wastewater Treatment Plant, 11 cents is going to produce \$.5 million and he's struggling with that. His concern is that with NYSEG if we do an interconnect agreement with them and in the near future we advise that we're going back to generating our own power and using our own power, will we have a legal problem getting rid of NYSEG. There was discussion on this. He went on to discuss meters for ISO. It was advised that no interconnect price had been established. This was discussed. Denny provided more information regarding remote net metering. He expressed concern regarding the contract with Zeloff and wondered if it was a good idea to continue with it.

Denny discussed the interest in solar energy and with the incentives, it looks very inviting. He discussed power pricing. Is there any interest in solar power? Denny would like a work session on this.

Denny discussed using the extra power generated for ourselves rather than selling through Zeloff.

Bill Lupien thought it was a good idea to consider the long term. Putting a third generator back in that building makes sense. This was discussed.

It was discussed inquiring if the County would take our sludge. Denny advised that they were looking into someone running it because the supply isn't steady and consistent.

**Engineering Energy Updates:**

**Old Business:**

Meeting adjourned.