

**PIQUA ENERGY BOARD
MEETING
SEPTEMBER 25, 2012**

TIME & PLACE: A regular meeting of the Piqua Energy Board was held on Tuesday, September 25, 2012 at Piqua Power System's office. Chairman John Alexander called the meeting to order at 12:00 P.M.

ATTENDANCE: See attached Attendance Report.

MONTHLY MINUTES: Lynn Sever moved to approve the minutes of the July 24, 2012 meeting. John Martin second and the motion carried.

MONTHLY REPORT: Ed Krieger reviewed the August 2012 year to date (YTD) monthly financial reports. YTD KWH sales are 3.6% above budget, and revenues are 3.0% below budget. The YTD total electric revenues are 4.5% below budget. The YTD total electric expenditures are 19.2% below budget due to low purchased power costs. The YTD electric-system margin is (\$186,791). The YTD cash and investments are \$12,284,717. The minimum electric fund balance is \$4,833,416, and the ideal electric fund balance is \$8,833,416.

Bill Vogt moved to accept the monthly reports. Pat Jenkins second and the motion carried.

AMP SOLAR PROJECT: Ed Krieger reviewed Sawvel's analysis of the AMP Solar Project Phase I. AMP is pursuing development of solar facilities to be owned and operated by AMP and interconnected with member municipal electric systems. AMP may develop up to 30 MW of solar energy generation in member communities if a sufficient number of members subscribe to the Project.

The projected cost of participating in the AMP Solar Project Phase I is greater than the estimated cost of on-peak market energy purchases during the period of 2013 through 2037. Roger Hartley move to recommend to Piqua's City Commission to not participate in the AMP Solar Project Phase I. Bill Vogt second and the motion carried.

**WATERFRONT
DEMOLITION
PROJECT:**

Ed Krieger reviewed SSOE Group's proposal to provide engineering and design services for the City of Piqua Power Plant demolition project. The Miami County Commissioners on behalf of the City received a grant from the Clean Ohio Revitalization Fund for the environmental remediation and demolition of a portion of the Piqua Municipal Power Plant. The Miami County Commissioners acquired Brownfield Remediation Group LLC (Brownfield) as the Ohio Voluntary Action Plan Certified Professional to assist with the execution of the Grant. Brownfield and the City requested a proposal from SSOE to provide various engineering and design services associated with this project. SSOE has both the expertise and experience to complete this project.

Roger Hartley moved to recommend to Piqua's City Commission to obtain the professional engineering services of SSOE Group at a not to exceed price of \$102,000. Lynn Sever second and the motion carried.

**RELIABILITY
STATISTICS:**

Ed Krieger reviewed the following YTD reliability indices: ASAI, CAIDI, SAIDI, SAIFI (long), and SAIFI (short). These indices are used as an industry benchmarking tool. The storm on June 29th has been influential in the current statistics. Ed Krieger reminded the board the statistics represents a 12 month rolling average.

**2012 WORKPLAN –
2nd QUARTER
UPDATE:**

Ed Krieger reviewed the most recent update of the 2012 work listing. The Power System remains on target to complete the vast majority of budgeted initiatives for 2012.

OLD BUSINESS:

None to report.

NEW BUSINESS:

Ed Krieger reviewed the importance of safety at Piqua Power System. The APPA's Safety Manual is a document that Piqua uses to ensure the safety of its employees. Ed Krieger requested the Energy Board to formally adopt APPA's Safety Manual.

John Martin moved to adopt the APPA's Safety Manual. Joe Drapp second and the motion carried.

ADJOURN:

With no further business to discuss, Bill Vogt moved to adjourn the meeting at 12:48 P.M. Lynn Sever second and the motion carried.

SIGNED:

Ed Krieger
Power System Director