

DRAFT
Water and Light Advisory Board
June 7, 2007

A meeting of the Water and Light Advisory Board was held June 7, 2007 at 7:00 a.m. at the Administration office downtown. Attending the meeting were:

John Conway, Chair
Tom Baumgardner, Vice Chair
Ernie Gaeth, Member, Member
Greg Macias, Member
Robert Roper – Member, Excused
Dan Dasho, Water and Light Director
Floyd Turner, Manager of Water Operations
Dan Stokes, Electric Distribution Manager
Tad Johnsen, Power Production Superintendent
Tina Windsor, Utility Services Manager
Marilyn Thorpe, Administrative Support Supervisor

Dick Parker - visitor
Barbara Allen - visitor

APPROVAL OF THE MAY 10, 2007 MEETING MINUTES: The minutes of the May 10, 2007, meeting were approved by voice vote on a motion by Greg Macias and second by Bob Roper.

FINANCIAL REPORT: The Board received the monthly financial statements April 30, 2007, generated by the Finance Department.

Water and Electric Utility combined operations reflect an operating income of \$3,829,434 for the seven months ended April 30, 2007; compared to an operating income of \$160,476 for the same period last year. This is an increase of \$3,668,958.

The Water Utility has an operating income of \$453,101 for the seven months ended April 30, 2007; compared to an operating income of \$629,975 for the same period last year. This is a decrease of \$176,874 in operating income.

The Electric Utility has an operating income of \$3,376,333 for the seven months ended April 30, 2007; compared to an operating loss of \$469,499 for the same period last year. This is an increase in operating income of \$3,845,832.

Operating revenues of the Electric Utility are up \$5,192,033 compared to the same period last year.

Operating expense before Payment-In-Lieu-Of-Tax and Depreciation are up \$918,431. Fuel and Purchased power costs have increased \$298,677.

The Board requested that staff provide details of the Water and Light budget for the year and where we are at present.

Dan informed the Board that Virchow Krause & Company the group that is doing a Cost of Service Study for the City had met with Council in May. Virchow Krause is performing a cost-of-service analysis and rate design for the electric and water utilities. In addition, they are looking at various fee structures such as connection fees. The final report is due the end of July. The Board requested a copy of the presentation for the July meeting.

POWER PLANT REPORT:

- a) Dan told the Board that we were able to buy 7 megawatts of wind energy from Associated but could not get the transmission through MISO. Associated said it was okay to use their transmission system but MISO would not agree. Dan said he may have to go to the Federal Energy Regulatory Committee to get it resolved.
- b) The Southeastern Electric Reliability Counsel (SERC) SERC has added 100 new reliability standards that utilities have to adhere to. An auditing staff is coming to do an audit to make sure we are following all the new standards. Two employees from the Power Plant and two employees from Engineering are working together to see that everything is being done. Documentation is required for all the standards. There will be fines placed on any violations. Dan said he is on the committee that will be reviewing those that may not be in compliance. He said the new standards are in place as a result of the outage in 2003.

ENGINEERING:

- a) 36" Water Main – Floyd Turner said the 36" line was chlorinated, a sample would be taken if everything is okay the line will be put in service tomorrow.
- b) Grindstone Substation Transformer - Dan said the Grindstone substation transformer was in transit. He said the 161 Kv line was energized and ready to go.
- c) Electric Under grounding – Dan said the under grounding report had gone to Council at their retreat. The cost to do the project would be around \$600 million.

WATER DIVISION:

- a) Floyd said the second ASR well had been completed. The punch list was being done. He said water would be pumped in next week. It will hold 60 million gallons of water. It is 1500 feet deep.
- b) He said the Open House for the Water Treatment Plant had to be cancelled due to the high water. He said it might be rescheduled in the fall.
- c) Floyd said the Hillsdale Pump Station & I-70 crossing of the water main had gone out for bid.

ELECTRIC DIVISION: Dan Stokes said they were busy with substation maintenance and were getting geared up for summer loads.

UTILITY SERVICE DIVISION REPORT:

- a) AC exchange – Tina Worley told the Board that the Air Conditioner Exchange program started last week. She said out of 90 air conditioners only 33 had been exchanged. She said CMCA would continue advertising the program.
- b) CO2 Report – Tina told the Board that the W&L staff had been requested to create a baseline inventory of CO2 emission for the City of Columbia. Mr. Dasho will discuss the report at the Council retreat. The recommended plan of action would be similar to what the utility is currently doing. To reduce CO2 emissions more emphasis would be placed on more efficient lighting especially in the commercial sector. Missouri Book Services spent \$100,000 installing more energy efficient lighting and reduced their usage by 100kW Boone Hospital also reduced their usage by 100 kW. Energy saving training sessions was suggested for the large industrial customers. The rental industry is another entity that needs training on ways to help tenants live in more energy efficient homes.

NEW BUSINESS: Dan said there would be many issues discussed at the Council retreat

OLD BUSINESS: Nothing to report

Next regular meeting date: July 5, 2007.

Meeting adjourned at 8:02 a.m.

Respectfully submitted,