



POWER SYSTEM

201 Hemm Avenue • Piqua, Ohio 45356
(937) 778-2077 • FAX (937) 778-1693
www.piquaoh.org

PIQUA ENERGY BOARD

REGULAR MEETING

TUESDAY – SEPTEMBER 22, 2015

12:00 P.M.

AGENDA

1. Call to Order
2. Roll Call
3. Approval of Minutes [July 28, 2015]
4. Monthly Report
5. Technology Work Plan
6. Old Business
7. New Business
8. Adjourn

2015

PIQUA ENERGY BOARD

ATTENDANCE REPORT

MEMBERS	1/27/15	2/24/15	3/24/15	4/28/15	5/26/15	6/23/15	7/28/15	8/25/15	9/22/15	10/27/15	11/24/15	12/22/15
ALEXANDER, JOHN S.	X	---	/	---	/	X	X	/				
MARTIN, JOHN	X	X	/	X	/	X	X	/				
JENKINS, PATRICK	---	X	/	X	/	X	X	/				
SEVER, EARL (LYNN) III	X	---	/	---	/	X	X	/				
VOGT, WILLIAM	---	X	/	X	/	X	X	/				
LYONS, SHARON	X	X	/	X	/	X	X	/				
DRAPP, JOE	X	X	/	X	/	X	X	/				
HARTLEY, ROGER	X	---	/	X	/	X	X	/				
BLANKENSHIP, Greg	X	---	/	---	/	X	---	/				
SHEAR, STU	X	X	/	---	/	X	X	/				

X - PRESENT / - NO MEETING --- ABSENT



POWER SYSTEM

201 Hemm Avenue • Piqua, Ohio 45356
(937) 778-2077 • FAX (937) 778-1693
www.piquaoh.org

PIQUA ENERGY BOARD MEETING JULY 28, 2015

- TIME & PLACE:** A regular meeting of the Piqua Energy Board was held on Tuesday, July 28, 2015 at Piqua Power System's office at 201 Hemm Ave. Chairman Sharon Lyons called the meeting to order at 12:00 P.M.
- ATTENDANCE:** See attached Attendance Report.
- MONTHLY MINUTES:** Roger Hartley moved to approve the minutes of the June 23, 2015 meeting. Stu Shear second and the motion carried.
- MONTHLY REPORT:** Nick Berger reviewed the June 2015 year-to-date (YTD) monthly financial reports. YTD kWh sales are 2.0% above budget and revenues are 0.9% below budget. The YTD total electric revenues are on budget and the total electric expenditures are 10% below budget. The YTD total power cost is \$61.54/mWh.
- The YTD electric-system margin is \$1,735,269 and adjusted margin is \$636,343. The YTD cash and investments are \$7,761,886 which is \$1,143,999 above the minimum electric fund balance. Roger Hartley moved to accept the monthly reports. John Martin second and the motion carried.
- SUBSTATION #3 TRANSFORMER UPDATE:** Nick Berger updated the board on the recent activities involving the substation #3 transformer. OTC's investigation found melted copper "BBs" on the core section of A-Phase. These copper "BBs" are a byproduct of the high voltage or low voltage windings breaking down. The transformer will need a complete rewind.
- Nick Berger reviewed the differences between purchasing a new transformer or rebuilding the existing transformer. Nick Berger discussed the need to increase the nameplate capacity of the transformer. OTC determined that the transformer's capacity could increase 20% at an incremental cost of \$50,700.

John Alexander made the motion to recommend amending the agreement with OTC to include the additional capacity at a cost not to exceed \$425,000. Pat Jenkins second and the motion carried.

**#9 GT INSPECTION
AND REPAIR
PROJECT:**

Roger Wehrman reviewed the #9 GT Inspection and Repair Project. The scope of the project includes the removal of the entire thermal block to be shipped off for inspection. From the inspection's results, the awarded company will provide a recommended repair plan for each component of the thermal block.

Nick Berger reviewed the proposals from EthosEnergy, Sulzer, and ProEnergy. EthosEnergy's proposal was removed from the listed based on feedback received from Bryan, OH and not satisfying the required project scope.

Joe Drapp made the motion to recommend awarding a contract to Sulzer Turbo Services for the inspection and development of the repair plan to #9 Gas Turbine not to exceed \$1,000,000. It is anticipated that Power System staff will be returning to the Energy Board in November for review and approval of the Sulzer repair plan, as well as requesting additional funding, as needed. Roger Hartley second and the motion carried.

**2nd QUARTER
WORK PLAN
UPDATE:**

Nick Berger reviewed the most recent update of the 2015 work listing. The Power System remains on target to complete the vast majority of budgeted initiatives for 2015.

**2015 RELIABILITY
STATISTICS:**

Nick Berger reviewed the mid-year reliability statistics for the Power System. The reliability statistics are calculated on a twelve month rolling average and are used as an industry benchmarking tool.

OLD BUSINESS:

Nick Berger informed the board of a calculation error regarding the AEP Line School training for 2015. The original motion will need to be amended from \$30,000 to \$32,000.

John Martin made the motion to amend the recommendation to continue the AEP line school training at a not-to-exceed price of \$32,000. Bill Vogt second and the motion carried.

NEW BUSINESS:

None

ADJOURN:

With no further business to discuss, John Alexander moved to adjourn the meeting at 12:45 P.M. Roger Hartley second and the motion carried.

SIGNED:

Nick Berger
Assistant Power System Director

**PIQUA MUNICIPAL POWER SYSTEM
2015 REVENUE AND EXPENDITURE REPORT
ELECTRIC**

Line	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD ACTUAL	YTD BUDGET	2015 BUDGET
REVENUES															
1 ELECTRIC SALES REVENUES	\$ 2,671,539	\$ 2,680,850	\$ 2,440,498	\$ 2,900,214	\$ 2,150,219	\$ 2,360,139	\$ 2,420,123	\$ 2,531,435	\$ -	\$ -	\$ -	\$ -	\$ 19,555,017	\$ 19,730,375	\$ 29,098,286
2 OTHER ELECTRIC REVENUES	27,959	26,766	26,271	27,868	26,058	32,106	28,871	26,107	-	-	-	-	222,008	259,933	389,900
3 KWH TAX BILLED	120,853	121,111	107,128	101,750	90,985	103,460	105,121	112,699	-	-	-	-	863,107	857,520	1,256,428
4 CLEAN OHIO GRANT	10	-	-	-	29,581	-	-	-	-	-	-	-	29,581	-	-
5 TOTAL ELECTRIC REVENUES	\$ 2,820,351	\$ 2,828,737	\$ 2,573,897	\$ 2,429,832	\$ 2,296,844	\$ 2,495,704	\$ 2,554,115	\$ 2,670,242	\$ -	\$ -	\$ -	\$ -	\$ 20,669,723	\$ 20,847,828	\$ 30,744,614
EXPENDITURES															
6 FUEL OIL	1,931,338	1,730,183	1,669,269	1,610,637	1,553,003	1,784,9	1,744,958	1,697,860	-	-	-	-	34,549	75,000	100,000
7 PURCHASED POWER	189,939	147,203	160,909	191,068	145,046	155,646	166,961	208,788	-	-	-	-	13,690,515	15,185,182	22,097,326
8 WAGES & BENEFITS	22,013	25,338	27,144	74,535	78,941	34,155	40,356	19,929	-	-	-	-	1,365,561	1,367,241	2,050,861
9 MATERIALS & SUPPLIES	7,924	6,303	6,950	2,602	7,383	8,059	9,132	7,156	-	-	-	-	322,411	414,185	621,277
10 UTILITIES	121,187	68,175	95,819	107,405	82,057	147,908	137,452	103,266	-	-	-	-	55,509	46,000	69,000
11 OUTSIDE SERVICES	40,663	32,426	39,046	35,173	35,423	39,013	36,586	37,548	-	-	-	-	863,269	1,239,545	1,859,318
12 BILLING COSTS	113,530	9,607	13,845	2,728	8,865	26,634	16,115	32,846	-	-	-	-	295,679	339,637	509,455
13 OTHER EXPENSES	20,952	31,305	243,096	46,966	46,966	46,901	213,204	40,842	-	-	-	-	224,170	291,906	380,605
14 DEBT SERVICE	108,265	108,300	96,294	91,020	82,097	93,846	95,969	102,172	-	-	-	-	692,231	1,200,669	1,847,183
15 CAPITAL IMPROVEMENTS	12,589	12,811	10,834	10,730	8,888	9,613	9,152	10,528	-	-	-	-	777,962	771,768	1,130,785
16 KWH TAX TO GENERAL FUND	846	9,725	12,714	22,439	22,541	-	3,903	-	-	-	-	-	85,145	85,752	125,643
17 KWH TAX TO STATE OF OHIO	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18 CLEAN OHIO PROJECT	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19 TOTAL ELECTRIC EXPENDITURES	\$ 2,569,245	\$ 2,181,374	\$ 2,377,920	\$ 2,195,303	\$ 2,071,210	\$ 2,332,892	\$ 2,490,287	\$ 2,560,935	\$ -	\$ -	\$ -	\$ -	\$ 18,479,168	\$ 21,016,885	\$ 30,791,453
20 ELECTRIC SYSTEM MARGIN	\$ 251,106	\$ 647,363	\$ 195,977	\$ 234,529	\$ 225,634	\$ 162,812	\$ 63,828	\$ 409,307	\$ -	\$ -	\$ -	\$ -	\$ 2,190,555	\$ (169,057)	\$ (46,839)
21 OVER (-) UNDER (+) PCA COLLECTION	(\$178,270)	(\$389,100)	(\$218,973)	(\$192,788)	(\$60,534)	(\$59,261)	(\$82,746)	(\$277,017)	\$0	\$0	\$0	\$0	\$0	\$0	(\$1,458,689)
22 ADJUSTED MARGIN	\$ 72,836	\$ 258,263	\$ (21,996)	\$ 41,741	\$ 165,100	\$ 103,551	\$ (18,918)	\$ 132,290	\$ -	\$ -	\$ -	\$ -	\$ 731,866	\$ -	\$ -

PCA OVER (-) UNDER (+) COLLECTION BEGINNING OF YEAR \$ 48,460
YTD OVER (-) UNDER (+) COLLECTION (1,458,689)
BALANCE OVER (-) UNDER (+) COLLECTION (\$1,410,229)

CASH AND INVESTMENTS - BEGINNING OF YEAR \$ 6,396,374
CASH AND INVESTMENTS - END OF CURRENT MONTH 8,173,426
YEAR TO DATE CHANGE IN CASH AND INVESTMENTS \$ 1,777,052

MINIMUM ELECTRIC FUND BALANCE \$ 6,617,887
IDEAL ELECTRIC FUND BALANCE \$ 11,617,887

2015 ENERGY BOARD REPORT

Sales Summary (kwh)

	Actual Residential	Actual Commercial	Actual Industrial	Actual TOTAL	Budget Residential	Budget Commercial	Budget Industrial	Budget TOTAL
January	9,907,899	8,971,656	10,815,631	29,695,186	9,037,233	8,424,481	9,554,404	27,016,118
February	9,561,739	9,122,081	11,270,687	29,954,507	10,286,931	9,024,174	10,552,677	29,863,782
March	7,869,592	8,206,124	10,613,870	26,689,586	8,325,603	8,533,856	10,798,993	27,658,452
April	6,299,946	7,876,184	11,314,421	25,490,551	6,741,309	7,089,543	10,571,202	24,402,054
May	5,178,671	7,090,746	10,537,843	22,807,260	5,485,932	6,800,520	11,144,041	23,430,493
June	6,245,493	7,543,359	12,083,371	25,872,223	6,060,122	7,726,227	11,195,000	24,981,349
July	7,545,674	8,428,384	10,096,376	26,070,434	7,680,752	8,134,945	10,588,989	26,404,686
August	8,152,138	8,520,279	11,242,540	27,914,957	8,377,670	8,588,566	10,488,561	27,454,797
September				0				0
October				0				0
November				0				0
December				0				0
Total YTD	60,761,152	65,758,813	87,974,739	214,494,704	61,995,552	64,322,312	84,893,867	211,211,731
Percent of Budget	98.0%	102.2%	103.6%	101.6%				

Revenue Summary (\$)

	Actual Residential	Actual Commercial	Actual Industrial	Actual TOTAL	Budget Residential	Budget Commercial	Budget Industrial	Budget TOTAL
January	\$1,051,633	\$777,732	\$833,438	\$2,662,803	\$997,718	\$766,952	\$757,815	\$2,522,485
February	\$1,022,634	\$798,813	\$850,219	\$2,671,667	\$1,116,039	\$814,981	\$805,281	\$2,736,301
March	\$864,548	\$754,613	\$812,133	\$2,431,294	\$931,677	\$803,961	\$835,753	\$2,571,391
April	\$722,234	\$726,901	\$841,768	\$2,290,903	\$780,608	\$688,448	\$809,195	\$2,278,251
May	\$621,156	\$690,559	\$829,662	\$2,141,377	\$661,451	\$669,703	\$893,071	\$2,224,225
June	\$719,702	\$725,691	\$905,804	\$2,351,196	\$716,384	\$742,876	\$889,647	\$2,348,907
July	\$739,671	\$776,331	\$795,291	\$2,311,293	\$870,036	\$749,509	\$840,385	\$2,459,930
August	\$890,158	\$781,034	\$851,435	\$2,522,626	\$934,999	\$783,160	\$806,059	\$2,524,218
September				\$0				\$0
October				\$0				\$0
November				\$0				\$0
December				\$0				\$0
Total YTD	\$6,631,735	\$6,031,674	\$6,719,749	\$19,383,159	\$7,008,912	\$6,019,590	\$6,637,206	\$19,665,708
Percent of Budget	94.6%	100.2%	101.2%	98.6%				

Summary

Cost (\$/kwh)	\$0.10914	\$0.09172	\$0.07638	\$0.09037	\$0.11306	\$0.09358	\$0.07818	\$0.09311
Kwh Tax (\$)	\$293,456	\$284,825	\$284,825	\$863,107				
Cost (\$/kwh) Incl. Tax	\$0.11397	\$0.09606	\$0.07962	\$0.09439				

2015 ENERGY BOARD REPORT

Power Cost Summary

	Total Purchase Power [mwh]	Sales AMP [mwh]	Total Net Generation [mwh]	Total Send Out [mwh]	Total Purchase Power [\$]	Total Net Generation [\$]	Total All Power Cost [\$]	Total All Power Cost [\$/mwh]
January	30,919	0	(46)	30,873	\$1,931,338	\$0	\$1,931,338	\$62.56
February	29,221	0	(49)	29,173	\$1,730,183	\$0	\$1,730,183	\$59.31
March	28,267	0	(23)	28,244	\$1,669,269	\$0	\$1,669,269	\$59.10
April	24,551	0	(18)	24,533	\$1,610,637	\$0	\$1,610,637	\$65.65
May	25,881	0	(7)	25,874	\$1,553,003	\$0	\$1,553,003	\$60.02
June	28,081	0	45	28,126	\$1,753,267	\$17,849	\$1,771,116	\$62.97
July	29,403	0	63	29,466	\$1,744,958	\$16,700	\$1,761,659	\$59.79
August	28,762	0	(8)	28,754	\$1,697,860	\$0	\$1,697,860	\$59.05
September				0			\$0	#DIV/0!
October				0			\$0	#DIV/0!
November				0			\$0	#DIV/0!
December				0			\$0	#DIV/0!
Total YTD	225,085	0	-43	225,042	\$13,690,515	\$34,549	\$13,725,064	\$60.99

Miscellaneous Information

	Electric Fuel Adjustment [\$/kwh]	Peak Electric Demand [mw]	Minimum Electric Demand [mw]	Degree Days	Electric Residential Customers	Electric Commercial Customers	Electric Industrial Customers
January	(\$0.00731)	57	22	1,228	9,544	1,133	23
February	(\$0.00731)	58	25	1,307	9,526	1,144	22
March	(\$0.00731)	53	23	888	9,584	1,148	21
April	(\$0.00731)	47	19	431	9,589	1,140	22
May	(\$0.00731)	53	18	10	9,556	1,130	23
June	(\$0.00731)	58	19	-127	9,609	1,132	26
July	(\$0.00731)	66	19	-166	9,582	1,124	22
August	(\$0.00731)	58	22	-79	9,559	1,117	23
September							
October							
November							
December							

Power System Engineering will be on
hand to present an Overview &
Recommendations associated with Piqua's
Technology Work Plan.