

*Chicopee Municipal Lighting Board  
Minutes of Meeting  
Thursday, June 30, 2022*

Chairman Sittard called a regular meeting of the Chicopee Municipal Lighting Board to order at 4:06 pm, Thursday, June 30, 2022.

Present for this meeting were Commissioner Joseph F. Pasternak III, Commissioner Carl E. Sittard and General Manager and Clerk of the Board James M. Lisowski. Commissioner Robert L. Pajak was unable to attend.

Commissioner Sittard made a motion to accept the minutes of May 24, 2022 as presented. Commissioner Pasternak seconded the motion. Discussion: None; Motion was passed 2 to 0.

Commissioner Sittard, made a motion to concur with the payment of **Warrant #E052722** dated 5/24/2022 in the amount of \$1,863,062.42; **Warrant #E060322** dated 5/31/2022 in the amount of \$36,687.12; **Warrant #E061022** dated 6/2/2022 in the amount of \$2,183,907.12; **Warrant #E061022** dated 6/6/2022 in the amount of \$129,377.25; **Warrant #E061722** dated 6/9/2022 in the amount of \$107,214.31; **Warrant #E061722** dated 6/13/2022 in the amount of \$1,335,367.55; **Warrant #E062422** dated 6/21/2022 in the amount of \$2,064,882.30 and **Warrant #E062422** dated 6/16/2022 in the amount of \$162,513.72. Commissioner Pasternak seconded the motion. Discussion: None; Motion was passed 2 to 0.

Commissioner Sittard made a motion to pay **Bills & Customer Refunds** in the amount of **\$271,796.01**. Commissioner Pasternak seconded the motion. Discussion: None; Motion was passed 2 to 0.

**DISCUSSION ITEMS:**

**Crossroads Fiber Update:**

The General Manager informed the Board that we just crossed over 2525 active customers and have installs in the queue into late July with additional surveys to schedule that will bring us out to late July/early August. We are using 3 installation crews and installing approx. 30-35 new customers per week. We did some targeted mailings in active FSA's to counter the Charter mailing and have seen an uptick in interest in those areas. We are getting 2-3 new applications per day.

We have one FSA in the E. Main St. area that opened up 6/30, 1 under construction off Chicopee St. and 3 more in the construction hopper before we tackle our largest underground area to date – Tolpa Circle. After that FSA, we will work on 4-5 FSA's in the Chicopee St. and Aldenville areas of the City before undertaking Bridle Path and surrounding area in early Fall. After Bridle Path, we have earmarked 2-3 FSA's in the Springfield St/Newbury St. area (CO area south of the River). We still have a goal to complete 22-24 FSA's by the end of the year, although that may be optimistic with material constraints.

Material availability continues to be the biggest obstacle/threat to the continued construction, but we are pivoting as necessary to move the project forward. Continue to deal with electronics issues but we did receive several hundred routers that will allow customer installations to continue. We also started the commissioning of the equipment in CO 1 here at Front St.

**Purchase Power Adjustment Discussion:**

The General Manager informed the Board that power supply costs continue to be extremely volatile and elevated, primarily driven by the Ukraine issue and inflation and economic conditions here in the US. We are currently projecting Power Supply costs at nearly \$9.3M over the original 2022 budget. In March, we implemented a PPA increase of \$.015/kWh and the GM recommends an additional \$.015/kWh on top of the original increase in March - \$.03/kWh. Overall, this will result in an average PPA of \$.02/kWh when levelized across the entire calendar year (Approx. 15% increase). Much of the PPA increase can be attributed to the extremely high prices we are seeing in November (\$.13/kWh) and December (\$.22/kWh). July through October prices are hovering around \$.086/kWh. January and February 2023 prices are approx. \$.26/kWh, which will result in a change in our base Power Supply costs when establishing our 2023 rates in early Fall. Indicative pricing for 2023 indicates pricing around \$.10/kWh on average for the entire year. It's very early, but the General Manager is guesstimating that our base rate for 2023 will be our 2022 base rate + the PPA adjustment that we are recommending at this time.

We continue to try and close our open position to the market but the purchase price is impacted by the real time pricing + a "volatility" premium that we are seeing from energy brokers. We are currently procuring requirements for December and a portion of our 2023 requirements and will follow up with additional purchases over the next 2-3 months and into 2023 for balance of 2023 and 2024-2026

Commissioner Sittard made a motion to accept the recommendation of the GM to increase the PPA to \$.03/kWh effective with the July bills. Commissioner Pasternak seconded the motion. Discussion: None; Motion was passed 2 to 0.

**NEW BUSINESS:**

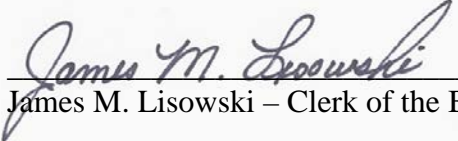
- Signing of the final 2021 DPU Report – Commissioner Sittard and Pasternak signed the final DPU report. Commissioner Pajak's signature will be obtained at a future date
- Chicopee Hydro – CEL is finalizing the consulting agreement with Dubois & King. It should be executed by July 6<sup>th</sup>.
- Mayflower Off-shore Wind – CEL should receive the PPA agreement between MMWEC and CEL for our allocated portion of the 100MW by mid-July. As of the meeting, we have not been informed of our MW share. The General Manager will bring a motion to the July Board Meeting authorizing the GM to execute the agreement.
- MMWEC BTM BESS – MMWEC has completed their preliminary review of proposals for BTM BESS systems for members and have shortlisted the initial 10 proposals to 3. On paper "Delorean Power" appears to provide the most advantageous shared savings

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proposal with Convergent Power a pretty distant 2<sup>nd</sup>. MMWEC is going to do a deeper dive with these 3 finalists with goal to have something in place that the members can leverage by September 1<sup>st</sup>. Goal is to have agreement with the successful vendor early Q4 for operation of a 5 MW / 15 MW system by Summer 2024. The system will reduce our transmission and capacity requirements by clipping the top of our demand curve, which will reduce our obligations for transmission and capacity. It is likely that this will be the first of several installation over the next 3-5 years.

- MMWEC Campus Battery Project – only 20 of the 35MW of the MMWEC portion of the 100MW system has been spoken for. MMWEC will now offer it up to other entities representing MLP's in Connecticut and Massachusetts (CMEEC and ENE).

Commissioner Pasternak made a motion to adjourn at 5:00 pm. Commissioner Sittard seconded the motion. Discussion: None; Motion was passed 2 to 0.

  
James M. Lisowski – Clerk of the Board

Approved: 7-27-2022