POWER SUPPLY TASK FORCE MEETING MINUTES
WATER AND LIGHT ADMINSTRATION BUILDING

A meeting of the Power Supply Task Force was held June 11, 2008 at 5:30 p.m. at the Water and Light Administration Building in the Energy Management Conference Room. Attending the meeting were:

Task Force:
John Conway, Chair
Bob Roper, Member
Ernie Gaeth, Member
Tom O'Connor, Member
Dick Malon, Member
Dick Parker, Member
Tom Baumgardner, Vice Chair – Absent
Hank Ottinger, Member – Absent
Dave Wollersheim, Member – Absent

Columbia Water and Light Staff:
John Glascock, Interim Director
Tad Johnsen, Power Production Superintendent
Dan Stokes, Transmission and Distribution Manager
Tina Worley, Utility Services Manager
Connie Kacprowicz, Utility Services Specialist
Marilyn Thorpe, Administrative Support Supervisor
Stephanie Brown, Administrative Support Assistant

Kiah Harris, Burns and McDonnell

John Conway opened the meeting at 5:50 p.m.

Approval of the May 28, 2008 Minutes – Dick Parker motioned to approve the minutes and Dick Malon made a second motion. The minutes were approved.

Review of the Public Comments Meeting – Mr. Malon responded to a comment from the public regarding the interaction of the task force at the public meeting. He said he believed that this meeting was mainly for public interaction. Bob Roper and Mr. Parker agreed.

Presentation on Demand Side Management (DSM) – Mr. Parker said his presentation was based upon the Water and Light managed DSM model provided by Burns and McDonnell and was an attempt to look at the possibilities. He provided several possible programs for Columbia Water and Light, such as energy audits equivalent to the Home Performance with Energy Star program for all customer classes and customer chosen energy efficiency items.

Mr. Parker said the possible benefits of these programs are customers save approximately $228 a year for a single family, money is spent in the City rather than on imported electricity, jobs are

created, the cost is about half of the cost of electricity, greenhouse gas emissions are reduced, and reduced use will reduce the utility's need to add generating capacity.

Kiah Harris said he would need direction on what rates to use to consider these scenarios.

Mr. Parker believed the way to deal with the psychological aspect of persuading the customers to participate in energy efficiency programs is to show the customer the savings in the Integrated Resource Plan (IRP) and on the utility bills. Tina Worley said Water and Light has inquired about adding items to customer utility bills, but the IS Department makes the decisions as to what is listed on the bills.

Mr. Parker wanted an expanded, in depth analysis of the information included in the IRP and to include the customer savings. Tom O'Connor thought the total kilowatt reduction included in the IRP represented the customer savings. Mr. Conway said providing the customer savings is not included in the scope of services for Burns and McDonnell.

Ms. Worley said because there are so many variables, it is impossible to give an adequate picture for all customers. One program that the utility is working on with the GIS coordinator has been to look at sample housing stock including the age of the home, the square footage and then layer that information with the energy usage per household to provided an energy usage per square foot. That data is still being developed. Mr. Parker said we should be able to expand the numbers to customer savings. He asked how many homes are audited on an annual basis. The energy audits range from phone conversations to clipboard audits to a very high tech audit provided through the Home performance with Energy Star program. On average we conduct over 400 residential audits per year. There are numerous customers that do not want anyone in their homes. Ms. Worley mentioned that phone conversations with customers accomplish what Mr. Parker is asking. Water and Light is looking to purchase and install a program which will allow customers to conduct an energy audit online. Staff feels confident that customers will take advantage of it. Since the inception of the Home Performance with Energy Star program, over 700 people have viewed the website.

Mr. Parker believed that a bond issue may be needed to increase customer participation in energy conservation programs. Mr. Malon was opposed to the idea of using a bond issue. He said he doubted that the concept was legal and that at a minimum it would use up the utility's bonding capacity when it would be truly needed for other uses including transmission and distribution purposes. He said the pay-as-you go method is just fine. He didn't think the City Council would approve hiring the 50 more employees to implement the type of program Mr. Parker was suggesting.

Ms. Worley said Water and Light consistently offers programs through organizations such as the Housing Authority and Central Missouri Community Action (CMCA) to implement several energy conservation activities. She said these programs are gaining momentum.

Mr. Parker moved that the task force require the IRP to include the benefits to the customers. No second motion was made and the motion failed.

Public Comments – Mr. Conway requested comments from staff and asked if there were any comments that could change the course of the work. John Glascock said the City Manager was satisfied with the turnout of the public meeting.

Mr. Parker requested that the numbers be included on the subsection of the "summary of tables for various options" in the IRP. Mr. Harris asked Mr. Parker to illustrate by a sketch what he is requesting and send it to him.

Mr. Harris requested clarification on the level of carbon tax to include in the IRP model. An EPA report said there could be a carbon tax implemented as early as 2015. Mr. Harris said the higher the carbon tax, the more the cost is internalized in the rate.

The task force decided to have Mr. Harris perform the model analysis with a carbon tax of zero to establish the baseline and with a carbon tax of $30 for a comparison. Revisions may still be made later as situations change.

Mr. Harris said he will recommend several pilot programs such as time of use pricing. He suggested that the building codes be reviewed as well. Mr. Harris will also include a summary of the CO2 emissions in the report and sources. Mr. Malon asked that Mr. Harris include a paragraph stating the impracticality of certain resources. Mr. Harris said that would be explained using the slide presented in the public meeting.

Mr. Glascock said the next steps for the task force are:

1. hold another meeting to approve the IRP draft report to be presented to the City Council;
2. present the IRP at a Council work session in which the Chair of the task force and possibly another member present a letter endorsing the draft IRP. Mr. Harris will be there as well;
3. Mr. Harris will speak to the Environment and Energy Commission;
4. the draft IRP will be presented to the City Council for approval.

Mr. Glascock said Burns and McDonnell have fulfilled the scope of services according to Mike Schmitz.

The meeting adjourned at 7:28 p.m.

Prepared by: Stephanie Brown, ASA II