

**PIQUA ENERGY BOARD
MEETING
JANUARY 27, 2009**

- TIME & PLACE:** A regular meeting of the Piqua Energy Board was held on Tuesday, January 27, 2008 at Piqua Power System's electric distribution office. Chairman George Ashton called the meeting to order at 12:04 P.M.
- ATTENDANCE:** See attached Attendance Report.
- MONTHLY MINUTES:** Joe Drapp moved to approve the minutes of the November 25, 2008 meeting. Bill Gilius second and the motion carried.
- MONTHLY REPORT:** Bill Sommer reviewed the 2008 year-end monthly financial reports. Year-end KWH sales finished 2008 1.9% below budget, while revenues ended 2008 3.7% above budget. 2008 finished with an electric-system margin of \$275,310 which is \$1,809,674 better than budget. Year-end cash and investments is \$9,469,027. Jim Hartzell moved to accept the monthly reports. Frank Patrizio second and the motion carried.
- FERC ORDER 719 OPT OUT:** Bill Sommer reviewed proposed legislation to allow the City of Piqua to opt out from FERC Order 719. This order would facilitate 3rd party demand response initiatives in Piqua. APPA, AMP-Ohio and Sawvel & Associates all have recommended that Piqua pass opt out legislation.
- Frank Patrizio moved to recommend Piqua opt out of 3rd party demand response initiatives as outlined in FERC Order 719. Bill Vogt second and the motion carried.
- TRANSFORMER PURCHASES:** Nick Berger reviewed bid results and recommended distribution transformer purchases for 2009. Jim Hartzell moved to recommend the purchase of 38 distribution transformers from Power Line Supply for a not to exceed price of \$200,182. John Alexander second and the motion carried.

**2008 WORK LISTING
4th QTR. UPDATE:**

Bill Sommer reviewed the year-end work listing summary for the Power System. 2008 proved to be a very productive year with the completion of the vast majority of budgeted initiatives.

2009 WORK LISTING:

Bill Sommer reviewed the 2009 work plan for the Power System as budgeted and approved by City Commission. A number of key system improvement initiatives are included in the 2009 work plan.

**2008 RELIABILITY
STATISTICS:**

Ed Krieger reviewed the year-end reliability statistics for the Power System. This is the fifth year of tracking outages and the Power System performed admirably in 2008, especially considering the two major weather events which hit the City of Piqua during the year (March 4 ice storm and September 14 wind storm).

NEW BUSINESS:

Bill Sommer reviewed and discussed a number of articles that had been included in this month's Energy Board packet.

OLD BUSINESS:

Pat Jenkins questioned the recent action by City Commission to no longer require the general fund to pay for street lighting services, even though the Energy Board had recommended in September to continue this practice.

George Ashton reminded members that the Energy Board is an advisory committee and as such has no legislative authority. Frank Patrizio reiterated that the City Commission is not required to follow the Energy Board's recommendation on any particular matter. Fred Enderle emphasized that while the Energy Board is looking at matters from the Power System's perspective, City Commissioners are required to look at issues from a broader perspective and how they impact the City of Piqua as a whole.

ADJOURN:

With no further business to discuss, Frank Patrizio moved to adjourn the meeting at 1:08 P.M. Bill Vogt second and the motion carried.

SIGNED:

William J Sommer
Power System Director