

**PIQUA ENERGY BOARD
MEETING
MAY 25, 2010**

- TIME & PLACE:** A regular meeting of the Piqua Energy Board was held on Tuesday, May 25, 2010 at Piqua Power System's office. Chairman Bill Gilius called the meeting to order at 12:04 P.M.
- ATTENDANCE:** See attached Attendance Report.
- MONTHLY MINUTES:** Frank Patrizio moved to approve the minutes of the March 23, 2010 meeting. Joe Drapp second and the motion carried.
- NEW BOARD MEMBER:** Ed Krieger welcomed Brian Kellogg to the Energy Board.
- MONTHLY REPORT:** Ed Krieger reviewed the April 2010 year to date (YTD) monthly financial reports. Total YTD KWH sales and revenues are on budget. The YTD total electric revenues are on budget and the YTD total electric expenditures are 7.7% below Budget. The YTD electric-system adjusted margin is \$474,239. The YTD cash and investments are \$12,043,733. Pat Jenkins moved to accept the monthly reports. Frank Patrizio second and the motion carried.
- FUND BALANCE GUIDELINES:** Ed Krieger reviewed the revised Electric Fund Balance Guidelines. At the request of the board the following two revisions were added to the fund balance guidelines: (1) Revised the three months of annual debt service coverage to twelve months under item three, and (2) added a contingency of \$1.5 million for Cash Flow as item five. Under the suggestion of the Energy Board, a minimum electric fund balance was determined to be the sum of items 1 (9 months of non-power supply operating expenses), 3 and 5. There was a discussion on the minimum fund balance calculation. John Alexander moved to adopt the Electric Fund Balance Guidelines. Frank Patrizio second and the motion carried.

**RATE HISTORY
FACT SHEET:**

Ed Krieger reviewed the rate history fact sheet that was put together in response to several questions raised by customers and City Commissioners concerning electric rates.

**2010 WORK PLAN –
1st QUARTER
UPDATE:**

Ed Krieger reviewed the most recent update of the 2010 work listing. The Power System remains on target to complete the vast majority of budgeted initiatives for 2010. Ed Krieger presented information detailing his recent tour to the Prairie State Energy Campus on May 12 and 13.

OLD BUSINESS:

None to report.

NEW BUSINESS:

None to report.

ADJOURN:

With no further business to discuss, Frank Patrizio moved to adjourn the meeting at 1:22 P.M. Jim Froning second and the motion carried.

SIGNED:

Ed Krieger
Power System Director