

MINUTES OF THE AUBURN MUNICIPAL POWER AGENCY
MONDAY, JUNE 9, 2014
AT 4:00 PM

Members Present: Denny Zach, Chairperson, John Montone, Mike Luksa, and Peter Ruzicka

Members Absent: Nancy Hussey, Krste Biljanoski, Mike Daley and Jim Wride

Staff Present: Bill Lupien and Anthony DeCaro

Staff Absent:

Chairperson Denny Zach called the meeting to order on Monday, June 9, 2014 at 4:00 pm.

Approval of meeting minutes. April: Motion by Mike Quill, seconded by John Montone. Carried. May: Motion by Mike Luksa, seconded by Peter Ruzicka. Carried.

Public to be heard:

None

Hydroelectric Facilities:

Anthony DeCaro updated the Agency on the progress at Mill Street. The current transformer and the potential transformer is in the process of being approved by NYSEG. One of the delays was getting that approval even though the original sets of parameters they were getting and both of those had been from a list approved by NYSEG but to get a quick shuffle like that from NYSEG is not unusual. It has been approved finally and they are waiting for shipment of equipment but there has been no one at the site.

Denny advised that he had been talking to Gene over a week ago and was told the same story. Why no one was there and why testing couldn't have been done was discussed further.

Anthony went on to report on North Division. He received a call from Vicky and apparently a group by the name of Gravity Renewables wanted to come through and take a look at North Division, apparently at the invitation of the Manager. About a month ago Anthony brought him through North Division and then took him to see the other sites. He saw the State Dam, he saw Mill Street, talked to Gene briefly and North Division. He wanted copies of the electrical and mechanical schematics of the equipment itself in the house and of the stack, the submersible equipment that we have down in the generation area. Anthony provided these to him. In addition, we have had BVR take a look at that as well. BVR is the contracting group that we had excellent results with on the State Dam. So they have gone through working with Seemens and with Christina to work up some figures and proposals for us for the next round of grants with North Division. There was some discussion on what was going to be done with the present equipment. Anthony reported that the gentleman from BVR advised that we should fix what's

there and keep on running. There was discussion regarding fixing the equipment and running it at North Division.

Denny advised that he had spoken to Brian Polkovitch and reported on that discussion.

Anthony advised that he and Brian had also spoken in the past and he advised that the unit was made to act as a pump and as a generator. It was designed to do was a pump-storage scheme. Other places that use it either individually or in pairs or in one case, there's three of them pumping water up to a high storage area at a time when the electrical demand is low. Then they reverse and the high storage comes back down through and generates electricity during peak demand. We don't use it as a pump at all. However, it fit the profile for the grant money they had available in 1989. However, we're using between 40% and 60% of the electrical potential of water that flows at that site. A unit that we could put in there that is designed to be adjustable like a Caplan, similar to what we're doing at Mill Street but bigger, would be more efficient at the lower range as well because it's designed to do that. Our equipment is not as efficient as a Caplan would be because it's designed to be a pump as well. Gravity Renewables recommended if we changed this, we put a Caplan, or Caplans, in the flow and we run shafts up and we have the generators on top of the deck so we could work on them and then enclose them in a building. We eliminate the need to always have an expensive crane to pull it out and deal with that. At the very least, we also spend the money to build some kind of an overhead gantry so that when we need to do that, it's in-house cost rather than having to rent a crane at \$3600 a day. There was some discussion on having Seemens look at this. Anthony advised that we are talking to Seemens to continue on that work but we're looking at BVR to do the actual contracting. There was more discussion on this. Anthony advised that he wasn't happy on Seemen's markup. This was discussed as well. There was discussion on how much money we are losing by not generating electricity at North Division. There was discussion on Seemans and the RFQ. More discussion ensued regarding the lack of direction for repairs at North Division. Denny advised that he had spoken to Doug about negotiating on the contract with an upgrade. Peter Ruzicka asked why this authority wasn't putting a memo to Doug and Vicky asking for a decision. Anthony cautioned that we had to get some kind of headway from NYSEG as per the contract because we still have 8 years left. John Montone advised that this has nothing to do with getting it fixed. There was discussion on this.

John Montone made a motion that we put together a request to the City Manager and Vicky to give us a solid answer to get this thing fixed. Seconded by Mike Luksa.

Denny advised that a motion had been made and seconded that we put a memo together to the Manager and Vicky on having North Division Street repaired and online asap. There was discussion on this.

The Mayor advised that he had heard two different requests, two different motions. One was that we ask the Manager and Vicky to look at this and the other was demand that the City Manager and Vicky do it. There was discussion on this. Mike Quill asked that the motion be restated by John.

Restated motion by John Montone that the Auburn Public Power Agency request a memorandum sent to the City Manager and Vicky the Utility Director on the conditions and to approve the possibility of getting North Division Street back up. Seconded by Peter Ruzicka.

Carried.

There was discussion on net metering. Anthony advised that there would be money budgeted next year for this work. John Montone advised that there is nothing in the contract about net metering. There was more discussion on this. Bill Lupien advised that we do need security lighting and a camera down there. There was some discussion on getting the meter in there.

Denny advised that he has spoken to Doug about setting up a preliminary discussion with NYSEG regarding the existing contract and the possibility of finding out their opinion on an upgrade for North Division but he agrees that we should move forward to getting the repairs done so power can be generated.

LFGTE Facility

Being as Vicky was not present, there wasn't much to report. Denny provided a spreadsheet that outlined selling all the power on the New England Market. There was discussion on this. He discussed the spreadsheet and he had questions on what would be the best way to go. There is the option of feeding the Wastewater Treatment Plant ourselves or selling on the New England Market. He went on to explain the pros and cons. Anthony DeCaro asked if it wouldn't be better to go back on NYSEG power and sell everything to New England. There was discussion on this. Solar power was discussed. Anthony advised that we might be better off getting rid of the demand charge from NYSEG by rewiring...covering it with our own generators. We have the capacity, we just haven't wired it to do that. There was discussion on this. John Montone questioned where the spreadsheet came from. The answer was Vicky and Mark. John also questioned how the power was going to go onto the New England Market. Denny advised that he thought it was going through Peter Zeloff for scheduling. John thought there was another spreadsheet somewhere that shows the difference if we use our own power at the Wastewater Treatment Plant. A study was done at one time. There was discussion on this. John requested that figures be put together for Casey Park and Falcon Park. John questioned whether New York power renewable energy credits on a grant from NYSERDA outside of New York State. There was a lot of discussion on this. There was discussion regarding the RTU and selling the power to any market we so choose. There was discussion regarding selling the power from Mill Street when it's up and running. There was discussion regarding the RECS.

Denny will speak to Doug about using the Mill Street power ourselves.

Motion to adjourn made by Mayor Quill, seconded by Mike Luksa.