

# City of Naperville

*400 S. Eagle Street  
Naperville, IL 60540  
<http://www.naperville.il.us/>*



## Naperville

### **Meeting Minutes - Final**

**Thursday, February 27, 2025**

**5:00 PM**

**Council Chambers**

**Public Utilities Advisory Board**

**A. CALL TO ORDER:**

Chairman Louis Halkias called the PUAB meeting to order at 5:05 p.m.

**B. ROLL CALL:**

Chairman Louis Halkias, Michelle Ackmann, Abbas Bhikapurawala, James Fillar, Brandon Hoeft, Russell Paluch, Hans Roeder, Philip Schrieber, Councilman Nathan Wilson and Bhavni Yalavarthy

**Present** 7 - Michelle Ackmann, Abbas Bhikapurawala, Louis Halkias, Brandon Hoeft, Russell Paluch, Philip Schrieber, and PUAB Nathan Wilson

**C. PUBLIC FORUM:**

**GREG HUBERT**

Good evening and thank you PUAB and our Electric Director for inviting IMEA to present today and thank you IMEA for being here. As you are also preparing to receive preparing to receive the upcoming CES Consultant report. I request your PUAB help with two further areas of IMEA power supply resources and services that are apparently not covered in today's presentation slides.

A bit about my background for those of you who don't know me. Since 2018, I've attended IMEA board meetings and shared email reports and records with NEST (Naperville Environmental Sustainability Task Force). I'm a co-founder of the Clean Energy Alliance of Naperville and I previously served as one of the co-leaders of the NEST energy committee.

Clean Energy Naperville continues to share reports and IMEA records with NEST, and we publish them on our website. My personal efforts are primarily focused on transparency and the risks of our coal fire power supply in terms of costs to our rate payers and the impact on our environment. My first request of you PUAB tonight is that you ask IMEA to provide us with a public presentation on IMEA's duties, responsibilities and plans as the direct owner on our behalf of shares of the Prairie State and Trimble County coal plants. Our Naperville share of the expenses and debt service represents over one half of our Naperville one hundred million dollars a year in power supply costs from IMEA. And despite our being held responsible for those expenses, these public power resources operate with limited transparency and accountability as though hidden behind the curtain of a non-public entity in order to obscure that public power transparency and accountability.

Second, I request that you ask for a public presentation on IMEA's role as our agent in the PJM wholesale electricity market. Naperville receives our wholesale power supply from PJM to distribute to our electric customers. As our agent, IMEA pays for that electricity. IMEA also pays PJM for our share of the capacity market that insures the pool of generators for reliable power supply. And IMEA also pays PJM for our share of the high-speed transmission that delivers the power to Naperville. And really importantly, IMEA controls those PJM costs for us by hedging and offsetting with IMEA owned and contracted resources. Thank you again for today's IMEA presentation and I hope you will also please consider my request for presentations on these additional two areas that I have described for you tonight.

**TED BOURLARD**

My name is Ted Bourlard, co-chairman of the Naperville Environmental Sustainability Task Force, NEST for short. Our mission includes educating and advising Naperville residents, Council members and city staff on sustainability. Tonight, I want to clear up a misconception that was recently repeated at a council meeting. Some have suggested that IMEA is and has been responsible for making Naperville's electricity reliable. This is simply not true. So, what makes our electricity reliable? First of all, the U.S. grid is already very reliable. The average consumer loses power less than twice and for less than five hours a year, meaning it is 99.95% reliable. Only 5% of all outages are due to issues on the grid, the remainder are related to the distribution system. The main reason our power is so reliable is the citizens of Naperville have paid and continue to pay millions of dollars to bury a large percentage of our power lines underground and Director Groth's Naperville Electric utility does a great job of keeping the number of outages down and their individual duration short.

Naperville's grid provider PJM is the one responsible for ensuring a steady and reliable electricity supply into the city's gates. PJM manages power from thousands of sources making sure all its customers, including Naperville, have the electricity they need. For example, between December 3rd and December 9th last year more than half of IMEA's power plants were offline yet Naperville suffered no outages. Why? Because PJM gets power from thousands of other sources. If we replace IMEA with a different provider, our reliability would remain the same. What actually threatens our power reliability, the greatest cause of power outages are extreme weather events. Extreme events driven by climate change which is caused by greenhouse gas pollution especially from burning coal. In fact, Prairie State Energy Campus is the number one greenhouse gas polluter in Illinois and the seventh highest in the nation.

2023 set a record for the highest global temperatures until it was broken in 2024. And 2024 set a record for the most severe weather disasters in U.S. history. Unless and until we take action and rapidly transition off of fossil fuels, things will only get worse. We truly care about the reliability of our electricity supply. We should be working to reduce coal use and not locking ourselves into more of it.

#### JOE HAAS

I'm a NEST member. I have lived in Naperville for over 25 years. I provided a written comment, so that is the piece of paper you have in front of you. They provide links to everything I will share in my presentation so you can check the facts.

IMEA has a problem, and they want to make it our problem. They've signed long term deals with coal companies, and they have minority interests with coal plants. But while coal's market share has plummeted to a third of what it was 25 years ago. Coal costs, and the reason it's dropped, coal costs has stayed the same. While natural gas, solar and wind, certainly the council member with wind experience knows, the prices have dramatically changed.

IMEA's presentation that they'll be giving has a number of big promises. But those promises aren't in the contract they are proposing. Lower rates are not in the contract. When IMEA says reliable costs, they mean reliably high costs. When they talk about shutting down plants, that's not in the contract. They project to get off in 2050, but I included a link in there that talks about a news article that highlights this is not the actual plan. And there's more, no clean power is in the

contract, as Ted said. The reality is IMEA's plants generate more greenhouse gas' than any other plant in the state of Illinois and they're one of the ten dirtiest plants in the country. So, what is in the contract that they're proposing? A ten-year lock-in, with no ability to exit the contract. As folks with a procurement background, you know what, you just wouldn't enter a contract like that. There are limits on Naperville's ability to add cheaper cleaner energy in the contract. They prohibit peak shaving, which would save us money in the contract.

IMEA needs to lock us in with no option to leave because they know that we are going to want to get out of this contract. The city's NEST team spoke with some IMEA's competitors who don't have these owner's requirements. Ask your friends what they would think if Naperville were to sign a two-billion-dollar contract without asking for a single competitive bid. At best, it looks like fiscal mismanagement. And we played this game with IMEA already once, and it did not end well for rate payers. IMEA's coal plant cost more than twice what they projected it would cost. It was over a billion dollars over budget. The Tribune wrote an article about it called, "Clean Coal Dreams, A Costly Nightmare", about what our experience was. Why would we trust them to build new assets and take on new bonds that we would have to pay when they bundled this the last time. Fortunately, every City Council candidate opposes IMEA's early extension. Councilman Holzhauer called the proposal fake leverage. Councilwoman Taylor said we are going to bid this out just like any other project and the Mayor said that if they gave him this contract as a businessperson, he would reject it.

Clearly our city leadership sees through this bad deal. We made this mistake before. IMEA has made empty promises and rate payers have paid the price. We can't afford to make IMEA's coal problem our problem.

#### ERIC JOHNSON

My wife and I moved to Naperville a year and a half ago to start a family, this is the place we want to live for the rest of our lives. In wholesale energy markets, prices are signals. The grid's physical needs are procured in auction that power plants and the like bid into. Loads and power grid, like Naperville effectively buy energy from those auctions. Like any market following the laws of supply and demand, buyers are incentivized to use less power when generation and transmission are scarce and buy more power or use more power when they are abundant.

When I was a ComEd customer, I subscribed to their hourly pricing program. I received a diluted version of those price signals, and I responded to them including during winter storm Eliot. And I saved on my energy supply costs nearly every month. So, Naperville values clean energy and so do I. We want to increase our share of clean energy sources in our energy mix as fast as we responsively can. But the closer we get to 100% renewable's, the harder it gets. We will need to store energy and batteries or sign contracts with solar and storage developments. And we prefer that our rate payers, our electricity customers, shift their loads to solar producing hours.

Getting to one hundred percent clean energy would be a lot easier with participation from our community. And I have three examples today of how our electricity tariff not incentivizing the right behavior.

1) There are over fifty-five hundred electric vehicles registered in Naperville; that's tens of megawatts of potential E.V. charging load we already have. Our flat

energy prices unfortunately do not incent any of those E.V. owners to charge their cars at optimal times. E.V. charging load is flexible and we should be leveraging that flexibility.

2) There are one thousand and eighteen residential roof top solar rays in Naperville now. But none of those homeowners are incentivized to shift their electricity usage to the hours when their PV rays are producing. I'm glad we have a high adoption of residential roof top solar, but perhaps you can find a tariff that is more sustainable than net metering including our net metering changes.

3) My last example is commercial solar. There was zero new commercial solar rays as of last year. In fact, not any in the last several years in Naperville. Leaving the total at 20. Commercial solar costs less per watt to install than residential solar yet it seems no more businesses have a good enough reason to install it. It seems obvious that we should be producing power from our communities' largest roof tops especially with so much community opposition turning farmland into solar rays. So how can we make commercial solar better in Naperville if we value having roof top solar?

So, these three examples, E.V.'s, residential and commercial solar all highlight things the community could do to lower our costs and steps towards our clean energy goals, but our rates do not send the right signals. Rates are a sensitive topic, and I do not claim to have a perfect model in mind, but I strongly believe that offering a more cost reflective tariff. A tariff that keeps our distribution infrastructure funded while still incentivizing helps behavior as a huge step in the right direction. And last, but definitely not least Naperville needs a more accurate price single. In IMEA's contract extension, we are forbidden from shaving our monthly demand charge with batteries. IMEA did not add this policy to be evil I don't think, they added it I think because the demand charge is not truly reflect the cost we incur to them. So, both the city of Naperville and all electricity customers should be empowered and encouraged to do what's good for the grid and good for their electricity bill by responding to price signals.

#### **D. OLD BUSINESS:**

This was approved.

1. Approve PUAB Meeting Minutes 07-November-24

Attachments: [PUAB Meeting Minutes 07-November-24](#)

A motion to approve minutes: Michelle Ackmann  
Second: Philip Schrieber

This was passed.

#### **E. NEW BUSINESS:**

This was approved.

#### **F. REPORTS:**

This was passed.

1. Receive the PUAB SAIDI Report

Attachments: [SAIDI](#)

This report was approved.

2. Receive the PUAB Springbrook Effluent Report (Updated Report Available at Meeting)

Attachments: [Springbrook Effluent](#)

Provided by Department of Public Utilities Water Director Darrel Blenniss

**SAIDI Dashboard (System Average Interruption Duration Index):** We have some good news here, the data we have here from January 2025 going back 12 months to January 2024 our number of minutes each customer can expect to be out was reduced from 6.28 minutes to 4.59 minutes that's a reduction of 27%, so that's good news for our system.

We are doing a lot of investment. We are making a lot of investments with replacing water mains and our water meters, so we think this is a symptom that things are going well for us. Any questions on the SAIDI report.

No questions on the SAIDI report by the board.

Next, we will now jump into the Springbrook Treatment Plant Effluent. I will point out that we are missing two months of data, unfortunately we did some server upgrades, and the connection was broken, and we are working on getting that data out of our SCADA historian over to the server that does the data pull for these reports so, my apologies, we are still working on that.

The good news is Springbrook, we had another good year, we had no violations, and we did not exceed our hydraulic capacity at the plant. Despite some days that we had some excessive amounts of rain that you can see with the dark blue would indicate a day we had a lot of rain and sometimes that rain makes its way to the sanitary system and makes its way down to the plant. As you can see, we had zero days above our eighty percent of our hydraulic design max flow. So, that's also good news. But we do have trouble with our solids loading and handling. While we don't have an issue with hydraulic flow, we do have some issues with the solids and the challenges they present for us.

Any questions. No questions asked.

Just a note, I did talk to one member on the report, and we will be trying to make some visual changes to make it a little easier to read so I'll be working with data team to make those changes. We are always trying ways to make this report look better and more accurate for you.

Next is our Water Consumption report. In a couple of notes here that are sort of worthy, if you take a look, we are also missing October and December data here as well. If you take a look at the trends, we do consume more water or purchase more water from our supplier in 2024 than we did in prior years based on historical averages. I think that is a function of the investments that we are making in our system on reducing leaks and things of that nature, that is also a good sign that things are going well for us as well. Once again, we

got nowhere close to our system capacity. We are very fortunate that we have a very robust system with a lot of storage as well. We have four days of storage in our tanks and reservoirs, so we are well positioned in the region on the water supply side.

Question from Michelle Ackmann:

The total 2024 usage, is the total correct or does that not include October and December?

Water Utility Director Darrell Blenniss:

I would not trust the totals. But the individual months, you can compare those to prior historical averages and when we do get that data set updated, I'll send out an email to the board and let them aware of it. These power dashboards are available to the public. We do have a front-facing dashboard, so these are available on our open data page as well. I will send the board members a link to these, so you have them at your fingertips.

On the Financial Summary Memo, please note these numbers have not been audited, the Finance Department will go through their annual audit, and we should be completed in June or July this year.

This is the best data we have at this time. I just want to point out that at the end of the year, we were at 98% for our revenues which is pretty good. We ended the year; we were at 84% for our expenditures. The line share of the difference between that and our budget was capital items and the timing of projects, and those funds will be carried over into 2025. We did end the year with a strong operating reserve, we were at 67 days, our cash target is 30, so we are doing well there. We have fourteen and a half million and we also have over twenty million in restrictive cash in our phosphorus reserves. Those funds are directed for capital improvements at Springbrook. So, we are sitting well from a financial standpoint. We feel good at where we are. We just went through the rate setting process and put new rates in place as of January 1st, and this should put us on a strong foundation over the next three years to make sure we have sufficient revenues for operations to capitol program. With that, I'll exit out, I want to be quick tonight, so we can get onto these other items and be happy to address any items you may have.

No questions.

Motion to except reports from F1-F5

Motion to approve: Brandon Hoeft

Second: Philip Schrieber

This was passed .

3. Receive the PUAB Water Supply Report (Updated Report Available at Meeting)

Attachments: [Water Consumption](#)

4. Receive the 2024 Year End CIP Report

Attachments: [CIP Report](#)

5. Receive the PUAB Water Financial Packet

Attachments: [Financial Report](#)  
[Department Financial Summary](#)

Chairman Halkias:

Thank you very much for that. I think as a city, we are very fortunate with our utilities and with the water program and the electric program. As far as how they are run and how they are managed, I think that's been a demonstration from the time I've been on this board and I did not realize all that was involved, now I do and appreciate it because of that. So, nice job, thank you for that.

The next group of reports that we will be receiving relates to the electric utilities. Are there any public comments anyone would like to make regarding what is listed on the agenda and it is F6-F11, because of the fact F11 is the receiving report from IMEA. Are there any comments regarding those documents? Having seen there are no other public comments on that, I would like to go forward with those reports.

6. Receive The Electric Utilities Preliminary P12 2024 Financial Summary

Attachments: [2-Receive The Electric Utilities Preliminary P12 2024 Financial Summary](#)

Thank you, Mr. Chairman, Brian Groth, Electric Utility Director for the City of Naperville. First, we'll take a look at our year end Electric Utility Financial Summary. As you can see, a bit of red there and this is to be expected. Our declining cash has been addressed through the 2024 rate study as indicated in the rate study 2025 bond issuant's to reimburse capital costs will be completed. Additionally, as we discussed at PUAB meetings in length, we've been forced to grow our warehouse to account for growing material lead times. This is something we have been struggling with for many years. Transformers are starting to pour in. I just wish they were pouring in faster. None the less, cash is going out and it's buying transformers.

This year we've completed our underground system assessment. We've taken a look at all of our switch gear, all of our transformers underground and at ground level. We've been replacing those in priority order. Cash has been flowing out to both our warehouse as well as the field.

Next, we will take a look at our budget level summaries. These have all been provided beforehand, so if there are any questions, I will just take questions on this.

No questions.

Next, we have our capital program. As you can see, we came in a bit under budget, mostly related to material lead times. We did have to shift between accounts and EU numbers (electric utility capital fund accounts) to account for some failing transformers that we found out in the field that we did not feel it was a good idea to wait on replacing those. They were leaking and in just poor condition.

Our Reliability Report, as I take a look on the side. I'll wait for Maher to turn that around. But none the less, as you can see we are pretty much flat with respect to our system outage average duration index. So that means about



twenty-four minutes of average outage per customer within the city, and that's a flat from last year. We did go up with our SAIDI which is our response time to get customers back in service for when they are out. We have talked previously as to why this was so artificially low. We had a large outage caused by an issue at a substation that was quickly remedied. We had a lot of customers out, and they were brought back in a very short amount of time. That's why that forty-one point sixty-four minutes were necessarily low. Eighty is probably where we try to be for with our SAIDI. I would remind all of our customers to make sure your gate locks are accessible. Make sure all your equipment in your backyard is clear and our guys can get to it if we have an issue.

One of our more popular reports, we take a look at the electric vehicle count in the City of Naperville. As we can see that is five-five sixty-two. This is information that Maher's group receives from the Secretary of State. We also use this in our planning models as well as our analysis that comes from our meter data management system. We look at the projects and the kilowatt watt hour savings of our energy efficiency programs. The LED light bulb giveaway, which is now a switch replacement, a remotely controlled switch program. Which our Communications folks have promoted on social media to date.

We also have thermostat rebates from our partner IMEA. Our conservation voltage reduction system. I should note that the declining savings from our C.V.R. system is also because we have a declining sale in general for the electric utility. That is something that we have talked about extensively in our rate study.

Our solar installation count continues to grow across the city. I would remind everyone that our new net metering program goes into effect on four/one. Our Communications folks and our Customer Connections folks within the utility have been communicating with all of our solar customers. One of the benefits of the new net metering program is that the caps on solar installed capacity will be removed along with that new program.

Our solar installations to date and then our solar production, the solar production is something that we reported on recently. This is all the solar inside of Naperville, obviously we don't retire the recs and we don't have the recs so we can't claim this. It's just an interesting fact on how much energy is produced within Naperville and that is about a half of a percent. As you can see our IMEA purchases are going down about two percent, and again we have discussed this as part of our rate study. Our next segment is where I typically provide an update to the board on IMEA happenings, both the executive board and the full board meetings. We have since our last meeting, begun releasing my summaries as part of the managers memorandum and so that managers memorandum was released this afternoon for the IMEA executive board and full board meetings that occurred last week, so I won't reiterate what I discussed in that managers memorandum. If there are any questions about IMEA board meetings or what was contained in last week's meetings I'm happy to entertain any questions.

Question from board member Philip Schrieber:

In regards to the public procurement request that came out, I believe it was last year, that ultimately led to hiring CES to do the procurement options. I

believe there is a special meeting on that upcoming. Do you have any dates on that, and will it be any pre-reads or any information available to the PUAB in advance?

Response from Electric Director Brain Groth:

Yes. Much like this meeting was noticed in accordance with OMA and how we typically publish PUAB board packets. The meeting, the special session will be held next Thursday, March 6th in council chambers, same time, same place. PUAB board packet will be published on Monday evening. We expect that the Customized Energy Solutions (CES) slides will be attached to that agenda item.

7. Receive The Electric Utilities Preliminary P12-2024 Financial Details

Attachments: [Electric Utilities Preliminary P12-2024 Financial Details](#)

8. Receive The Electric Utilities P12- 2024 Capital Improvement Program (CIP)

Attachments: [Electric Utilities P12- 2024 Capital Improvement Program \(CIP\)](#)

9. Receive The Electric Utilities P12-2024 SAIDI Report

Attachments: [P12-2024 SAIDI Report](#)

10. Receive The Electric Utilities 2024 P12- EE & REP Dashboard Report

Attachments: [2024 P12- EE & REP Dashboard Report](#)

Chairman Louis Halkias:

That completes than the electric reports prior to our presentation today. Are there any questions or anything from the board regarding these reports? Than I will entertain a motion to receive these electric reports.

Motion to receive reports: Philip Schrieber

Second: Michelle Ackmann

This was passed.

Chairman Louis Halkias:

Now there are regarding, the next part of our business is receiving the presentation from the Illinois Municipal Electric Agency.

11. Receive IMEA Board and Executive Board Meeting Minutes

Attachments: [IMEA Board and Executive Board Meeting Minutes](#)

IMEA Presenters:

Staci Wilson, Vice President of Government Affairs and Member Services

Rakesh Reddy Kothakapu, Vice President of Engineering and Energy Markets,

Troy Foder, Vice President and General Council

Presentation provided by IMEA and questions asked by the PUAB members.

12. Receive the presentation from the Illinois Municipal Electric Agency

Attachments: [Naperville.PUAB.2.2025.Updated](#)

## G. ADJOURNMENT:

Chairman Louis Halkias:

Thank you, students and members, for your thoughtful review of everything. I learned a lot tonight and I hope everyone else learned a lot tonight. Again, regardless of your position on this, I think it is important for us to stay open-minded for all of our options. To see all the evidence, prior to the time we do something or at least make a recommendation on our side.

Thank you all for being here and I would like to entertain a motion for adjournment, unless you would like to stay here a little bit longer we could talk a little bit more.

Motion to adjourn: Jim Fillar  
Second: Abbas Bhikapurawala  
This was passed.

Meeting has adjourned.