

## REVISED AGENDA

TOWN COUNCIL  
VIRTUAL MEETING

REGULAR MEETING  
MONDAY, JUNE 1, 2020  
TIME: 7:00 P.M.

To view this meeting, please tune into Channel 16 if your provider is Cox Cable, Channel 6082 if your provider is Frontier, or go to [gmedia.swagit.com/live](http://gmedia.swagit.com/live).

*After Roll Call is complete, the Mayor will read a proclamation recognizing the Emergency Management Team with a proclamation.*

1. Call Meeting to Order
2. Pledge of Allegiance
3. Roll Call
4. Mayor's Remarks
5. Adoption of Agenda  
(Deputy Mayor Pendleton)
6. Communications and Reports from Town Manager
7. Public Input  
The public is welcome to email comments to [TownCouncilComments@southwindsor-ct.gov](mailto:TownCouncilComments@southwindsor-ct.gov) or call 855-925-2801 and dial Project Code 9048. Town Council members will not respond to any public comments/questions.
8. Adoption of Minutes of Previous Meetings  
(Councilor Maneeley)  
  
BE IT RESOLVED that the South Windsor Town Council hereby approves the Minutes of the following Town Council Meeting: Virtual Special Budget Work Session Meeting Minutes of May 14, 2020  
  
(Councilor Delnicki)  
  
BE IT RESOLVED that the South Windsor Town Council hereby approves the Minutes of the following Town Council Meeting: Virtual Regular Meeting Minutes of May 18, 2020.
9. Communications from Liaisons, Officers, and Boards Directly Responsible to Council (Communications can be emailed to [TownCouncilComments@southwindsor-ct.gov](mailto:TownCouncilComments@southwindsor-ct.gov))

**AGENDA**

**Regular Meeting – Town Council**

**Monday, June 1, 2020**

**10. Reports from Committees (Committee Reports can be emailed to [TownCouncilComments@southwindsor-ct.gov](mailto:TownCouncilComments@southwindsor-ct.gov))**

**11. Consent Agenda**

[All items listed under this section are considered to be routine by the Town Council and will be enacted by one Motion. There will be no separate discussion of these items unless a Council member so requests, in which event the item will be removed from the Consent Agenda and be considered in its normal sequence on the Agenda.]

**a. First Reading**

None

**b. Second Reading**

None

**c. Miscellaneous**

None

**12. Unfinished Business**

**A. Resolution Appointing a Rate Maker for Fiscal Year 2020/2021**

(Councilor Evans)

BE IT RESOLVED that the South Windsor Town Council hereby appoints Michael Maniscalco, Town Manager Rate Maker for Fiscal Year 2020/2021.

**B. Resolution Taking from the Table Item 13. I. of the Town Council's Regular Meeting of May 18, 2020 – Resolution Establishing a Policy and an Application to Provide for the Display of Commemorative or Organization Flags**

(Councilor Snyder)

BE IT RESOLVED that the South Windsor Town Council hereby takes from the table, Item 13. I. of the Town Council's Regular Meeting of May 18, 2020 – Resolution Establishing a Policy and an Application to Provide for the Display of Commemorative or Organization Flags.

**C. Resolution Establishing a Policy and an Application as Provides for the Display of Commemorative or Organization Flags**

(Councilor Lydecker)

**(Resolution Continued on Next Page)**

**AGENDA**  
**Regular Meeting – Town Council**  
**June 1, 2020**

**12. C. (Continued)**

WHEREAS, requests to fly a commemorative or organization flags on a Town of South Windsor flag pole must be made at a regularly scheduled Town Council meeting; and

WHEREAS, an application form must be submitted for any requests to fly a commemorative or organization flag on a Town of South Windsor flag pole; and

WHEREAS, the flag request must meet the guidelines within the policy established by the Town South Windsor Town Council

NOW, THEREFORE, BE IT RESOLVED that the South Windsor Town Council hereby approves the 2020 Flag Flying Policy (**Exhibit A**) and Application Form (**Exhibit B**).

**13. New Business**

**A. Resolution Approving a First Amendment to the Assistance Agreement Between the State of Connecticut and the Town of South Windsor under the Small Cities/Community Development Block Grant Program**  
**(Councilor Hockenberry)**

WHEREAS, Federal monies are available under the Connecticut Small Cities Community Development Block Grant Program, administered by the State of Connecticut, Department of Housing pursuant of Public Law 93-3 83, as amended; and

WHEREAS, pursuant to Chapter 127c, and Part VI of Chapter 130 of the Connecticut General Statutes, the Commissioner of Housing is authorized to disburse such Federal monies to local municipalities; and

WHEREAS, it is desirable and in the public interest that the Town of South Windsor make application to the State for \$910,000.00 in order to undertake a Small Cities Community Development Program and to execute an Assistance Agreement therefore, should one be offered

NOW, THEREFORE, BE IT RESOLVED by the South Windsor Town Council:

1. That it is cognizant of the conditions and prerequisites for State Assistance imposed by Part VI of Chapter 130 of The Connecticut General Statutes; and

**(Resolution Continued on Next Page)**

**AGENDA**  
**Regular Meeting – Town Council**  
**June 1, 2020**

**13. A. (Continued)**

2. That the filing of an application by the Town of South Windsor in an amount not to exceed \$910,000.00 is hereby approved, and that the Town Manager of South Windsor is hereby authorized and directed to file such Application with the Commissioner of the Department of Housing, to provide such additional information, to execute such other documents as may be required by the Commissioner, to execute an Assistance Agreement with the State of Connecticut for State financial assistance if such an Agreement is offered, to execute any amendments, rescissions, and revisions thereto, and to act as the authorized representative of the Town of South Windsor.

**B. Discussion Item: Virtual Net Metering Projects *(requested by Mayor Paterna and Councilor Snyder) (Steve Wagner, Chairman of the Energy Committee to be present)***

**C. Discussion Item: Update on Laurel Street Traffic Calming Study *(requested by Town Manager Michael Maniscalco) (Jeff Doolittle, Town Engineer to be present)***

**D. Resolution Authorizing the Sale, Donation, or Disposal of Surplus Vehicles (Councilor Delnicki)**

BE IT RESOLVED that the South Windsor Town Council hereby declares the following vehicle to be "Surplus Equipment," as shown in attached **Exhibit C**, and authorizes Town Manager Michael Maniscalco to sell, donate, or otherwise dispose of this vehicle.

**E. Discussion Item: Waiving the Competitive Bidding Process for DNR Laboratories *(requested by Mike Maniscalco, Town Manager) (Scott Roberts, Assistant Town Manager/CIO/Emergency Management to be present)***

**F. Resolution Authorizing the Town Manager to Contribute \$2,000 to South Windsor High School's 2020 "Operation Graduation Fund" (Councilor Snyder)**

BE IT RESOLVED that the South Windsor Town Council hereby authorizes Town Manager Michael Maniscalco, to contribute \$2,000 to South Windsor High School's 2020 "Operation Graduation Fund," said funds to be taken out of the Town Manager's Professional Account.

**AGENDA**  
**Regular Meeting – Town Council**  
**June 1, 2020**

**13. New Business (Continued)**

**G. Resolution Supporting the Use of Absentee Ballots for the General Election  
(Councilor Lopez)**

WHEREAS, Governor Lamont recently extended the Absentee Voting which can be applied to all voters, and applications are being sent out for the August Presidential primary; and

WHEREAS, it is important that this change in the definition of reasons for using absentee ballots due to the risk posed by the Coronavirus (COVID-19) also be applied to the General Election in November 2020; and

WHEREAS, no person should have to choose between exercising their American right to vote and their health; and

WHEREAS, there is a currently a global pandemic of COVID-19, and, COVID-19 is spread from person-to-person through contact with a person, surface or object that has the virus on it; and

WHEREAS, COVID-19 can be particularly severe for older adults and people of any age who have serious underlying medical conditions, and, there are currently no effective vaccines or treatments available to the public for COVID-19; and

WHEREAS, in-person voting carries a greater risk of spreading disease than voting via absentee ballot, and, no person should be required to risk their health in order to exercise their right to vote and;

WHEREAS, no person should be denied the right to vote because they fear contracting an illness; and

WHEREAS, a significant portion of poll workers and volunteers are 60 or older; and

WHEREAS, absentee voting offers a proven method of secure voting that reduces the risk of transmission of COVID-19 by allowing individuals to vote by mail and by reducing the density of in-person voting at polling places; and

WHEREAS, Governor Lamont issued Executive Order No. 7QQ, which allows any eligible elector to vote by absentee ballot for the August 11, 2020, primary election if an individual is unable to appear at his or her polling place during the hours of voting due to serious concerns about COVID-19

**(Resolution Continued on Next Page)**

**AGENDA**  
**Regular Meeting – Town Council**  
**June 1, 2020**

**13. G. (Continued)**

NOW, THEREFORE, BE IT RESOLVED that the South Windsor Town Council hereby supports the use of absentee ballots for the General Election in November 2020.

**14. Passage of Ordinance**

**15. Public Input**

The public is welcome to email comments to [TownCouncilComments@southwindsor-ct.gov](mailto:TownCouncilComments@southwindsor-ct.gov) or call 855-925-2801 and dial Project Code 9048. Town Council members will not respond to any public comments/questions.

**16. Communications from Council**

**17. Executive Session**

**18. Adjournment**

**PROPOSED GUIDELINES for Town of South Windsor Flag Flying Policy:**

- \*Requests to fly a commemorative or organization flag on a Town flagpole must be made, using the attached Application Form, at a regularly scheduled Town Council meeting;
- \*The flag will fly in connection with a specific town or state event, town or state proclamation, or town or state recognition of an event or organization;
- \*Commemorative or Organization Flags must be approved by a majority vote of the Town Council; (or the town manager).
- \*Approval by the Town Council shall be limited to not more than one commemorative, or organization flag being added to the flagpole for display during any time period;
- \*The flag shall be flown for a period not to exceed (two weeks), ~~or one month~~, or for the duration of the associated event;
- \*The flag shall be flown no more than once per calendar year;
- \*After receipt by Town Hall staff, prior to approval, the request will be sent to the Town Council
- \*No flags of commercial, religious or political organizations shall be permitted;
- \*No flags of an individual, group or organization shall be permitted whose actions or philosophy are contrary to Town of South Windsor policies or Charter, or enable violence, discrimination, prejudice, or racism;
- \* Flags will be flown according to the U.S. Flag Code:

## Application for a Flag to be Flown in South Windsor 2020

A request for a flag to be flown in South Windsor should be at minimum of seven days in advance of the date for flag to be flown. The commemorative flag is to be flown on a Town flagpole according to the U.S. Flag Code

*Print Name/ Street Address/ City and State*

\_\_\_\_\_

Phone #: \_\_\_\_\_ Cell #: \_\_\_\_\_

Date of Request: \_\_\_\_\_

Name of Flag to be Flown: \_\_\_\_\_

Flag dimensions must not be larger than: 5' x 9' with grommets for securing the lanyard.

Date (s) Event Requested for: \_\_\_\_\_

Special Requests: \_\_\_\_\_

Date to be Raised: \_\_\_\_\_ Date Lowered \_\_\_\_\_

Name of person making this request: \_\_\_\_\_

Signature of person making this request: \_\_\_\_\_

**This Application must remain on file in the South Windsor Town Manager's Office and cannot be submitted more than once in any calendar year.**

Signature/Town Manager: \_\_\_\_\_ Request

Received by Town Manager/Date: \_\_\_\_\_

Accepted: \_\_\_\_\_ Approval process by

Town Council: approved \_\_\_\_\_ (date) denied \_\_\_\_\_ (date)

Approved by the South Windsor Town Council on: \_\_\_\_\_

Flag Location: \_\_\_\_\_



## VEHICLE SURPLUS

VEHICLE ID	YEAR	MAKE	MODEL	VIN #	REASON TO BE REMOVED FROM SERVICE	DEPARTMENT
1015	2011	FORD	F150	1FTFX1EF4BFA15559	REPAIR COSTS EXCEED ITEMS VALUE	POLICE

**FIRST AMENDMENT  
TO  
ASSISTANCE AGREEMENT  
BETWEEN  
THE STATE OF CONNECTICUT  
AND  
THE TOWN OF SOUTH WINDSOR  
UNDER THE  
SMALL CITIES / COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM**

THIS **FIRST AMENDMENT TO ASSISTANCE AGREEMENT** (this "**First Amendment**") is entered into by and between the **State of Connecticut**, hereinafter referred to as the "**State**", acting herein by its Department of Housing ("**DOH**"), acting herein by Seila Mosquera-Bruno, its Commissioner of Housing ("**Commissioner**"), pursuant to section 8-206 of the Connecticut General Statutes ("**CGS**"), Title I of the Housing and Community Development Act of 1974, 42 U.S.C. § 5301, et seq., as amended, 24 CFR Part 570 of the regulations of the United States Department of Housing and Urban Development, and the **Town of South Windsor**, a political subdivision of the State, hereinafter referred to as the "**Municipality**", acting herein by its Town Manager, duly authorized, as of the date the last party signs this instrument.

**WITNESSETH:**

**WHEREAS**, the Municipality and DOH entered into that certain Assistance Agreement under the Small Cities/Community Development Block Grant Program with an effective date of January 11, 2019, (hereinafter, the "**Agreement**") under which Community Development Block Grant Funds in the original principal amount of up to Eight Hundred Thousand Dollars (\$800,000.00) were provided in the form of a grant by the State to the Municipality to carry out an eligible activity under the Small Cities Program for a **Wapping Mews Public Housing Modernization** (hereinafter, the "**Project**"); and

**WHEREAS**, the Borrower and DOH desire to amend and modify the Agreement as hereafter provided in order to increase the amount of funds the State will provide for the Project.

**NOW THEREFORE**, in consideration of the mutual promises of the parties hereto and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Municipality and DOH do hereby covenant and agree as follows:

1. All references in and to the Agreement shall mean the Agreement as amended and modified by this First Amendment.
2. All capitalized terms not otherwise defined herein shall have their respective meanings as set forth in the Agreement.
3. Article I, Section 1.1 is hereby deleted in its entirety and replaced with the following:

*The State agrees to make a grant to the Municipality in an amount of **Nine Hundred Ten Thousand Dollars (\$910,000.00)** (the "**Grant**").*

4. All references to the Grant in the Agreement shall be deemed to refer to the Grant, as modified herein.

5. The Municipality hereby represents to and covenants with DOH that as of the date the Municipality executes this First Amendment, it is not in default of any material term or provision of the Agreement which on its part is to be paid, performed or observed.

6. The Agreement, and all documents executed in connection therewith, are hereby ratified and affirmed by the parties, and except as expressly modified or amended by this First Amendment, shall remain in full force and effect; it is the intention of the Municipality and DOH that this First Amendment and the Agreement be read, construed and interpreted as one and the same instrument.

**IN WITNESS WHEREOF**, the parties hereto have hereunto set their hands and seals as of the date the last written below.

The Town of South Windsor

By: \_\_\_\_\_

Its Town Manager, Michael Maniscalco

Date: \_\_\_\_\_

State of Connecticut  
Department of Housing

By: \_\_\_\_\_

Seila Mosquera-Bruno  
Its Commissioner

Date: \_\_\_\_\_

STATE OF CONNECTICUT DEPARTMENT OF HOUSING  
SMALL CITIES CDBG PROGRAM  
FINANCING PLAN & BUDGET

Name of Applicant: <b>Town of South Windsor</b>		Contract Number: <b>SC1813201</b>	
Name of Project: <b>Wapping Mews Elderly Public Housing Modernization</b>		(Complete Amendment No. & Date only for contract amendments)	
NEW _____	CDBG Funds Requested \$ 910,000.00	Amendment: <u>1</u>	Number _____ Date _____
Original Date: From: <b>12/1/2018</b>	To: <b>11/30/2020</b>	Budget Extension: From: _____	To: _____

PART A: SUMMARY OF PROJECT ACTIVITIES (SOURCES & USES)					
LINE ITEM / ACTIVITY	SMALL CITIES HARD COSTS (A)	SMALL CITIES PROGRAM COSTS (B)	SMALL CITIES TOTAL ACTIVITY COSTS (A + B) = (C)	ALL OTHER COSTS FUNDED BY OTHER SOURCES (D)	TOTAL ACTIVITY COSTS (Sum of SC Total Activity Costs + All Other Costs) (C + D) = (E)
<b>1. COMMUNITY FACILITIES AND IMPROVEMENTS</b>					
a. Senior Centers		0.00	0.00		0.00
Town/City					
Professional Service Provider					
b. Removal of Architectural Barriers		0.00	0.00		0.00
Town/City					
Professional Service Provider					
<b>2. STREETS</b>					
a. Street Improvements		0.00	0.00		0.00
Town/City					
Professional Service Provider					
b. Sidewalk / Pedestrian Malls / Streetscape		0.00	0.00		0.00
Town/City					
Professional Service Provider					
<b>3. REHABILITATION, PRESERVATION, AND HOUSING ACTIVITIES</b>					
a. Public Housing Modernization	785,500.00	96,000.00	881,500.00	83,280.00	964,780.00
Town/City					
Professional Service Provider		96,000.00			
b. Rehabilitation of Private Residential Structures		0.00	0.00		0.00
Town/City					
Professional Service Provider					
<b>4. ECONOMIC DEVELOPMENT ACTIVITIES</b>					
a. Job Creation/Retention for Private For-Profit/Non-Profit Corporation	0.00	0.00	0.00	0.00	0.00
Town/City					
Professional Service Provider					
b. Microenterprise Loan Program	0.00	0.00	0.00	0.00	0.00
Town/City					
Professional Service Provider					
<b>5. OTHER:</b>	0.00	0.00	0.00	0.00	0.00
Town/City					
Professional Service Provider					
<b>6. SUBTOTAL A (Sum of Lines 1-5)</b>	\$ 785,500.00	\$ 96,000.00	\$ 881,500.00	\$ 83,280.00	\$ 964,780.00
<b>1. GENERAL ADMINISTRATION</b>					
a. General Management, Oversight, and Coordination		28,500.00	28,500.00	10,000.00	38,500.00
Town/City					
Professional Service Provider		28,500.00			
b. Other:		0.00	0.00	0.00	0.00
Town/City					
Professional Service Provider					
<b>2. SUBTOTAL B</b>	\$ -	\$ 28,500.00	\$ 28,500.00	\$ 10,000.00	\$ 38,500.00
<b>TOTAL (Sum of Subtotals A &amp; B)</b>	\$ 785,500.00	\$ 124,500.00	\$ 910,000.00	\$ 93,280.00	\$ 1,003,280.00

<b>PART B: BLOCK GRANT RESOURCES FOR PROJECT ACTIVITY COSTS</b>	
1. Small Cities Grant Amount ("Small Cities Total Project Costs" from "Total" Line of Part A)	\$ 910,000.00
2. Program Income	\$ -
<b>3. TOTAL BLOCK GRANT RESOURCES (Sum of Lines 1 &amp; 2 of Part B)</b>	<b>\$ 910,000.00</b>

IX II

<b>PART C: IDENTIFICATION OF OTHER FUNDING SOURCES</b>			
<b>NAME OF ALL OTHER FUNDING SOURCES</b>	<b>CASH</b>	<b>IN-KIND SERVICES</b>	<b>TOTAL</b>
1. Town of South Windsor		\$ 10,000.00	\$ 10,000.00
2. South Windsor Housing Authority	\$ 48,541.00	\$ -	\$ 48,541.00
3. Eversource	\$ 34,739.00	\$ -	\$ 34,739.00
<b>4. TOTAL ALL OTHER FUNDING SOURCES (Sum of Lines 1-3 of Part C)</b>	<b>\$ 83,280.00</b>	<b>\$ 10,000.00</b>	<b>\$ 93,280.00</b>

I request approval of the Small Cities Finance Plan & Budget:

\_\_\_\_\_  
Signature of Authorized Agent of Grantee / Sponsor

\_\_\_\_\_  
Date

**Michael Maniscalco, Town Manager**

\_\_\_\_\_  
(TYPE or PRINT) Name and Title

Approved by:

\_\_\_\_\_  
Seila Mosquera-Bruno  
Commissioner  
Department of Housing

\_\_\_\_\_  
Date

# Potential Impact of Energy Price Changes on Savings from Virtual Net Metering Projects

Stephen Wagner

Chair, South Windsor Energy Committee

## Purpose of Discussion

- Inform the Council how changes in electric rates due primarily to COVID-19 pandemic affect current and future VNM projects
- Report on contract discussions to date
- Discuss possible negotiations with Lodestar Energy (the supplier)
- Assign a negotiation team for pricing aspects of contracts (Attorneys deal with the legal aspects)

## Three Virtual Net Metering Projects

- **NorCap South – East Windsor (Operating)**
  - 2833 kWDC – Credits to Municipal and Sewer System facilities
  - Online: December 2017
  - Savings to date: \$147,474 (on target to forecast)
  - Projected 20-year savings: \$1.4M
- **Powder Hill – Enfield (Under construction)**
  - 2833 kWDC – Credits to Schools
  - Signed LOI (3/16/20), contract under final negotiation
  - Under construction, Anticipated Online: Fall 2020
  - VNM Savings will supplement rooftop solar savings
  - Projected 20-year savings: \$1.4M
- **33% of Sand Hill – N Canaan (In development)**
  - 1000 kWDC – Credits to Sewer Plant
  - Signed LOI (11/1/19), contract under final negotiation
  - Anticipated online: Early 2021
  - Projected 20-year savings: \$0.5M



# Powder Hill Site Cleared and Ready for Posts



## How Virtual Net Metering Works

- Eversource provides South Windsor a cash credit for solar plant production based on their standard generation, transmission and distribution rates
- South Windsor pays Lodestar for credits: Greater of ...
  - 85% of Eversource Credit, or
  - Floor of \$0.1050/kWh years 1-5; \$0.1100/kWh years 6-10; \$0.1150/kWh years 11-15; \$0.1200/kWh years 16-20
- Original projections based on long-term rate trends and historic weather
- Eversource rates will drop significantly for July-Dec 2020 due to pandemic and geopolitical effects on natural gas prices. Future rates TBD.
- Hence our credits may not always be enough to generate 15% savings and could even be lower than the floor at times.

# Potential Scenarios

		Norcap South			Powder Hill		
6 months starting ...		Credit (¢/kWh)	Lodestar Price (¢/kWh)	Savings %	Credit (¢/kWh)	Lodestar Price (¢/kWh)	Savings %
History thru 12/2020	Jan-18	14.931¢	12.692¢	15.0%	13.493¢	11.47¢	15.0%
	Jul-18	15.432¢	13.118¢	15.0%			
	Jan-19	15.359¢	13.055¢	15.0%			
	Jul-19	13.304¢	11.308¢	15.0%			
	Jan-20	12.541¢	10.660¢	15.0%			
	Jul-20	10.457¢	10.500¢	-0.4%			
Pessimistic Future	Jan-21	11.128¢	10.500¢	5.6%	14.153¢	12.030¢	15.0%
	Jul-21	10.492¢	10.500¢	-0.1%	12.027¢	10.500¢	12.7%
	Jan-22	12.030¢	10.500¢	12.7%	13.588¢	11.550¢	15.0%
	Jul-22	11.327¢	10.500¢	7.3%	11.327¢	10.500¢	7.3%
	Jan-23	12.302¢	11.000¢	10.6%	12.302¢	10.500¢	14.6%
	Jul-23	11.585¢	11.000¢	9.4%	11.585¢	10.500¢	9.4%
Optimistic Future	Jan-21	12.971¢	11.026¢	15.0%	16.023¢	13.620¢	15.0%
	Jul-21	12.220¢	10.500¢	14.1%	13.776¢	11.710¢	15.0%
	Jan-22	13.290¢	11.296¢	15.0%	14.876¢	12.645¢	15.0%
	Jul-22	12.525¢	10.646¢	15.0%	12.525¢	10.646¢	15.0%
	Jan-23	13.617¢	11.575¢	15.0%	13.617¢	11.575¢	15.0%
	Jul-23	12.838¢	11.000¢	14.3%	12.838¢	10.912¢	15.0%

# Possible protections

- Lodestar offer – “Tracking Trigger”
  - If total credits over 20 years less than total payments to Lodestar, VNM credits would continue after 20 years until 110% of losses recovered
  - Protects against 20-year persistent structural change in rates and only recovers at end of 20 years
- Alternative 1 – rolling recovery credit (preliminary discussions)
  - If in any period, VNM credits are less than Lodestar payments floor, a recovery credit would be accrued to be applied in later periods to the extent that the VNM credits exceed the floor
  - Lodestar would always receive at least the floor
  - This price protection has a potential revenue impact for Lodestar and they will consider this in exchange for reduction in discount rate from 15% to 10%
- Alternative 2 – annual cycle protection (not discussed yet)
  - Apply the floor to the average of the winter and summer rates in a given production year
  - Allows winter rates to offset potential loss with summer rates
- Alternative 3 – proceed with contracts as proposed
  - Accept risk in belief it is small and unlikely to amount to much over life of contract
  - If long term rates stay low, recognize that our multi-year third party contracts will be benefit from lower rates
- Alternative 4 – opt out under provisions of LOIs
- If energy prices revert to normal historical levels, this is a short-term risk and South Windsor has potential to save over \$3 million