

**Town of Woodstock
Board of Selectmen
Special Meeting
Wednesday, August 22, 2018
Immediately Following 4:00PM Special Meeting – Room A**

MINUTES

PRESENT: Michael Alberts, Frank Olah, Chandler Paquette

OTHERS PRESENT: Joni Cullan, Karen Fitzpatrick, Roger Gale, Diane Miller

1. Call to Order

Alberts called the meeting to order at 4:27 p.m.

2. Discussion and Possible Action on Power Options

Joni Cullan, Office Manager, presented the Board with information about PowerOptions, a company that offers their membership with a variety of ways to purchase electricity through a supplier that they contract with. Karen Munroe, the Business Manager of the Woodstock Public Schools at the time, recommended the company as they had very good results when they became a part of this membership approximately six months ago. It was upon her recommendation that Karen Fitzpatrick, Treasurer and Joni Cullan met with a representative of the company.

The functions of PowerOptions are to provide bidding, researching and contracting with power suppliers for their membership. The cost of the electricity is based on the annual kWh history of a membership company (such as the town) and the price on the day of the lock in. Currently, they are in contract with Constellation Energy through November 2022. Constellation provides many options to choose from, i.e., fixed/variable rates and length of terms. Four term lengths were provided for the Selectmen to consider, 14 months, 26 months, 38 months, and 50 months, with each length being quoted at a slightly different fixed cost per kWh.

PowerOption's fee is \$175 annually. This fee provides for the strength of the contract, protection of penalties for a change in use, protection against supplier pass through charges, and protection against the bankruptcy of the supplier.

After speaking with the First Selectman prior to this meeting, the following information is based on the 26 month option. Eversource's rate is currently at \$0.09422 through December 31, 2018 and Constellation is at \$0.08930 for 26 months. The approximate savings based on the town's approximate annual kWh usage is \$981.28 minus the \$175 annual fee for PowerOptions' membership, total net saving annually is \$806.28. That savings is based upon what Eversource's cost is right now in addition to what the town's kWh usage. The

Selectmen talked about the program and asked questions. The town is currently using Eversource as its supplier and saving money over what we were paying when we were contracted with Public Power.

Olah indicated he spoke with the representative from PowerOptions and he reported that the company is a non-profit organization and the supplier's energy location is from the Northeast Grid and Canada. Connecticut has regulations that a specified percentage of power purchased must be from green energy. It is felt that the percentage rate will continue to increase in the upcoming years. With Massachusetts coal fired burners being shut down, he asked the company if they use coal fired sources and they do not. He suggested contracting with the longest term for the safety and stability of the fixed rate. Alberts' apprehension with contracting at the longest term is if the Board's members change next term it would not give them any option of changes, i.e., if the prices go down. Paquette mentioned with technology advances increasing so rapidly it could affect the cost of electricity by decreasing which makes him leery of locking in for the longest term.

It's a difficult decision to make because of the unknowns. However, no matter what decision is made, the intention is to save the town money. Statistically, based on historic data over time, the rates have not decreased. **Paquette moved for the Town of Woodstock to enter into an agreement with Constellation New Energy as the supplier of electricity through membership in the PowerOptions program. The Town of Woodstock agrees to a 26 month term beginning September 2018 through November 2020 at \$0.8930 per kWh; and to approve the annual membership fee of \$175 to PowerOptions. Motion was two in favor (Alberts and Paquette) and one opposed (Olah).**

3. Citizens Comments

None.

4. Adjournment

Paquette moved to adjourn at 5:06 p.m. Motion carried unanimously.

Respectfully submitted,
Joni Cullan
Recording Secretary