

In Memory of Mitch C. Wilke



The MEUA Family was shocked to learn of the sudden passing of Mitch Wilke the morning of October 10th, 2018.

Mitch, recently retired from the Village of Fairport as their Electric Superintendent after serving the

Village of Fairport for over 45 years.

His work & development of the MEUA Lineman Training Program as well as its Safety & Training program will never be forgotten as it has turned into one of the best programs in the Country.

He was also instrumental in seeing the current lineman training yard in Fairport being built and saw that it was kept in tip top shape for the students.

Mitch is survived by his wife Maribeth, children Shannon, Christopher, William and Benjamin.

A beautiful service in his memory was celebrated at the Bethlehem Lutheran Church in Fairport.

Donations in his memory may be made to the Village of Fairport Fire Department and the Perinton Ambulance Corp.

Rest in Peace our Friend – You will never be forgotten for your dedication to the MEUA.

Accounting & Finance Workshop October 10-11, 2018

The Accounting & Finance Workshop was held at the Embassy Suites by Hilton Destiny USA on October 10th participants which was focused on Municipal Electric Accounting Principles and was designed to help those who work in the accounting area of their Municipal Utility.

We have seen many new faces over the last few years at workshops and the Committee thought that having a workshop solely dedicated to the financial and accounting practices would be of interest to those new to their positions and for those that have been involved for some time, but have never had this type of formal presentation in the past.



Jeff Dobbins, Massena, opened the workshop with a presentation on customer accounting. Included in Jeff's presentation were explanations on customer billing, account receivables, customer disconnects and security deposits. Jeff did a very professional job in

presenting and was very thorough in his explanations of the accepted accounting practices for Municipal Utilities. A question and answer session followed Jeff's discussion that lasted for quite some time as participant's were eager to have their particular questions addressed.

Aaron Daniels- Fairport, presented on preparing a budget for a Municipal Utility. Aaron's wit and personal experiences made this subject light hearted, but to the point. This was a very good presentation with a lot of thought put into it as the participants witnessed for themselves.



Not all Municipal Utilities have specific budgets for their electric facilities and this presentation gave insight as to why it would be beneficial to have an electric budget. Again, a prolonged question and answer period and discussion ensued which in itself proved very valuable to the participants. Another fine presentation which was received very well.

Following lunch, the rest of the day had Bill Freitag, BST, reviewing Utility Concepts 101.

Bill has developed a refined approach to Municipal Utility Accounting which he and his partners have been working on for over 25 years. Bill has developed a valuable relationship with many Municipals and his dealings with NYPA & PSC issues has proved to be invaluable to the MEUA membership.

Bill spoke in detail on PPAC, Base Consumer Rates, Base Cost vs present purchased cost, TCC's, Rate Base, Rate of Return, Pilots, Contributions to the Municipality, Contributions for Extensions and of course GASB 68.

After discussion and questions were answered Billed moved on to Operating Property, the work order system and related things. There was discussion on Capital vs. Expense and why it's important.

Clearing Accounts (Overhead Application) and acceptable ways to allocate overhead were explained and thoroughly discussed. The day ended with discussion on materials and supplies inventory, retirements and salvage value. A long, but very interesting day of information and proper ways of doing things being shared and debated.

Day Two started with a review of how to prepare for a rate filing with the PSC or with NYPA and the differences. PPAC reconciliation and how and when it should be done was presented.



The last subject reviewed was the REC & ZEC Reconciliations. It is Important that these are done correctly each month and reported.

The Workshop concluded with a review of all subject matter and of course more questions and answers.

Some comments that the committee will consider for future workshops are: Should the workshop be a full 2 days? Should there be more hands-on work where small groups tackle accounting scenarios.

The Committee did an outstanding job in preparation of the agenda and seeing that the workshop flowed smoothly for all those who registered.

Thanks to the MEUA Accounting & Finance committee for their hard and dedicated work and for all they do for this committee to be as successful as it has been.

2018 MEUA Accounting & Finance Committee

Sylvia Boice- Marathon, Committee Chair
Earl Johnson- Wellsville
Aaron Daniels- Fairport
Jennifer Obert- Mayville
Jeff Dobbins- Massena
Peggy Root- Little Valley



Comments received on the new venue were positive. We will work on securing future events there.

MEUA Apprentice Linemen Graduating Class of 2018

The evening of October 25th at the Hampton Inn in Fairport was the reception & dinner for the 2018 graduating apprentice lineman class from the MEUA Apprentice Lineman Program.



Instructor Bill Hesson once again did an outstanding job putting these men through the paces the last four years. The reception and dinner were perfect and a nice honor for this year's graduating class of 12.

It was nice to see quite a few superintendents attend the ceremony in honor of these fine young linemen.

A good night for all, thanks Bill for your continued work with the linemen apprentice program and also the safety and training program which also is an important segment of the linemen's continued training.



2018 MEUA Linemen Apprentice Graduating Class

Matthew Sluberski: Bergen
Adam Hettis: Churchville
Scott Houtz: Fairport
Chris Faticone: Fairport
Robert Everly: Fort Drum
Dylan Love: Holley
Brady Raynor: Mayville
Evan Green: Penn Yan
Andrew Anctil: Plattsburgh
Jesse Krezmein: Springville
Tyler Chiasson: Tupper Lake
Chris Zaiden: Tupper Lake



**Chris Wentlent
November 2018
NYISO Report**

Off Shore Wind – The New York State Public Service Commission (NYSPSC) is currently conducting a proceeding (Case 18-E-0071) which is evaluating how New York State should proceed with the installation of 2400 megawatts of Off Shore Wind capacity off the shores of Long Island and New York City. The Commission previously established the concept of an Off- Shore Wind Renewable Energy Credit (OREC) in an order dated July 12, 2018. Similar to the recent Clean Energy Standard Order; all load serving entities will be required to purchase ORECs when available.

More recently, the NYSPSC conducted a technical conference on September 25, 2018 to discuss potential transmission development approaches. Public comments were due on October 25. MEUA submitted comments which stressed that a deliberate and coordinated approach to procure Transmission and Interconnection (T&I) should be followed. Based on the fact that New York State is considering multiple phases of Off Shore Wind development it is important to get it right to ensure cost efficiency and expandability. In addition, we recommended that the NYSPSC and NYSERDA utilize the existing Public Policy Planning Process already established at the New York Independent System Operator (NYISO).

We believe this process will ensure proper planning and analysis, competitive procurement, and apply a “beneficiary pays” approach toward final project costs. It is expected the predominance of the benefit of Off Shore Wind will be realized by downstate zones including the Lower Hudson Valley, New York City and Long Island.

Energy Storage – In January 2018, Governor Cuomo announced an initiative to achieve a nation-leading target of 1,500 megawatts of new Energy Storage by 2025. In June

2018, the New York State Department of Public Service (NYSDPS) and New York State Energy Research and Development Authority (NYSERDA) released its New York State Energy Storage Roadmap which outlined how New York State agencies could work together to generate a pipeline of storage projects through a number of mechanisms including utility procurement; major regulatory changes in utility rate design and wholesale markets; incorporating storage into criteria for large-scale renewable procurements; and reducing regulatory barriers.

Technical conferences were held on July 31, August 7 and August 21. MEUA attended the August 21 conference. The NYSDPS presentation at the Technical Conference outlined that New York could achieve 1500 megawatts by 2025, and likely expand the total storage capacity by 2030. To meet this capability will require both the NYSDPS and New York Independent System Operator to established new product revenue streams to finance these projects. Accordingly, an energy storage resource may become eligible for revenues at both the retail and wholesale level. Revenues at the retail level could include energy, capacity, environmental benefit, distribution benefit, and high value distribution benefit and wholesale revenues could include energy, capacity and ancillary services. Determination of the actual revenues is a work in progress at both the NYSPSC and NYISO.

Several of the expected uses of Energy Storage include replacement of dirty peaking generating units in New York City and Long Island to align with upcoming New York State Department of Environmental Conservation draft combustion turbine peaking unit regulations for NOx emission control, and utilization of energy storage to eliminate the need for more costly capital projects at the distribution level.

Public Comments were due in late September 2018 in this proceeding. MEUA comments outlined the uniqueness of our IEEP program, and the diversity of our member system network. We stressed that Energy Storage has the potential to provide multiple benefits to the grid at both the distribution and transmission levels, however, those benefits vary greatly depending on location and operating characteristics of the installation and local system. Initially, Energy Storage may have greater benefit in the downstate regions such as the Hudson Valley, New York City and Long Island that will be impacted by upcoming environmental regulations. Finally, we also communicated that storage should not be preselected as the optimal solution but rather a solution in considering what energy options exist to arrive at cost-effective and beneficial outcomes for ratepayers.