



ROCHELLE UTILITY ADVISORY BOARD
Minutes Wednesday, July 23rd, 2014

The Rochelle Utility Advisory Board met on July 23rd, 2014 in the RMU Technology Center, 910 Technology Parkway. The meeting was called to order by Mr. Elliott at 3:00 p.m.

Present at the meeting:

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| Bob Elliott UAB Chair | Dave Plyman City Manager |
| Claude McKibben UAB | Kathy Cooper RMU |
| Jim Black UAB | Barbara Bell RMU |
| Ray Schwartz UAB | Jeff Sartorius RMU |
| Chet Olson Mayor | Dan Westin RMU |
| Scott Yoo RMU Intern | Jason Anderson City |

1. Approval of Minutes:

MOTION: To approve the UAB meeting minutes dated May 21st, 2014

MAKER: Mr. Black SECOND: Mr. McKibben

VOICE VOTE: Motion carried

2. **Financial Statements:** The June 2014 financial statements were distributed with the Agenda. Chris Frye was not able to attend due to auditors being in her office. Mr. Schwartz queried as to why the inter-fund transfer water – water rec is still showing up as it likely was a onetime transfer. The issue was to be brought back to Ms. Frye.

The electrical bond issue status was reviewed by Mr. Plyman. Substation upgrades will require more funds which will require some changes to how the bond issue is setup.

3. **Water/WaterRec Project status**

Kathy Cooper reviewed the status of the current water rec projects:

- Centrifuge replacement: contract has been awarded, delivery is 6 months out being February-March timeframe, dewatering operation will be shut down for 30 days
- HW251 South project: all is in ground, almost done.
- Well 12 is proceeding: Excellent water quality per tests. Next step is to build well house. Connection to main to be done in spring.

The easement issue has been concluded, and the COMED interaction on service area has also been concluded with all papers signed. The UAB members expressed appreciation of the work done on these issues.

- Second avenue water main project is progressing through some contaminated soil, project will be completed in the next month.
- Blower Replacement: Turbo blower to replace centrifugal blower type. Bids in early August to be presented to council.
- Well 4 pump needs to be rehabbed. Production has gone down 40 % in the last year. Bids to be sent out end August.

Mr. Schwartz queried about the lift station for the airport. Ms. Cooper responded that a new motor has been put in for the pump and all is going well.

At this time, Chair Elliott paused the agenda to, on behalf of the UAB, recognize Ms. Cooper's contribution to Rochelle and RMU given her upcoming retirement. A background of many of her accomplishments and industry engagements were shared with the meeting and flowers and a signed card was presented.

4. Mr. Westin introduced Scott Yoo who has been working on the RP3 reliability project.
5. Customer Service Projects status

Ms. Bell reviewed the status of incentives for energy savings. AC tune ups are up to about 100 this year. Other incentives such as Variable Frequency Drive are also being utilized by RMU's customers.

Mr. Schwartz commented that the process for the customers to access these incentives is very user friendly.

6. Electrical Projects Status

Mr. Sartorius reviewed the status of:

- Street lighting program: North 20th street and Caron Rd are completed. Lighting on 38 to be worked on, need to acquire permits and planning time with other projects. May be a later fall project.
- 6MW Skid load gen sets: Contracts for site prep have been awarded. Three transformers will also be part of the site. Project schedule is in good shape. The value of these gen sets for black start was explained.

Mr. Westin reviewed the electrical enterprise financials and the impact of this summer seasons very low energy usage which drives up the base costs impact on the overall charges. The capacity charge impact was exemplified by one of the PJM bills. The capacity charges impact

all in the region. The organic growth that was expected has not materialized and is likely coming 6-9 months later than planned. In addition the methane plant's production has been going down.

An example of the real time and day ahead market pricing was shared to show the impact of the generation plant operations model on the costs involved. RMU is now running on market day ahead on peak alert days to reduce the costs of the generation plant somewhat.

COMED/PJM improved interconnection project: Further meetings have been held with COMED and PJM. The opportunities in this area have been further studied and now the work is to identify the requirements that Rochelle would have to meet if changes to PJM participation are made.

Mr. Schwarz asked for a picture of the grid and how the tie lines would look like if this is acted on.

Solar Plant: Mr. Westin reviewed the status of the solar plant to be placed at the treatment plant. Five bids with competitive pricing have been received. Three are very solid bidders. Proposed bid to be taken to next Monday council meet. The target is to have a very maintenance friendly plant.

Mayor asked if expansion is possible. Mr. Westin responded that this will be dependent on how the flood plain area can be used.

Ms. Bell reviewed the status of the Summer Saver Rate. Promotions are in place with ads both newspaper and radio. This is a risk free rate as to changes in the bills for the customer.

Mr. Westin reviewed Prairie State status with the changes in the management team now moving from shake down process to ongoing operation mode. A new CEO will be put in place.

Geneva has a new electrical management in place with the changes that came up in June.

Mr. Westin is now the president of NIMPA given these changes.

NIMPA is increasing its communications activities especially web site information due to the increased interest in Prairie State status.

Outage Management Systems: Mr. Westin reviewed his learnings from a smart grid summit which included much information on how to use data in electrical grids. Rochelle is well on its way in use of AMI though there is much more work to be done.

Mr. Schwartz asked if there will be capabilities for customers to call in and leave information on outages. Mr. Bell responded, yes, RMU is working on an interactive voice response system which will support interaction with the customers.

Mr. Schwartz commented that RMU has shown excellent work on restoring service.

Mr. Westin reviewed cyber security status and shared a document that shows RMU's

commitment to protection against cyber-attacks and any issues with privacy.

7. Promotion Activities

Mr. Westin and Ms. Thompson updated the UAB on recent RMU promotion activities. Cinco de Mayo, Chamber golf play day and the Data Center Conference Chicago. Future activities will be Movie in the Park, Lincoln Heritage Festival and Creston Booster Days. The incentive packages are provided in Spanish as well.

8. New Business: RMU has worked with the 2way radio situation in the city and a plan has been formulated on how to make the Tech Center work from a radio point of view during an emergency situation.

9. Comments from the Public: None

10. Adjournment:

MOTION: To adjourn at 5:05 p.m.

MAKER: Mr. Black SECOND: Mr. Schwartz

VOICE VOTE: Motion carried

Submitted By Dan Westin