

MAYOR AND COUNCIL MEETING
WORK SESSION
February 9, 2021
6:45P.M.

Present: Councilmembers Capilli, Cozzi, Epstein, Fenwick, Ferguson, Metzdorf, and Mayor Misciagna

Absent:

Also Present: Julie Falkenstern, BA
Magdalena Giandomenico, Borough Clerk
Durene Ayer, Borough CFO
Jeff Zenn, Esq. Attorney Cullen & Dykman
William Rupp, Esq., Borough Special Tax Appeal

Mayor Misciagna read the compliance statement earlier as required by the Open Public Meeting Act, P.L. 1975, and Chapter 231.

I. Utility Board. Bill Beattie summarized two ordinances

- a. Aggregation of Retail Customer Demand Response Ordinance:** Throughout the country there are Transmission Systems that carry the power from regional generating stations (e.g. nuclear power plants, coal power plants, natural gas plants, solar farms, etc.) to the local distribution companies (both investor-owned utilities and municipal systems like Park Ridge). Throughout the country, most transmission systems are operated by either Independent System Operators (ISO's) or Regional Transmission Organizations (RTO's). For example, in the Midwest there is an ISO called Midcontinent Independent System Operator (MISO). In New England, there is ISO New England. In our region, we are connected to the RTO called PJM. PJM coordinates the movement of wholesale energy in 13 states in our region and the District of Columbia. Because transmission systems cross state lines, they are regulated by the Federal Energy Regulatory Commission (FERC). A major concern for all ISO's and RTO's is having enough power plants available during periods of peak demand. In addition they are concerned that there is adequate capacity on the transmission lines to carry the loads to the regional areas that needs the power during peak demand periods. As a result, many RTO's and ISO's have developed programs to promote something called Demand Response (DER). They provide incentives for retail customers to either shed load, or to turn on their local generators when called upon. By having a large facility shed their load or turn on their generators when called upon, they reduce the demand on the grid, along with the flow of electricity through the transmission lines. The programs include financial benefits

to the retail customer if they are signed up and can shed load (even if they are not called upon to shed load). Due to this phenonima, there are third party companies that will contract with a number of large retail customers who are capable of performing demand response and agregate their load together for DER program. They may install automated equipment to start up their emergency generator remotely when needed, or shed air conditoning load. There are also other potential benefits that can be implmented to help the operation of the grid. These other programs are called ancillary services (energy imbalance, spinning reserves, supplemental reserves, reactive power and voltage control, or regulation and frequency response). As a small municipal utility, if our retail customers where to be able to go directly to PJM for DER programs, it is possible that the customer may benefit at the expense of the rest of our customers. Embedded in our electric rates, are the costs to operate and maintain our system. Should a retail customer shed load or run a generator, it is possible that their reductions could impact our operating revenue. The operation of DER programs may also impact our distribution system (e.g reverse power flow on our system). FERC realized that this is a problem and they adopted a rule that allows for smaller utilities who sell less than 4,000,000 megawatt-hours of electricity per year (in Park Ridge we sold 53,896 megawatt-hours last year) to remain responsible for DER programs. That is, for any retail customer in our service territory, they need permission for us to participate in the DER program.

The purpose of the proposed ordinance is to just to codify this requirement. This language was recommended by the American Public Power Association and municipal utilities throughout the country have adopted this ordinance. In addition, the ordinance states that the Borough, or it's designee may establish DER programs that our customers could participate in.

- b. **EV Charging Station Ordinance:** It would make it mandatory for new larger multifamily developments and larger commercial customers to install charging stations in their private parking lots.

II. Administrator Report Borough Administrator Falkenstern updated the Mayor and Council on:

- a. Two crews that came in to remove the compacted bulk snow from Park Ave and moved it into the municipal parking lot.
- b. COVID Vaccine update, CVS will be opening their portal.

III. CFO Report: Borough CFO Durene Ayer spoke about the current operations of the finance department. Proposed capital projects and revenues have been looked at and the appropriations will be reviewed next. Borough Administrator stated that the Fire Department would like to come and meet with the finance committee.

IV. Utility Board: Councilman Ferguson stated that the Utility Board would like to have Bill and others do a presentation for the Mayor and Council on an alternative power source.

- V. **PKRG**: Councilman Ferguson discussed how PKRG has been streaming the services for OLM because of the pandemic. PKRG was concerned if others requested the same and concerned over mass filming. A discussion ensued. The Mayor and Council agreed that until June 1 they would continue to do so for OLM and any other requested would be heard and after June 1st the governing body would revisit this.
- VI. **Recreation Committee**: Council President Epstein spoke about field use availability for the committee. Borough Administrator spoke about how everyone is blocking out spots on the field, so it is what is available. The recreation committee has had availability at the Colony Field. Bathrooms are locked there but there will be porter potties and Colony and Glenn field.

Open Work Session adjourned to Closed Session at 7:23pm

Councilman Fenwick made a motion to go into Closed Executive Session, and seconded by Councilman Capilli to confirm. Motion carried unanimously.

Respectfully submitted,

A handwritten signature in cursive script that reads "Magdalena Giandomenico".

Magdalena Giandomenico