



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:

A handwritten signature in black ink, appearing to read 'N. Berger', written over a horizontal line.

Nick Berger
Assistant Power System Director