

The minutes of the regular meeting of the Board of Trustees of the Green Island Power Authority held on Monday, November 21, 2011 at 6:00 p.m. at the Green Island Municipal Center, 19 George Street, Green Island, New York.

Chairman John J. Brown called the meeting to order.

Chairman Brown, Vice Chairman Cocca, Trustees Reinoehl, McNulty-Ryan and Attorney Legnard.

Also, in attendance: Kristin M. Swinton, CEO and David Paterniani, CFO.

All present.

Chairman Brown opened Public Forum No. 1 for any comments.

Tom Torrisi of 103 Hudson Avenue would like to ask a question pertaining to this notice that came in his electric bill and one of the things that is on here that really catches his eye is for residential customers your customer base is going from .0555 per kWh to .065886 per kWh or 18.7% and he finds the usage of 18.7% really excessive, actually bordering on greed unless there is some sort of need that he is not aware of and he does not know a lot of things in Green Island. Could you please explain why you have to raise my rates 18.7% and he figures that there are 2,000 customers in Green Island, residential customers.

Chairman Brown stated that is not correct, we have 1,600 total customers.

Mr. Torrisi stated that if you are knocking down \$5.00 on each residential customer, you are pulling in approximately \$7,000 a month extra roughly.

Chairman Brown stated that the actual increase, your Purchased Power Adjustment that you have been getting folded into your bill currently would be reduced as a result of the increase in the rate. Although, the rate is changing, the total increase in the actual bill is not anywhere near the number that you just put out and Chairman Brown asked Dave Paterniani to give further explanation.

Dave Paterniani proceeded to state that basically it. Your electric bill really has two main rate lines, one being your "PPAC" and the other the base rate that you are alluding to, so the base rate is increasing and the "PPAC" is not. So in actuality your net effect will be approximately 10 or 11 %, that individual rate on your bill is going up the 18.7%.

Mr. Torrisi then questioned that the 18.7% only pertains to the kWh correct?

Trustee McNulty-Ryan stated that is pertains only to the base rate.

Mr. Torrisi stated then the "PPAC" is when you purchase the power from New York State.

Dave stated yes and NYMPA.

Mr. Torrisi stated then in as much as you are raising his rates, your raising the residential rates, is there any possibility that in the future once your new system comes on line are you going to lower the rates?

Chairman Brown questioned what Mr. Torrisi meant by a new system.

Mr. Torrisi asked if GIPA was putting in new turbines to create more electrical power?

Chairman Brown stated that is correct but the hydropower is not bundled into the rates. The hydro generation is a separate business to the distribution sales. The PSC views generation as a separate operating entity for the Authority other than the rates and the sale of electricity to residential and industrial customers.

Mr. Torrisi stated that he is not aware of that and it seems to him that if you got a business called the Green Island Power Authority and the Green Island Power Authority has people servicing the river water pumps there generating electricity it should be all the same business. He doesn't understand why it is not.

Trustee McNulty-Ryan stated that we had the distribution system long before we ever had generation, we used to be the Green Island Electric Dept. and then it became the Power Authority but we didn't own any generation until 1999 – 2000.

Chairman Brown stated that when generation prices were up, we did use generation money to offset expenses out of the distribution, it was subsidizing it.

Mr. Torrisi stated that his question that he also asked can you explain why you are raising the rates?

Chairman Brown stated that the reason we are raising rates is because we haven't raised rates in 24 years.

Mr. Torrisi stated that is great and then leave them as they are.

Chairman Brown stated that the expenses have increased. As you know, if you go to the grocery store and you buy things, you are paying a lot more for grocery items today than you were 24 years ago.

Mr. Torrisi stated that you have a monopoly. The people of Green Island have to deal with you and whereas if he goes to the grocery store and the price has been raised 18% on a box of Tide, he can go to another store or he can choose another soap, but I can't do that here.

Trustee McNulty-Ryan stated that if you went with NIMO you would be paying about 40% more than what you are paying in Green Island. It gets very confusing to a lot of people but our distribution were all are lines go through and the power comes in and we sell to our customers, if you notice, you will see our guys out all of the time. They are replacing lines, we just had a substation upgrade because we have all new business in the north end that requires ... our infrastructure is old, just as our water and sewer pipes are old and they are working all the time trying to keep these things up and it is costing us to do that but we have the most reliable power in the Capital District. You know when everyone else's power goes out; we still have power in Green Island, don't we?

Mr. Torrisi stated so far.

Trustee McNulty-Ryan stated that when everybody went out we still had power and that is because our guys are out all the time trimming lines and when everyone else was out for weeks with the snow storm in October because there were so many leaves left on the trees. We didn't have the same problem that everyone else had because our guys are very proactive out there keeping our lines clear. These guys do a great job they work very hard.

Mr. Torrisi stated that he doesn't have a problem with your people. His problem is 18.7% raise.

Trustee McNulty-Ryan stated that it isn't an 18.7% increase in your bill; the average customer will see a difference of \$5.00 per month.

Mr. Torrisi stated that depends on your kilowatt usage.

Trustee McNulty-Ryan stated that she is saying the average person will see a \$5.00 increase. If you take a Green Island bill and compare it with a Niagara Mohawk bill, GIPA is still approximately 40% lower than NIMO.

Mr. Torrisi stated thank you.

No further comments.

Chairman Brown closed Public Forum No. 1.

On a motion by Trustee McNulty-Ryan seconded by Vice Chairman Cocca and carried, to approve the minutes of the regular meeting held on October 17, 2011. All ayes.

No communications.

On a motion by Vice Chairman Cocca seconded by Trustee Reinoehl and carried, to approve the claims as submitted in the amount of \$230,146.54, along with the monthly Addendum amount of \$31,374.01. All ayes. (Trustee McNulty-Ryan recommended that the payments for Whiteman Osterman & Hanna, LLP and WHO Government Solutions LLC be for one month and the second payment would go on the next abstract.)

On a motion by Vice Chairman Cocca seconded by Trustee Reinoehl and carried, to approve the Chief Financial Officer's report as submitted. All ayes.

On a motion by Trustee McNulty-Ryan seconded by Vice Chairman Cocca and carried, to accept the monthly adjustments for November 2011 billing as presented. All ayes.

Chairman Brown asked for a motion to adjourn into Executive Session to discuss personnel matters and pending litigation.

On a motion by Trustee McNulty-Ryan seconded by Trustee Reinoehl and carried, to adjourn into Executive Session to discuss personnel matters and pending litigation. All ayes.

## EXECUTIVE SESSION

On a motion by Trustee McNulty-Ryan seconded by Vice Chairman Cocca and carried, to reconvene the meeting at 6:30 p.m. All ayes.

Attorney Legnard recommended to the board that GIPA retain the services of Bryan Goldberger to handle the litigation that is presently pending.

On a motion by Trustee McNulty-Ryan seconded by Trustee Reinoehl and carried, to retain the services of Bryan Goldberger to handle the litigation that is presently pending against GIPA. All Ayes.

No Other Business.

Chairman Brown opened Public Forum No. 2 for any comments.

Mrs. Carol Bell of Hudson Avenue was asking about what was happening with St. Joseph's Church property?

Mrs. Bell was directed to speak at the next meeting, which would be the Planning Board.

No further comments.

Chairman Brown closed Public Forum No. 2.

On a motion by Trustee McNulty-Ryan seconded by Vice Chairman Cocca and carried, to adjourn the meeting at 6:32 p.m. All ayes.