



Can outstanding service, emergency response and community support co-exist with attractive and predictable rates?

By Robert Staley, Chairman
Norwich Board of Public Utilities Commissioners

Norwich Public Utilities (NPU) and our employees, once again, earned state-wide praise for our recent storm response and has contributed \$82.6 million to the City budget over the past 10 years, but what about rates?

To answer that question, NPU initiated a more detailed review of our costs than we've ever done in the past. This rigorous "cost-of-service" approach has enabled NPU to set rates based on actual, detailed expense components to provide safe, reliable utility service to our electric, gas, water and sewage customers. Previously, NPU set rates based on annual budgets.

The rate plan, approved at our September Board meeting, implements very modest increases over the next three years covering all costs except the Purchased Electric Adjustment (PPA) or Purchased Gas Adjustment (PGA) which are adjusted at most 1-2 times a year and are market driven. We are expecting a small PGA increase to go into effect in January.

In response to customer input, we are approving the rates for three years instead of annually. This will allow customers to budget accurately and provide more long-term certainty on their utility costs.

NPU Commissioners have approved the following:

Electric: No increase for next year - for the third year in a row - setting NPU residential rates more than 20% lower than investor-owned utilities in the region. Rates will then go up 1.5% per year for years two and three.

Gas: No increase for the next year, keeping rates very competitive, with proposed increases of 2.3% in years two and three.

Water: No increase for three years for our system which has recently undergone significant modernization.

Sewer: Increases of 6% in each of the next three years for the smallest portion of four-service customers' bills needed to pay for long-overdue, State-mandated modernization of our entire decades-old wastewater system. NPU worked with the State for years to negotiate for the most cost-efficient system to significantly clean Norwich's harbor, attract economic development, and improve water quality in the Thames River and Long Island Sound. NPU's 7,000 wastewater customers and some neighboring towns that use the facility will share the cost.

So what is the bottom line?

At the end of the next three years, typical four-service homeowners will see increases of about 2% per year over the three years, which is comparable to expected inflation. Customers who use fewer than four services will see smaller increases.

The current NPU Board has been focused on bringing this vital organization back on track following years of turmoil and controversy.

Greater transparency, reasonable rates and strategic investments are the next steps to keep NPU marching forward.

Norwich participates in Yale Covid study

Norwich is one of six Connecticut communities taking part in a Covid-19 study conducted by the Yale University's School of Engineering and Applied Science, the State of Connecticut, and the Connecticut Agricultural Experimental Station. As part of this study, Yale researchers examine sludge samples from wastewater treatment facilities to gain knowledge about community

transmission of the Covid-19 virus. Studies have shown that community transmission occurs "silently" weeks before hospitalization numbers reflect a trend. By reviewing samples from wastewater treatment facilities, scientists hope to detect increases or decreases of the virus much sooner, resulting in an advanced warning for local and state officials to better contain any outbreak.

10 Reasons to install a heat pump system

What is a heat pump? It's an all-in-one heating and air conditioning system that works year-round to keep your home or business comfortable. During the winter, it collects heat from outdoor air and transfer it inside. During the summer, it doubles as an air conditioner by extracting heat from inside and transferring it outside.

1. Saves money on your energy bills.
2. Saves money on routine maintenance costs.
3. Safer than combustion heating systems.
4. Reduces your carbon footprint.
5. Improves air quality in your home.
6. Never worry about calling for fuel delivery or running out of fuel.
7. Provides heating in the winter and cooling in the summer from a single unit.
8. Allows you to control your home's temperature from your smartphone.
9. Eliminates the need for heavy and inefficient window air conditioning units.
10. No upfront cost for customers who qualify for financing.

CHiPP Cooling & Heating Incentive Pilot Program

NPU's Cooling & Heating Incentive Pilot Program (CHiPP) is an incentive program that aims to convert existing electric customers heating primarily with natural gas, oil or propane gas to a more energy-efficient electric heat pump system.

Participants who install a qualifying cold climate heat pump and submit all required documentation will receive a **\$1,200 per ton rebate** toward the purchase and installation.

Call Jeff Brining at 860-823-4522 to learn more about this program.

A minute with the Mayor:

Important conversations are ongoing in Norwich



Mayor Peter Nystrom

In the previous edition of this NPU newsletter, I wrote about the tragic death of George Floyd in Minnesota and the civil unrest that was sparked across the country in its aftermath. I

expressed my hope that our community

would avoid the destructive elements associated with the protests that took place in many cities and instead move forward in a productive manner.

And as I think about these challenging times, I am reminded of a quote from the great American leader, Dr. Martin Luther King, who said, “Human progress is neither automatic nor inevitable... Every step toward the goal of justice requires sacrifice, suffering,

and struggle; the tireless exertions and passionate concern of dedicated individuals.”

And as the summer turns to fall, my faith and optimism in our community has been reconfirmed, with important conversations taking place in Norwich every week.

Following a peaceful protest in Norwich on May 30, a group of people decided to keep the conversation going in a productive and collaborative manner. And as a result, discussions are now taking place regularly, led by two local business people who are committed to the future of our community – Norwich residents Robin Relliford-Vilchez and Richard Thompson.

Every Tuesday night, Robin and Richard are part of a group of people who gather at Foundry66 on Franklin Street to raise issues, voice concerns, and share their perspectives with other members of the community, including the Norwich Police Department.

In just a few short months, this group has developed a team that is committed to a stronger and more open Norwich.

And one Saturday a month, a bigger group gathers for a ‘Community Chat with the Norwich Police Department’ that is open to anyone in the community who want to listen, learn and help our community move forward. The Norwich Police Department is committed to continuing with a process that is clearly helping our city.

Please join me in continue focusing on – and addressing - the challenges that our community and country face every day. The strength of Norwich has always been our diversity – different races, religions, cultures, ideas, and backgrounds. And by drawing the best from all of these groups, we will continue to build a brighter and stronger Norwich for our kids and our future.

To learn more about these meetings or reserve a spot (space is limited due to COVID-9 guidelines), call or text to (860)304-8505.

Customer-owned piping: Know your responsibility

Connecticut state regulations require utilities provide this safety information each year.

Some of the underground natural gas piping on your property may belong to you. Customer-owned underground piping is defined by any buried gas lines that extend away from your gas meter (see illustration). Typically, customer-owned gas piping is used to supply heat and hot water to another building like a detached garage, but it can also be used to heat swimming pools and for cooking on a gas grill.

If you have this type of gas line on your property, it is your responsibility to initiate any inspection and necessary repair or replacement by a qualified professional, such as a licensed heating/cooling contractor or plumber. Buried piping should be inspected periodically for leaks and for corrosion if the piping is metallic. If a gas leak is detected, it may be necessary to temporarily interrupt your gas service until repairs are made.

Storm Isaias batters region

On Tuesday, August 4, 2020, Norwich was hit by Tropical Storm Isaias. This fast moving yet powerful storm ultimately resulted in significant tree damage and over 7,500 NPU customers out of power for as much as three days following the storm.

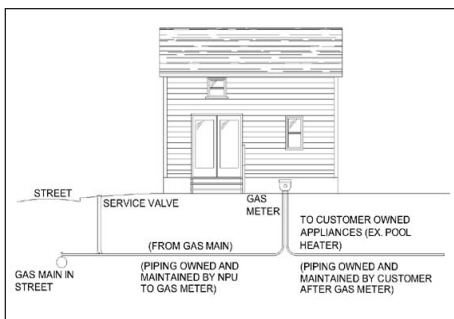
To assist with outage restoration, NPU secured mutual aid through the Northeast Public Power Association (NEPPA). Crews from seven Massachusetts municipal utilities - Rowley Municipal Lighting, Marblehead Municipal Light Department, Groton Electric Light Department, Groveland Municipal Light Department, Hingham Municipal Lighting, Georgetown Municipal Light, and Merrimack Municipal Lighting - arrived in Norwich on August 5th.

Within the first 24 hours following the storm, all but approximately 1,000 customers

had their power restored. More than 800 customers were restored on the second day after the storm, and all NPU customers were restored by Friday afternoon, August 7th. Following Norwich’s restoration, NPU line crews were called upon to assist Eversource with restoration in nearby communities.

During and after the storm NPU kept customers updated on restoration efforts via social media and local and statewide media. Twenty-two Facebook posts by NPU reached a collective audience of 146,000. Direct, frequent contact was made to larger commercial customers.

The damage from the storm was estimated to be around \$660,930, with almost \$500,000 of that expense reimbursable by FEMA and Eversource.



This drawing illustrates which piping is owned by NPU and by the homeowner.



HERE TO SERVE YOU

Visit our website for more information: norwichpublicutilities.com

Please call, fax or e-mail us your questions, comments and suggestions.

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