

Water and Light Advisory Board
October 9, 2008

A meeting of the Water and Light Advisory Board was held October 9, 2008 at 7:00 a.m. in the Utility Services Conference Room, 105 E. Ash. Attending the meeting were:

John Conway, Chair
Tom Baumgardner, Vice Chair
Ernie Gaeth, Member
Tom O'Connor, Member
Bob Roper, Member
J. Kraig Kahler, Water and Light Director
Jim Windsor, Manager of Rates and Fiscal Planning
Tad Johnsen, Power Production Superintendent
Floyd Turner, Manager of Water Operations
Dan Stokes, Electric Distribution Manager
Marilyn Thorpe, Administrative Support Supervisor
Stephanie Brown, Administrative Support Assistant II

Dick Parker, Power Supply Task Force
Ken Metcalf, Sierra Club

APPROVAL FOR THE SEPTEMBER 4, 2008 MEETING MINUTES: The September 4, 2008 meeting minutes were approved as modified by voice vote on a motion by Ernie Gaeth and second by Bob Roper.

FINANCIAL REPORT:

a) Financial Update – The Board received the monthly financial statements ending August 31, 2008.

Water and Electric Utility combined operations reflect an operating income of \$9,904,676 for the eleven months ended August 31, 2008; compared to an operating income of \$12,253,812 for the same period last year. This is a decrease of \$2,349,136.

The Water Utility has an operating income of \$442,072 for the eleven months ended August 31, 2008; compared to an operating income of \$2,156,015 for the same period last year. This is a decrease of \$1,713,943 in operating income.

The Electric Utility has an operating income of \$9,462,604 for the eleven months ended August 31, 2008; compared to an operating income of \$10,097,797 for the same period last year. This is an decrease in operating income of \$635,193.

Operating revenues of Electric Utility are up \$6,063,599 compared to the same period last year.

Operating expenses before Payment-In-Lieu-Of-Tax and Depreciation are up \$5,380,663. Fuel and Purchased power costs have increased \$5,330,270.

b) Jim Windsor said operating expenses for water transmission and distribution was up 14.4% compared to last year because of main breaks, the Long Range Water Study, and the Trihalomethane (THM) study. He said the water revenue was still down because it has been a wet year. Overall, Mr. Windsor said the utility is in good financial condition.

POWER PLANT REPORT

Tad Johnsen said the scheduled fall outage at the Power Plant will occur in a week. He said the emissions monitoring system will be replaced to meet regulation requirements.

Mr. Johnsen said the three sources for renewable energy currently used at the Power Plant account for 2.7% of the overall energy used in Columbia. Of the 2.7%, the landfill-gas plant contributed 1.3%, wood accounted for .8% and wind generated .6%.

Mr. Johnsen said the permit to burn wood will run out in 30 – 40 days. The emissions amount will be analyzed more in depth once a permanent permit is in place.

ENGINEERING

Kraig Kahler announced that the Solar One Program Launch will take place today at 10 a.m. at the West Ash Pump Station.

Mr. Kahler said the unofficial THM test results from Prathersville came back at 38.6 micrograms per liter which put the average at 76.8, which is below the threshold. He said no customer notification is needed. Floyd Turner said the Department of Natural Resources (DNR) confirmed the results.

Mr. Kahler said the Council work session to discuss the Integrated Resource Plan will be October 26, 2008 at 6:00 p.m. in the Council Chambers conference room. He said he would like the Board members to attend

Mr. Kahler explained the Water Bond Committee presentation schedule. He said the presentation contains a PowerPoint presentation and fact sheets. The PowerPoint presentation contains information on THMs and utility rates comparisons. Staff only provides information, whereas the bond committee advocates the issue. Mr. Metcalf said the Sierra Club will remain neutral on this issue and will not need a presentation. Mr. Windsor said he believed that the Smart Growth Organization will endorse this issue.

WATER DIVISION REPORT

Mr. Turner said the University of Missouri is in the second quarter of testing and is now working on distribution. He said the lower amount of THMs may be due to water moving through the system faster because of the lower temperatures this year.

ELECTRIC DISTRIBUTION REPORT

Dan Stokes said there were 28 outages in September with the average being 37. The average length of time for each outage was 88 minutes and the average is 75 minutes. Per outage an average of 65 customers were affected with the overall average amount of customers at 109. He said there was an outage near the Woodrail Bottoms that the crew could not get to because of flood waters. He said changes have been made to reduce the chance of a similar outage occurring in the future.

UTILITY SERVICES DIVISION REPORT

Mr. Kahler said Tina Worley was working with ADS to acquire more railroad customers.

NEW BUSINESS

No new business.

OLD BUSINESS

No old business

Mr. Roper asked the Board to consider a new meeting time. Comments were duly noted. The consideration will be discussed at the next meeting.

John Conway recommended that everyone consider attending the Missouri Public Utility Alliance (MPUA) Conference next year.

Next meeting date: November 6, 2008

The meeting adjourned at 7:40 a.m.

Respectfully Submitted,