

**PIQUA ENERGY BOARD
MEETING
NOVEMBER 27, 2018**

TIME & PLACE: A regular meeting of the Piqua Energy Board was held on Tuesday, November 27, 2018 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: Pat Jenkins moved to approve the minutes of the August 28, 2018 meeting. Roger Hartley second and the motion carried.

MONTHLY REPORT: Ed Krieger reviewed the October 2018 year-to-date (YTD) monthly financial reports. YTD kWh sales are 0.4% above budget and revenues are 0.7% above budget. The YTD total electric revenues are 0.4% above budget and total electric expenditures are 4.8% below budget.

The YTD cash and investments are \$6,844,941, which is \$219,138 below the minimum electric fund balance of \$7,064,079. Roger Hartley moved to accept the monthly reports. Joe Drapp second and the motion carried.

AMP DUES: Ed Krieger reviewed the benefits of Piqua's membership in American Municipal Power (AMP). AMP has been Piqua's power supplier since 2007. Membership in AMP has grown to 135 members located in nine states. Piqua is participating in several long-term generation assets owned by AMP, including the Prairie State Energy Campus, Fremont Energy Center and the Phase II Solar Project.

Joe Drapp moved to recommend Piqua City Commission approve payment of AMP membership dues of \$75,000 for 2019. Bill Vogt second and the motion carried.

**COOPERATIVE
RESPONSE
CENTER:**

Ed Krieger reviewed the after-hours customer call and dispatch services provided by Cooperative Response Center, Inc. (CRC). CRC has been fully integrated into the operations of the Power System, and provides a significant advantage to our customers.

Joe Drapp moved to recommend Piqua City Commission authorize the Power System to retain the services of CRC at a cost of up to \$30,000 to provide professional customer call and dispatch services in 2019. Stu Shear second and the motion carried.

**PEAKER FUEL OIL
PURCHASES:**

Ed Krieger reviewed the need to purchase #2 fuel oil for the City's two combustion turbine generators in 2019. Piqua's two generators are a valuable part of Piqua's power portfolio. These units shave Piqua's summer transmission peaks, which provides significant financial benefit to Piqua's electric customers.

Roger Hartley moved to recommend Piqua City Commission authorize the Power System to purchase #2 fuel oil as needed in 2019. Pat Jenkins second and the motion carried.

**SAWVEL AND
ASSOCIATES:**

Ed Krieger reviewed the services provided by the independent consulting and engineering firm, Sawvel and Associates (Sawvel). Services have included cost-of-service and rate design, electric power supply and transmission consultation, as well as recommendations on Piqua's potential participation in AMP generation projects.

Stu Shear moved to recommend Piqua City Commission authorize the Power System to retain the services of Sawvel to provide professional consulting and engineering services in 2019 at a cost of up to \$50,000. Roger Hartley second and the motion carried.

**LINE
CLEARANCE:**

Bob Bowman reviewed the 2019 Power Line Right-of-Way Clearance and Tree-Trimming Bids. The Power System recommends awarding the contract to Nelson Tree Service (Nelson). Nelson's bid includes a renewal option for 2020 and 2021, with labor rate increases not to exceed three percent (3%) annually.

Roger Hartley moved to recommend Piqua City Commission award Nelson Tree Service the Line Clearance contract for 2019, with the option for renewal in 2020 and 2021. Stu Shear second and the motion carried.

**SUBSTATION #5
TESTING:**

Ed Krieger reviewed the recent completion of the Substation #5 69 kV breaker replacement project. The project was substantially completed by Power System staff, with electrical testing services provided by Power Services, Piqua's long-time Substation Maintenance & Testing firm.

Joe Drapp moved to recommend Piqua City Commission authorize payment to Power Services for 2018 substation maintenance and testing services at a cost not to exceed \$35,000. Stu Shear second and the motion carried.

**WORK PLAN
UPDATE:**

Ed Krieger reviewed the most recent update of the 2018 work listing. The Power System remains on target to complete the vast majority of budgeted initiatives for 2018.

OLD BUSINESS:

None to report.

NEW BUSINESS:

None to report.

ADJOURN:

With no further business to discuss, Pat Jenkins moved to adjourn the meeting at 12:55 P.M. Bill Vogt second and the motion carried.

SIGNED:

Ed Krieger
Power System Director