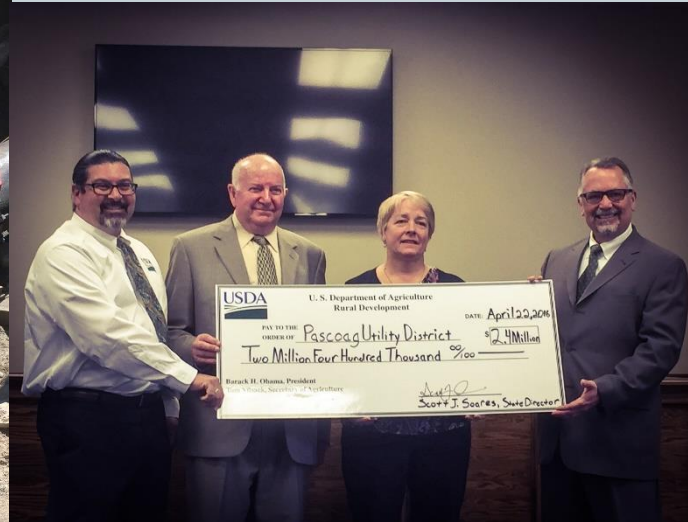


# PASCOAG Utility District Annual Meeting – Dec. 2016



Installation of Tri-Valve at corner of North Main & Pascoag Main St.



**USDA Presentation of \$2.4 Million Grant/Loan for Water Main Cleaning/Lining Project**



Installation of 14" to 12" Reducer Coupling on Pascoag Main St.

# Major Accomplishments - 2016



- **Standard Offer costs stable in 2016**
  - 3-year power hedging contract put in place for 2015-2017 is working well
  - PUD was able to return over \$600,000 to customers during 2016 through rate credits
  - Currently working on new hedging deal for 2018-20
  - **Will be increasing pass-through rates slightly (2.8%) for 2017 (due to lower rate credit than 2016 and higher transmission costs)**
- **Automated Meter Reading (AMR) project in Electric division**
  - Project is now over 95% complete. Only some large commercial/industrial meters remain for conversion
  - Significant savings by purchasing used and refurbished AMR meters
  - Automates what was previously a constant drain of manpower to read meters
  - Fits in extremely well with new Billing/Accounting system
  - Modeled after successful implementation of AMR water meter system in 2011-13
- **Managed very difficult construction season for Water Main project**
  - Water Main cleaning/lining of Pascoag Main Street, from cemetery to Sayles Ave. intersection completed
  - Was done in coordination with RI-DOT Route 107 rebuilding project – very tight time frame
- **USDA Funding Approved**
  - Worked through all requirements and received funding commitment for \$2.4 million in grants and loans from federal government for our water main project
- **Well Development continued through 2016. This is a priority project**

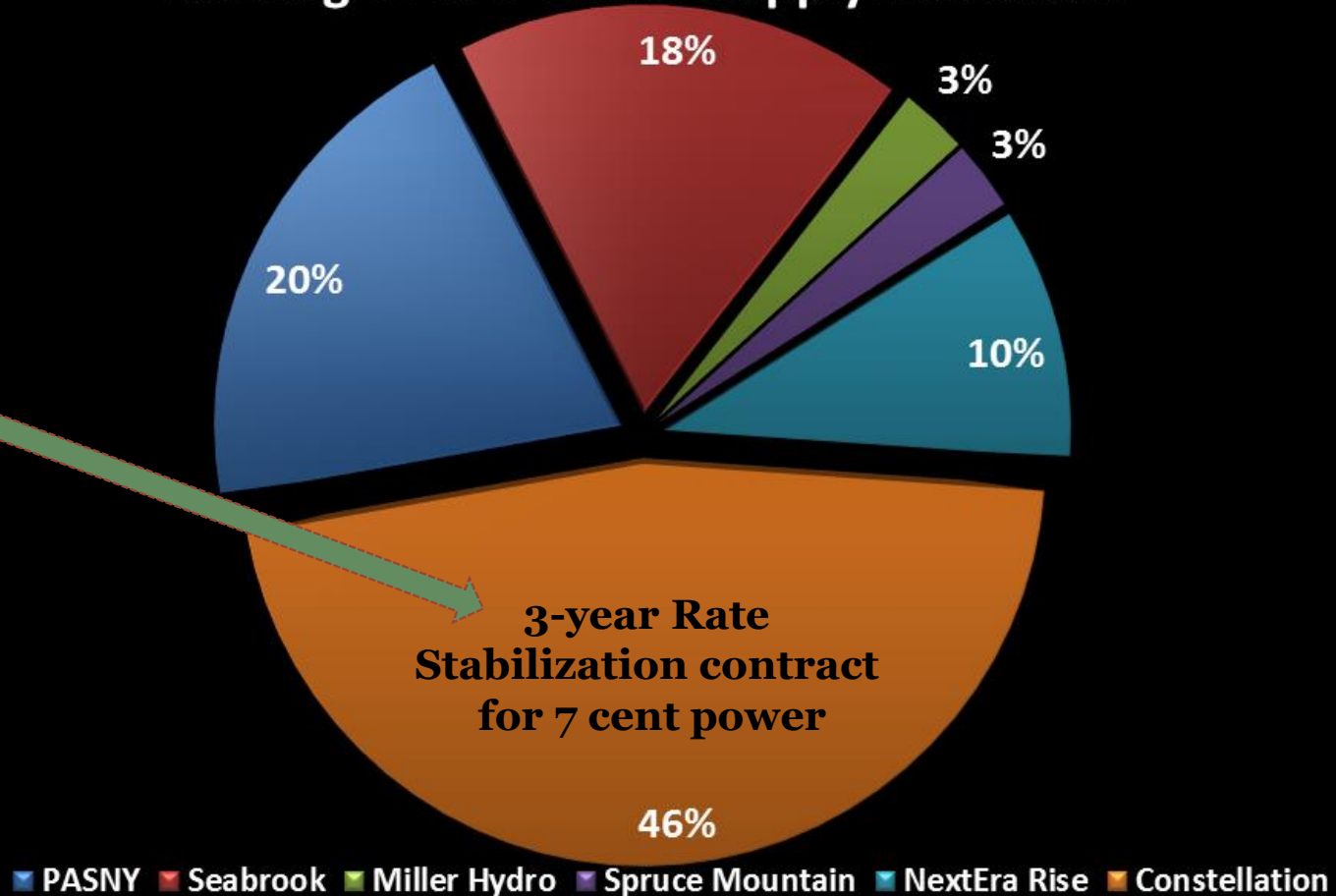
# Major Accomplishments – 2016 - continued



- **Pascoag awarded \$150,000 state grant from Regional Greenhouse Gas Initiative funds for our popular LED streetlight program**
  - Will be used for further roll-out of our LED Street-lighting program
  - This is on top of \$62,500 grant awarded in 2014
  - PUD designated for funds due to track record on successful Conservation efforts
  - Lowers energy and maintenance costs for our customers by using much more efficient and longer lasting LED lamps
  - Currently at 90% completion rate of all street/floodlights
- **Continued important inputting of data for NISC iVue customer service system**
  - Input all data into iVue MapWise, which is geospatial data for water and electric facilities and equipment
  - Data is location specific and includes specifications of valves, hydrants, poles, transformers, etc.
  - Data will be key inputs to the iVue outage management module for use during storms and other service disruptions

# 2017 Power Supply

## Pascoag 's 2017 Power Supply Resources



**44% of our supply is non-carbon based (hydro, wind, solar, nuclear)**

# 2017 Forward Looking Focus



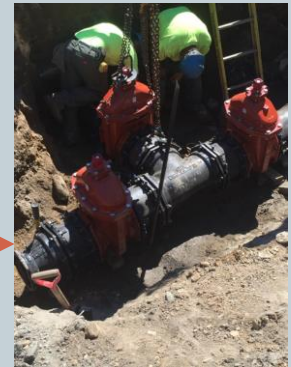
- **Continue permitting new water supply sources**
  - Development of new clean water supply using Exxon Settlement Funds is a priority
- **Continue roll-out of electric Automated Meter Reading program**
  - Work towards changing out remaining 10% of meters by end of 2017
- **Continue focusing on technology to become more efficient, cost effective and customer-friendly**
  - Implement outage management module of NISC iVue software using all data inputs gathered and entered in 2016. Will work towards full integration of this module in 2017
  - Continually evaluate other business software and NISC iVue modules for efficiency gains and improved customer experience
- **Continue LED Streetlight/Floodlight Conversion process**
- **Manage completion of successful water main cleaning/cement lining project**
  - Pascoag Main Street water mains were cleaned/lined in 2016 in coordination with state road project.
  - In 2017, we will complete North Main St., Grove St., Laurel Hill Rd., Church St., Sayles Avenue and Irving Street.



# Water Main Cleaning/Lining Project



- Many of the water mains in are our system exceed 100 years of age
  - Most water mains are cast iron, which is subject to internal rust due to contact with water
  - Cleaning brings internal diameter back to bare cast-iron
  - Cement lining is a coating process that will keep the cast iron base from rusting
- All valves and hydrants replaced when cleaning water mains.
  - Essentially makes it a new distribution system in those areas.
- Project approved for USDA Federal Grant of 20% or more of total cost
  - Remainder of cost to be financed over 40 years, which helps minimize customer impact
  - Total cost of project is \$2.4 million (\$1.92 million loan, \$480,000 grant)
  - Cost impact to each customer is less than \$6 per month based on 20% grant



# Backhoe for Water Department



- **Water Capital Budget Item for \$125,000**
  - A backhoe for the water dept. is as important as a bucket truck for the electric dept.
  - This fits within our 5-year capital budget plan
  - Current backhoe is 1990's vintage and becoming difficult to maintain. Also current one is not 4-wheel drive so difficult to maneuver in winter
  - Model selected is John Deere 410 – recommended by large construction companies we have dealt with such as Lynch and Biszko

