

MINUTES OF THE AUBURN MUNICIPAL POWER AGENCY  
MONDAY, FEBRUARY 9, 2015  
AT 4:00 PM

Members Present: Denny Zach, Chairperson, John Montone, Mike Luksa, Fred Kerr, Nancy Hussey, and Peter Ruzicka

Members Absent: Krste Biljanoski, Mike Quill and Mike Daley

Staff Present: Vicky Murphy, Christina Selvek, Anthony DeCaro and Bill Lupien

Staff Absent: Doug Selby

Chairperson Denny Zach called the meeting to order on Monday, February 9, 2015 at 4:00 pm.

Approval of meeting minutes: Motion by Mike Luksa, seconded by John Montone. Approved.

**Public to be heard:**

None.

**Hydroelectric Facilities:**

Anthony reported that as a condition of the grant he was instructed to request in his budget half in the Hydro Fund and half in the Water Plant budget for the employee and each fund would fund half. This person would be working to be an assistant to Brian. He is now being told that he is actually going to be working half for the methane project and maybe Anthony would see him part-time for hydro. Anthony has been resisting this suggestion because that is not going to be filling their needs. They need another person dedicated to work with Brian not only for safety but also for the nature and the volume of the work. Christina has agreed with them on this, especially since the grant specifically mentioned putting a person on for hydro. He has asked for the Board's support. There is a need for two people.

Anthony reported on the projects. Denny has gone ahead and made some contacts and Seth has worked with him also with a couple of contact people at NYSEG to do some recording of the power signature. Seth has advised that they have done that but that won't be ready to give us a report on it until the next couple of days. After that they have to pull the data out and then do an analysis of it. That should give us some idea as to whether or not what we expect has been going on or the explanation that we got from Canadian Hydro was in fact what has been the biggest problem.

With the report that Vicky passed out, Anthony reported that they took some of the log sheets that they put together at the Water Plant to track data that we already knew was there which was mostly water pumping, flow and Lake level. He went on to explain how they expanded it to track Mill Street dam as well. He then explained the figures in detail. Once they have the proper instruction from them on how to get the information out of the device, they will be able to get the

actual daily precisely by the hour and once the SKADA is properly installed, they will be able to record the temperatures. This report will be presented once a month.

As far as the set itself right now, Anthony explained the reactive power situation and they are on track to try to resolve that. The set isn't running right now because the Lake elevation is too low. The flow is too low to support any production. With the extreme temperatures that we have going on right now, Anthony is tracking ice jams that the DEC Flood Control Bureau has alerted us to. The benefits of the low levels were discussed.

John Montone has offered to do a transformer phase count and Anthony and Denny support that. This was discussed.

NYSEG negotiations were discussed and it was mentioned that they were put at a disadvantage from time to time because the Board hasn't always been included in some of the meetings because of the wheels of the bureaucracy.

John inquired if there was now security at Mill Street. Anthony advised that there was now security at both sites but no cameras. This was discussed.

Items for the year-end report to Council were discussed.

### **LFGTE Facility**

Denny advised that one of the contentions that he has with the revenue sheet is the fact that what never gets considered is the actual value of power. The electric sales at the Wastewater Plant, which is the contract price to be set, the actual value of that power in December compared to his bill at Hammond which would be the same class, was at 26,305 which should be 38,974 at the retail price. We don't see that credit to the City. Somehow along the line it changes the figures all the way down. Vicky Murphy advised that this is just what we do with the City to show the revenue that comes in versus the expense. Denny crunched the numbers using the up-to-date retail figures because they were talking about going back with NYSEG. He hasn't see what Energy Advantage has come up with yet but we had over and above the IES expenses. He thought there should have been a value to the City of approximately \$300,000 plus a year. John said that was if we were on NYSEG.

Remote net metering was again discussed. John had a question regarding methane on the revenues sheet. Was this just the charge from one account to another? Is it just a transfer? Vicky confirmed this was a transfer from her budget and giving it to the landfill budget. This was discussed. Denny advised that he had spoken with Vicky and has had some calls regarding demand response which is back, and installed credit on power. The stack test was discussed and Denny provided information on this. Vicky advised that it could be combined but they have been told by the DEC that if we want to run the natural gas, we do have to do the stack test. This was discussed further. Demand response was discussed as well. John advised that it was called Special Case Resources. He advised that we could piggy back with the County on the County end of it, adding that generator and that Special Case Resource. This is similar to what Anthony has been doing at the Wastewater Treatment Plant. It's a different program though. We would

get paid for capacity and get paid \$.55 per kilowatt hour and it doesn't matter what kind of fuel they use, it could be diesel or natural gas, it doesn't matter. Vicky advised that we know we can mix it, it's just we would have to do that extra step of doing this. That's all because the DEC keeps track of the amount of certain things that go into the air and when you're burning one type of fuel, so much of this goes in and so much of that goes in, if you're burning a different type of fuel with so much of this and so much of that at the end of the year you're supposed to report how much of this went up in the atmosphere so we would have to know how the generators react, how the stack reacts or what's coming out of the stacks burning natural gas. John reiterated that it doesn't matter what kind of fuel we use for the Special Case Resource Program. This was discussed at length. Energy curtailment was also discussed as well as demand response.

The contract with ECS was discussed. Length of events were discussed. Vicky inquired if the County digester was running yet and was advised that no, they weren't at this time.

Denny advised that there was a meeting at ESF last week and some of the programs were discussed. Christina reported that she and some members of the Engineering Department attended a Governor-sponsored event in Syracuse. The Governor will be releasing a request for a proposal under his new NY PRIDE competition. It's for proposals from communities in partnership with their utilities, not-for-profits, municipalities, etc., private entities to look at creating microgrid capacity at a community level to address those peak demands that are needed. They're looking for innovative new-type projects. They seemed receptive and City staff is looking at potentially another hydro project; it there's a way to partner with the prison somehow for power sales and keeping them up and running. Denny asked if there was a deadline for submitting proposals. Christina advised that they haven't released the application yet and it would go before Council to get approval to apply. It is her understanding that there is no match which is nice so the funds that are available starts at \$100,000 and goes all the way up to \$1M through the three phases. There was discussion on the phases and how the application would be filled out. There was discussion on microgrids. Solar power and remote net metering were discussed as well. Christina spoke regarding the Solarized Cayuga Program and have applied to NYSERDA for some marketing funds where they are going to manage a residential-based solar implementation program.

Vicky asked to Board to consider what they would like to have in their presentation to Council in two weeks and advise her of their deliberations.

John inquired of Vicky and Christina if we were now getting 100% instead of 80% and asked if this could be checked out. Also, he felt that it should be retroactive to the date when the City acquired the Cogen Plant.

#### **New Business:**

Meeting adjourned.