

SECOND TAXING DISTRICT COMMISSIONERS

Annual Electors' Meeting Minutes

November 18, 2014

Electors Present:	Mary Burgess Cèsar Ramirez David Westmoreland Robert Burgess Michael Geake Jim Clark Tom Soltes Dawn Delgreco Ernie Dumas	Mary Geake Maria Borges-Lopez Mary Mann Martha Wooten-Dumas Michael Mushak Ian Soltes Jim Delgreco Kurt Schaaf
Also Present:	John M. Hiscock Lisa G. Roland Kevin Barber Gwendolyn Gonzalez Frank Zullo, Esq. Bob Bailey Vivian Rodriquez	General Manager District Clerk Director of Administration & Customer Service Admin. Assistant - CSS Tierney, Zullo, Flaherty & Murphy Hope & Hernandez Hope & Hernandez
Public Present:	None	

(There were a total of 17 Electors present for the Annual Meeting)

Call To Order:

Commissioner Burgess called the Annual Electors' Meeting of The Second Taxing District Commissioners to order at 8:02 p.m. on Tuesday, November 18, 2014. The meeting was held at South Norwalk Electric and Water, One State Street, Norwalk, Connecticut.

Legal Call:

Commissioner Burgess: "I will call the meeting of the Second Taxing District Annual Electors' meeting to order at 8:02 p.m. on Tuesday, November 18, 2014. And I will ask the Clerk to read the Legal Call of the meeting."

Commissioner Ramirez: "With all due respect Chair, I don't believe that they heard you. Did you just open the meeting?"

Attorney Zullo: "Yes, she just did."

Michael Geake: "She should use a microphone, she is very hard to hear."

John Hiscock: "The microphones are for recording purposes only and they do not amplify."

(Lisa Roland, District Clerk read the Legal Notice for the record)

Commissioner Burgess: "Now may I have a motion to accept the Legal Call?"

Cèsar Ramirez: "So moved."

Ernie Dumas: "Second."

Commissioner Burgess: "All in favor for the motion?"

Electors Unanimously: "Aye."

Commissioner Burgess: "Opposed? Ok and presentation by the General Manager election of electors to the Ethics Commission."

[None Opposed / No Abstentions]

1. The Election of Electors to the Ethics Committee

John Hiscock: "Ok, one of the three items that we do at the annual meeting each year is the election of electors to the Ethics Committee. The Ethics Committee consists of seven electors of which no more than four from any particular party can be honored. What we do is we accept nominations and we put a list together, we pay attention to the parties so we know where we are and at this point I believe the Chair will ask for nominations."

Commissioner Burgess: "When you nominate someone would you please state your name for the Clerk, thank you."

Commissioner Ramirez: "I nominate Mr. Geake, would you like to be nominated? I nominate, your full name?"

Michael Geake: "Ok, Michael."

Commissioner Ramirez: "Michael what?"

Michael Geake: "Geake."

Commissioner Ramirez: "I just want to make sure that he says his name. I don't want to be..."

John Hiscock: "Ok, Mr. Michael Geake has been nominated. Are you willing to serve?"

Michael Geake: "Yes."

John Hiscock: "Ok and your party affiliation?"

Michael Geake: "Democrat."

John Hiscock: "Democrat ok."

Commissioner Burgess: "Maria?"

Commissioner Borges-Lopez: "I would like to nominate Jim Delgreco."

Jim Delgreco: "Ok, independent."

John Hiscock: "Are you willing to serve?"

Jim Delgreco: "Yes."

John Hiscock: "Ok."

Commissioner Borges-Lopez: "I would like to nominate Jim Clark."

John Hiscock: "Are you willing to serve?"

Jim Clark: "Yes."

John Hiscock: "Affiliation?"

Jim Clark: "Democrat."

John Hiscock: "Ok."

Commissioner Burgess: "Yes?"

Commissioner Borges-Lopez: "I would like to nominate Dawn Delgreco."

Dawn Delgreco: "I am willing to serve and I am an independent, independent."

[Laughter]

John Hiscock: "An independent, independent, ok."

Dawn Delgreco: "I just want to stand out."

[Laughter]

John Hiscock: "You mean you are an independent, unaffiliated?"

Dawn Delgreco: "I am an independent..."

Jim Clark: "Doubly independent is really what she was saying."

Dawn Delgreco: "I am just difficult."

[Laughter]

John Hiscock: "They are unaffiliated."

Commissioner Burgess: "David?"

Commissioner Westmoreland: "I would like to nominate Kurt Schaaf."

John Hiscock: "Are you willing to serve?"

Kurt Schaaf: "Yes."

John Hiscock: "And your party?"

Kurt Schaaf: "I am independent."

John Hiscock: "Ok."

Commissioner Burgess: "We have how many?"

Jim Delgreco: "How many do we need?"

Lisa Roland: "We have five."

John Hiscock: "We have five and we need seven."

Commissioner Burgess: "Yes?"

Kurt Schaaf: "Ok, I am sorry I am unaffiliated."

John Hiscock: "Correct and we are listing the independents as unaffiliated because we do know."

Attorney Zullo: "There is an independent party too."

John Hiscock: "Really? Do we have any? Do you have the list?"

Lisa Roland: "Gwen has it."

John Hiscock: "Ok hang on. And we need two more. I may stand corrected here. I will look. They are unaffiliated."

Commissioner Ramirez: "I nominate Mr. Bobby Burgess."

John Hiscock: "Are you willing to serve?"

Robert Burgess: "I am too busy."

John Hiscock: "Ok."

Commissioner Borges-Lopez: "Just raise your hand if you would like to serve, so we can nominate you."

John Hiscock: "We need seven out of nine people in this room that aren't members of the Commission."

Jim Clark: "Just a note for those of you who are thinking about serving. I have served on the Ethics Committee in the past and I have never once been called for any actual activity. It's not a very robust commitment. The last one was what 2005 or something?"

Commissioner Burgess: "I would like to nominate Ernie Dumas."

Robert Burgess: "Oh no, somebody nominated you?"

Commissioner Ramirez: "Mr. Dumas?"

Ernie Dumas: "No."

Commissioner Burgess: "Alright."

Michael Geake: "Do you realize that if we don't get the seven right, we are going to have to do this all over again."

Commissioner Ramirez: "Will you say your name please?"

Ian Soltes: "Ian Soltes."

Commissioner Ramirez: "We have one gentlemen who would like to serve."

Ian Soltes: "Ian Soltes."

John Hiscock: "Ian Soltes and your party affiliation sir?"

Ian Soltes: "Republican."

John Hiscock: "Thank you."

Thomas Soltes: "We might as well serve together because I am his right."

[Laughter]

Ian Soltes: "I will nominate him."

John Hiscock: "Ok."

Lisa Roland: "Affiliation?"

John Hiscock: "Affiliation sir?"

Thomas Soltes: "Republican."

John Hiscock: "Thank you."

Jim Delgreco: "Do we need one more?"

John Hiscock: "No."

Michael Geake: "Are we done? I move the nominations be closed."

Commissioner Burgess: "Now we need to vote on this motion, correct?"

John Hiscock: "Well, we have seven. It meets the criteria. There is no more than four from one party. At this point if somebody closes the nominations."

Michael Geake: "I move that the nominations be closed."

Robert Burgess: "I second it."

Commissioner Burgess: "All in favor?"

Electors Unanimously: "Aye."

John Hiscock: "Opposed?"

[None opposed]

John Hiscock: "Nominations are closed and there is no necessity for a vote. There are seven."

Attorney Zullo: "It only necessitates that we cast one ballot for this slate. They are elected."

2. To Receive and Approve the Audit Report of the Second Taxing District (Comprehensive Annual Financial Report – Fiscal Year July 1, 2013 – June 30, 2014)

Commissioner Burgess: "Now, to receive and approve the audit report, comprehensive annual financial report of the Second Taxing District for the fiscal year of July 1, 2013 to June 30, 2014. Can I have a motion to place the item on the floor?"

Commissioner Wooten-Dumas: "So moved."

Commissioner Burgess: "Second?"

Robert Burgess: "Second."

Commissioner Burgess: "All in favor?"

Electors Unanimously: "Aye."

John Hiscock: "Ok, we are going to go through the audit report. Most of you are very familiar faces. I don't see any new electors here, so that you are probably all acquainted with the annual financial report. So, I will not go through my usual explanation of what it is and what it isn't and we will get right down to the detail. We are going to start off on page 6, which is a chart that looks like this. And this chart, as I am sure you remembered in the past, we have governmental activities and a comparison between 2013 and 2014. And then we have business-type activities comparison between 2013 and 2014. Obviously, 2014 is the year that just ended in June 30th and then we have a totals column and a percentage change from 2013 to 2014. Business activities include the two utilities and they are all lumped together. There are other places in the report where they are separate and that you can get more detail. I think the most important thing to have you focus on as we have focused in the past, if you look at the line called total assets for government activities and these are in thousands of dollars, you can see that the general government is \$2.78 million in total assets. And as you move over and look at the business type activities, you can see it is \$80.4 million. So the District itself has a very small amount of assets, it's all held inside of the two utilities. You can look at how those assets are split up. You can see that we have current and other assets and capital assets. Capital assets are the things that we use to run our business. Its pipes and tanks and wires and transformers and fire hydrants and all of those things related to how we operate our business. So, most of that value is in the assets. We can go down and next look at short and long term debt outstanding. The governmental fund has no outstanding debt. If you move into the business activities, you will notice in 2014 the short and long term debt was \$28.5 million as compared to the prior year, which was only \$19.6 million. The difference is we issued bonds for the building of the substation. We issued \$10 million in general obligation bonds. And you can see that there is not exactly a \$10 million difference because we paid down on the outstanding debt for the water utility. That's pretty much where I am going to stop on this page other than the bottom. Total net position, after we take the debt out, you can see that the business activities, virtually no change, \$46 million. Any questions on this? Moving to page 7 quickly, you can take a look at the top of the page, governmental activities there are no charges for services; we don't provide any hard services product that we sell. But if you look at the business activities, \$23.6 million in 2014, charges for utility service for both electric and water and if you look at 2013, it is \$23.8 million. So it is slightly lower. As I have said to you many times, we don't control the actual revenues from services because the use of water and electric are both weather dependent and they are also dependent on the general economy and vacancy rates in our service territories. And while we are noting that, you know, that is the level; that is something that is totally outside of our control. We can estimate it, we

do a relatively good job of that. There are other revenue items down here, but as you can see, they are relatively small in relationship to sales of electric and water service. As you go further down the sheet you can see the expenses. For example, the water department and the electric department to give you an idea. If you look at and I am jumping around here to just highlight some of the issues. If you look at the water department expenses in 2014, it is \$9 million and the water department expenses in 2013 are also \$9 million. So, there is virtually no change. The electric department however is just a little bit different because electric prices are fairly volatile and relating to what we actually pay out, not only for our own internal operations, but for the actual power itself. And you can see that in 2014 the electric expenses were \$14.5 million and in 2013 they were \$16 million. It has a lot to do with our wholesale price to our wholesale supplier. Anybody have any questions on anything else on this page? Page 10 is a more detailed statement relative to what we just went through. It breaks it down into significantly more detail but again we have a column for governmental activities for the current year, business type activities for the current year and a total and it goes through all of the current assets in detail, the non-current assets and the liabilities. Are there any questions on any of those? They are fairly similar to what they have been in the past, they don't change a lot. One of the notable things maybe at the top of the page is cash and cash equivalents at about \$19.6/\$19.7 million dollars. Some of the cash is offset by customer's deposits and advances further down the page and the current liabilities of \$2.2 million in customer money that we hold for deposits and we do pay interest on it, but it is extraordinarily small at this point in time. We pay market rate interest. You go down to non-current liabilities and you can see the two loans payable. The bonds payable long-term of \$9.5 million because half a million is current as opposed to non-current and the filtration plant loan which was originally about \$24.7 million is now down to \$17 million plus the current payment, so we are working that down. And at the end, we have the net financial position similar to what we discussed on the prior page. Any questions on that page? Alright page 11 gives you a little bit of detail about the governmental expenses. If you look down through you can see public officials fees of \$21,937, the clerk salary of \$2,500, the treasurer's salary is \$3,250. Street lighting, we are starting to show street lighting on the general government side of our accounting system. Street lighting last year cost \$175,825. That is both energy and maintenance of the street lighting system. Community service projects, \$26,000, legal, accounting and insurance of almost \$42,000, meeting, printing and others is \$69,000 and insurance taxes of \$2,000 and depreciation an expense, but a non-cash expenditure of \$47,000. So the expenses for the governmental activities was slightly under \$400,000. You can also look down and see the business type activities for water and electric. Any questions on that? Yes sir?"

Michael Mushak: "Mike Mushak, 50 Elmwood. Do you recall any discussion of any savings on those LED lights on Cedar Street over the traditional street lights that were replaced? Do you know anything about that?"

John Hiscock: "I know a little bit about it. The street lights that were installed on Cedar Street were LEDs. They have a slight advantage over the high-pressure sodium's that we have used in the rest of the District. The high-pressure sodium's are the ones that are yellow in color and if you look at the local press comments lately from public officials they or at least the individuals in South Norwalk, don't like the yellow color, they prefer the

white color of the LEDs but it's about \$1,100 a light to change them from high-pressure sodium's to LEDs. They are little bit more efficient, not a whole lot more efficient. It certainly is not like the old incandescent lights that we used to use years ago, but we don't have the exact number."

Michael Mushak: "I am sorry was that \$1,100 to go from a traditional pole mounted light, you know the traditional pole mounted light from sodium to LED?"

John Hiscock: "Actually it is almost the same in either case whether it is what we call a cobra head, the ones that are on the utility poles or the ornamental side because you are only replacing the light and the transformer ballast on the inside so whether it is in a cobra head or ornamental, it is fairly similar."

Michael Mushak: "Ok, thank you."

John Hiscock: "As we move on, this is again sort of a restatement of where we are. If you look at the governmental fund you can see the total fund balance in government is \$1.196 million. Another restatement of what we just sort of went over on page 14 listing the interest income as the only revenue for the District and the expenses that we previously talked about and we have other funding sources, which come from the utilities. We have operating transfers in of \$375,825. That is \$100,000 from the water utility, \$100,000 from the electric utility and then \$175,825 from the electric utility to cover street lighting. And you can see that the general fund changed by \$32,001 from the beginning of the year to the end of the year. So the ending balance is almost \$1.2 million. If you go to page 16, it's another way the information is being portrayed, only it covers budget and actual for 2014. There are two columns for the budgeted that are original and final and this case they are the same. The difference would be if we changed the budget through the process during the year, we did not. Notable there, we did spend less than budgeted by \$29,000. We had a good variance on legal and accounting where we spent \$28,000 less than budgeted and meetings, printing and other \$25,973 more. Any questions on that page? Now, page 17 you see the electric and the water fund broken out so you can get a better feel for the two utilities. Water utility, the current assets is \$3.6 million and the electric utility is \$21.3 million. The electric company from the perspective of cash, is significantly stronger than the water utility; that is pretty obvious between the cash and cash equivalents of \$1.4 million versus \$18.2 million. The electric inventory is significantly higher than the water utility inventory also. If you go down a little bit further to the non-current assets and you look at the non-current assets, you will see that the water utility has significantly greater value in non-current assets than the electric utility, although it is getting closer now that we built the substation. When you add it all together one company has hard assets and less cash, the other has more cash and less hard assets having an almost identical value. Go down through the current liabilities, there is nothing unusual there other than and this is not unusual, the \$2.2 million in customer deposits and advances, which is liability. And go down a little bit further you have bonds payable current in electric utility that's \$500,000, which is one-twentieth of the \$10 million bond issue. And on the water side the current loan payable for the filtration plant of \$1.1 million. Any questions about that, the relative size of the two utilities? We go to the next page and we look at the operating revenues for the two utilities. The total sales

of water is \$7.8 million and the total sales of electricity is \$15 million, for a total of \$22.8 million. That is the revenue. There are some gross receipts tax in it and other numbers then you have the total operating revenue below it, not much, certainly not much different. The gross revenue tax is actually paid to the State, so it doesn't come back to us. You go down through the operating expenses and you can see that the total operating expenses for the water utility are \$8.6 million, including \$2.5 million in depreciation. You look at the electric utility its \$14 million, depreciation is only \$646,000, but one of the very large expenses is purchased power of \$8.5 million. So when you look at the relative revenue of the two entities, subtracting out the purchase power that we pay for the power coming into us, the utilities are basically about the same in size once you take out the actual purchased power. You can go down through the various operating expenses on the bottom line however, as you go down to the very bottom and total operating loss for the water utility is \$684,000 rounded. A good portion of that is depreciation of \$2.5 million that is what drives it to a negative. One of the problems when you have a large one shot capital asset that you put in place, the depreciation sometimes overshadows a lot of other issues and if you look at the electric utility, the operating income was \$1.2 million. And those again include depreciation, those are not cash flows, those are operating income loss. Yes sir?"

Robert Burgess: "The \$50,000 in grant revenue, what is that, under grant revenue?"

John Hiscock: "Ok. Non-operating revenues and expenses is that the..."

Kevin Barber: "That's the funds for the smart grid grant."

John Hiscock: "Right the stimulus, it's the..."

Kevin Barber: ARRA."

John Hiscock: "ARRA, we used it for the AMI Project and that is from the federal government. That is the grant that CMEEC got as a total entity and that is our share."

Commissioner Burgess: "Would people please remember to state their name when they speak."

Robert Burgess: "Sorry about that."

[Laughter]

John Hiscock: "I didn't recognize you Mr. Burgess. And again at the bottom you can see the operating transfers out, \$100,000 to cover District expenses and the \$275,825 in electric because the electric street lighting is included there. You get to the bottom of the page, net position ending for the water utility is \$20.2 million and that is a decrease from prior year's \$21.2 million. And for the electric utility it is \$26 million compared to \$24.9 million for the prior year so that you can see the net position has increased for the electric utility and decreased for the water utility. Again, mostly depreciation. Page 19 is just a

statement of cash flow. I am not going to go over it. It is a reconciliation, it is a different presentation of the information. At this point I am going to stop. There is a tremendous amount of detail in the back. You should take a look at it and read through it. It gives you an explanation of all of the changes or most of the significant changes from year-to-year. It also explains how all of the information is put together. In the very back you will see a statistical information that compares year-to-year. Are there any questions? Yes?"

Michael Mushak: "Mike Mushak, it's not on the agenda and forgive me if you mentioned it already before I got here, I was late. I am just curious what the plans are for the decommissioned plant or like in general? Are you paying property tax on it to the City? Is it a liability right now, is there a potential to generate income?"

John Hiscock: "We don't pay property tax to the City, so there are no property taxes on it. I believe that is probably the next major task that the District is going to have to make a determination about. The substation is almost completely out of service. We are continuing to drop load, it's significantly less than a half a megawatt as opposed to 22 and week by week we lower it. Within the next four to five weeks the substation will be decommissioned. One of the minor things that we are doing at this point is we just put out a request for proposals to sell the four bulk transformers that are at the station. They have some value. We are soliciting bids for that. We are going to dispose of all of the electric industry components that we can through bid sales. Some of the equipment has value, some of it does not. Once that is done, I think, and the Commission has discussed it, we need to do a major study on the facility and what its value is, what its liabilities are and try to determine an appropriate use. Other than the actual line garage, there will be nothing functioning at that site. It will be totally and absolutely non-functioning. To kind of get a feel for it, not only is it going to have to be looked at from the perspective of potential other uses, but there is a potential environmental liability that has to be really looked at in detail. It has been a generation facility since 1892 and started as a coal fired. And for those of you who don't know about old coal, it has a lot of things in it that are not pleasant, including mercury, arsenic and other things. So the value of that property is going to have to be judged by a potential environmental cleanup. That is a very complex and very detailed study that needs to be commissioned so that the District can make an appropriate determination."

Michael Mushak: "Thank you."

Commissioner Burgess: "Are there any other questions? Yes?"

Robert Burgess: "Bob Burgess, I move that we accept the audit report as submitted."

Commissioner Burgess: "To receive and approve it. Is there a second?"

Michael Geake: "Second."

Commissioner Burgess: "All in favor?"

Electors Unanimously: "Aye."

Commissioner Burgess: "Opposed, abstentions? Ok."

3. Set the Compensation for Elected Officials of the Second Taxing District

John Hiscock: "The last thing we have to do this evening which is required by Charter and is required to be done at the annual meeting is to set the compensation for elected officials for the next year. Right now... I am sorry?"

Attorney Zullo: "Bobbie Burgess had his hand up."

Robert Burgess: "Bob Burgess, I move that the compensation remains the same as in the past year."

Commissioner Burgess: "Is there a second?"

Michael Geake: "Second, Mike Geake."

Commissioner Burgess: "Any discussion on that? All in favor?"

Electors Unanimously: "Aye."

Commissioner Burgess: "Do you want us to raise these things?"

Commissioner Borges-Lopez: "One abstention."

John Hiscock: "Ok, you just put me in a bind here because you voted abstention and all of a sudden everybody put them up."

[Laughter]

John Hiscock: "So, I am hoping you are all not abstaining."

Jim Clark: "This was for approval."

John Hiscock: "I know, ok in favor please raise them up. Ok thank you. Opposed? Abstentions?"

[14 in favor / 3 abstentions]

John Hiscock: "Ok, one, two, three, alright we have a vote on that. Mr. Burgess, did that motion that you made and the second that I presume included the treasurer also?"

Robert Burgess: "Yes."

John Hiscock: "All public officials?"

Robert Burgess: "Yes."

Attorney Zullo: "Has everyone who voted for the motion understand that it is for all public officials including the Treasurer?"

Jim Clark: "Yes, it was very clear."

John Hiscock: "I always forget the treasurer."

Attorney Zullo: "You can't forget the treasurer."

John Hiscock: "No we can't. Ok, that is it. Motion carried."

Jim Delgreco: "Before we adjourn, Jim Delgreco question. So, prices are coming down as far as cost of fuel. Could you, and I know we are locked in to some contracts, could you just give a quick summation of what you are seeing as far as the next year is concerned?"

John Hiscock: "Ok, prices for gas has declined in the last year some of it because we had hedges that we purchased and were high gas and one of the reasons we were very close to CL&P with respect to our cost of power. Last January and February we had a problem with increased price for wholesale power because of gas transportation costs. There are very, very constrained gas transmission in Connecticut and the rest of New England because of the cold weather and the transmission constraints, the cost of power in January, February and March was extremely high. What do we see going forward? The NOAA weather forecast for this winter is not to be as cold and again it is a forecast, however, the gas constraint is getting worse. And the gas constraint is getting worse for several reasons. One, the Connecticut government has announced a goal to expand gas use in the State of Connecticut; two we had coal power plants which are either coal fired or oil fired coming out of the marketplace, so that the pressure on gas is actually increasing as opposed to decreasing. I think you have all read in the paper that New England is trying to put a new gas transmission line in. However, for the short run, gas prices are going to affect electric prices in the upcoming year and it really depends on weather conditions in the winter. I think you have all seen that CL&P has just raised its kilowatt hour price from 9.99 cents per kilowatt hour to 12.5 cents per kilowatt hour and it's all gas price related. As for our price at this point, we are reasonably comfortable. CMEEC has done a reasonably good job of purchasing forward gas and I am not anticipating a huge increase in the price per kilowatt hour and, but there is going to be some price per kilowatt hour increase. The question is with respect to our Rate Stabilization Fund is it large enough to cover that increase? We are looking at that issue. I wouldn't anticipate we will do anything as drastic as CL&P has done, but on the other hand, I would not anticipate a decrease in price. I don't think that is slightest bit possible and realistic. So, the gas prices in general are coming down except gas transportation prices are skyrocketing during cold months and that sort of offsets the problem. If I can give you an order of magnitude, if you are paying \$3.00 for the gas, the transportation in January, February and March is like \$7.00 or \$8.00 so \$3.00 gas becomes \$10.00 gas; that is a problem. Not the whole year. The rest of the year the price of gas is relatively close to the wholesale price, but the transportation component is a problem in the winter

and it's going to continue to be that way and it is only going to get worse."

Jim Delgreco: "So as a follow up question, you said the State is looking at adding a new gas line. What do we need to do to try and foster that activity?"

John Hiscock: "I think you just really need to support the activity and it is going to be extraordinarily controversial. Running a new gas line through the middle of New England is going to be difficult, politically difficult. The communities in which the gas line is going to go through are going to object and the rest of New England is going to want it to happen. So, it's simply...not opposition would be helpful, but we all kind of know the political process. Those who are impacted will be opposed and from a construction perspective and a safety perspective even though gas is very safe impact wise. Occasionally there are problems, but very rare. And those who want cheaper gas are going to be in favor of the pipeline and it is going to be a political process that is going to play out in New England. Recently Massachusetts created a difficult situation with respect to the pipeline and I believe the Governors of all six States are trying to work together and get it put in place. There is no absence of investors. Everyone wants to invest in the pipeline because there is good money in it with a good rate of return. So, it's not cash. Cash is no problem. Cash is readily available. All of the major energy supply companies in New England are more than willing to invest. It is really the political process and literally figuring out how the ratepayer is going to pay for this. So far, generally the political sentiment is that it is going to be paid for by electric customers, not necessarily gas customers. I don't know if that answers your question, but it is sort of a general comment about the gas situation."

Commissioner Burgess: "Any other questions?"

Attorney Zullo: "A motion to adjourn?"

Commissioner Burgess: "Can I have a motion to adjourn?"

Commissioner Ramirez: "So moved."

Ian Soltes: "Second."

Commissioner Burgess: "All in favor?"

Commissioners Unanimously: "Aye."

The meeting adjourned at 9:15 p.m.

Attest:

Lisa Roland
District Clerk

