



ROCHELLE UTILITY ADVISORY BOARD
Thursday, April 11, 2013

The Rochelle Utility Advisory Board met on April 11, 2013 in the RMU Technology Center, 910 Technology Parkway. The meeting was called to order by Mr. Elliott at 2:00 p.m.

Present at the meeting:

Bob Elliott, UAB Chairman

Claude McKibben, UAB

Ray Schwartz, UAB

Jim Black, UAB

Dave Plyman, City Manager

Dan Westin, Business Analyst

Joanne Peters, RMU

Jenny Thompson, RMU

Joe Orlikowski, RMU

Jeff Sartorius, RMU

Chris Frye, Finance Manager

Scott Koteski, RMU

Eric Wagner, RMU

Barbara Bell, RMU

Lynette Fischer, HR

Absent:

Maryann Macklin, UAB

Richard Ohlinger, UAB

Other:

Jeff Leon, WRHL

Mr. Elliott advised the purpose of the meeting was to review the electric rates and turned the meeting over to Mr. Westin. Dan Westin provided an overview and reminded the Board that the electric rate analysis was to insure that the rates support the managing demands on our infrastructure. The rate study expanded modeling of cost allocators and revenue requirements. The rate structure requirements include revenue and rate stability. Dan explained the importance of energy efficiency. Residential electricity usage is 40% higher during the late afternoon hours and wholesale prices of electricity are 100% higher.

The suggested rate modifications include a seasonal residential rate to manage the summer peak demand; the addition of a flat rate option for data centers; an additional rate for demand above 5 MW; and a modification to rate 160. The updated rate schedules were reviewed and the proposed rate design summary indicated an overall increase of 2%.

Mr. Schwartz and Mr. McKibben inquired about the incentive value of the Large General Service Interruptible Rate #151. Mr. Westin advised that staff was reviewing options as there is only one customer on the rate. Mr. Westin suggested that we talk to the customer and make an evaluation as Rider #3 could work better. This will be reviewed and brought back to UAB at a later date.

MOTION: The Rochelle Utility Advisory Board approves the electric rate structure as submitted and recommends that they be presented to the Rochelle City Council for approval.

MAKER: Claude McKibben

SECOND: Jim Black

VOICE VOTE: Motion Carried

Mr. Schwartz thanked the RMU staff for the time taken to communicate the rate study to the large general service customers.

Adjournment: Mr. Schwartz moved and seconded by Mr. McKibben to adjourn at 2:42 p.m. Motion passed.

Minutes Submitted By,
Joanne M. Peters