City of Naperville

400 S. Eagle Street
Naperville, IL 60540

Meeting Minutes - Final

Public Utilities Advisory Board

Thursday, July 18, 2019 | **5:00 PM** | **Electric Service Center**

A. CALL TO ORDER:

Acting Chairman Bulley called the meeting to order at 5:04pm

This was approved.

Present 3 - Daniel Bulley, John Krummen, and Dan Knotter

Absent 3 - Lewis Dibert, John Nania, and Amit Shukla

B. ROLL CALL:

Present: Acting Chairman Bulley, Board Member Knotter, Board Member Aggarwal, Councilman Krummen
Absent: Chairman Dibert, Board Member Shukla
Also Present: Lucy Podlesny, Electric Utility Director, Darrell Blenniss, Water Utility Director, Amy Ries, Water Utility Deputy Director, Olga Geynisman, Electric Utility Deputy Director, Maher Diab, Customer Connections Manager, Greg Hubert, Resident, Fred Kreinbrink, Distribution Operations Manager, and Erin Lebeala, resident

C. PUBLIC FORUM:

Resident Erin Lebeala attended meeting to fulfill a Public Administrative class requirement.
Resident Greg Hubert attended to support the Renewable Energy Program.

D. OLD BUSINESS:

E. NEW BUSINESS:

1. Approve PUAB Minutes from May 16, 2019 Meeting

Acting Chairman Bulley made a motion to approve the PUAB minutes from the May 16, 2019 meeting.
Board Member Dan Knotter moved to accept, seconded by Board Member Aggarrwal

Aye: 3 - Bulley, Knotter, Aggarwal

F. REPORTS:

1. Receive the report and provide direction on the Renewable Energy Program

Renewable Energy Program started in 2004 allowing electric utility customers to monetarily support renewable energy. In 2004, the support came in the form of $5/200 kilowatt hour (kWh) and is added to the participants' utility bill.

Renewable energy generators, such as solar and wind farms, produce both electrons and renewable energy certificates (RECs). Electrons are the electricity flowing in the wires from the generator to an outlet. A REC is a certificate representing the number of electrons produced by a renewable energy generator and is given a dollar value.

The electric utility purchases and retires RECs equivalent to the amount of renewable energy kWhs supported each year. The City has purchased approximately 12,777,200 kWh in RECs, or $27,800, annually over the last five years.

In 2012, the program expanded to provide a single grant up to $50,000 for non-residential customers with a total grant program maximum of $150,000 per year. The intent of the grant was to incent individuals to measurably increase renewable energy usage, displace fossil fuels, develop community education opportunities, and to support recurrent projects.

Since 2012, the program has granted $317,500 for nine projects. Recipients have included North Central College, Naperville Park District, Midwest Sports and Pain Specialists, and NEX-NRM.

In 2016, the City Council approved a $100,893 award for the installation of solar panels on the Municipal Center roof.

The Renewable Energy Program has currently 2,959 participants. It collects approximately $270,350 annually and has a cash balance of $1.6 million that has been growing steadily over the years.

In the beginning, the total cash collected was spent to purchase RECs. The decrease in purchase prices of the RECs on the market and lack of adjustment in the buying price for the participants over the years has been a significant reason for the growth of the cash balance.

As proposed, the modified program would increase the annual spend on the purchase of RECs from $27,800 to approximately $185,000. This will increase our annual REC purchases to over 85,028. It also ensures the cash balance will not grow as rapidly as before and there is potential for a balance decrease. This stepped approach will be monitored as more input is gathered from the

community and the City Council, and future recommendations will be made.

Acting Chairman Bulley made a motion to accept direction on the Renewable Energy Program
Board Member Knotter moved to accept, seconded by Board Member Aggarwal

Aye: 3 - Knotter, Aggarwal, Bulley

This report was received.

2. Receive the 2019 YTD Water Utilities CIP Report

Darrell Blenniss and Lucy Podlesny indicated that they are working on some dashboarding to better assist in following the routine metrics and financial condition information provided to the PUAB.

Darrell Blenniss provided an overview of the items recently awarded and currently in the procurement process.

This report was received.

3. Receive Water Supply Reports

This report was received.

4. Receive PUAB Water SAIDI Report

Amy Ries reviewed the SAIDI report and indicated the most recent main breaks were due to pipe wall corrosion. Amy Ries further indicated that water main replacement will be an area of emphasis in future capital replacement plans.

This report was received.

5. Receive Springbrook Water Reclamation Center Plant Flow and Precipitation Report

Darrell Blenniss provided an overview of the plant flows at Springrbook and noted the record rainfalls for May; nearly a billion gallons of water traveled through the wastewater treatment plant during that time.

This report was received.

6. Receive the Water Utilities June 2019 Financial Report.

Darrell Blenniss provided an overview of the YTD financials and indicated that the approximate $6 million surplus shown at this time does not reflect the anticipated expenditure of several capital projects that are or will be starting in

the next couple of months.

This report was received.

7. Receive Electric 2019 Capital Improvement Program (CIP) Summary Report

Electric and Water will be supplying their data through the Dashboard reporting system.

One of the bigger items for Electric is the Cable Injection and Cable Replacement projects at $2.9 million.
An area that shows alot of outages gets priority for the Cable Injection program. Some cables are far further along and the engineers suggest the Cable Replacement program.

This report was received.

8. Receive Electric 2019 Purchased Power Adjustment (PPA) Report

The Purchased Power Adjustment is a monthly adjustment on your electric bill based on actual power costs.
The PPA changes monthly and is based on a six-month rolling average. The PPA is either a credit or a charge on the customer's utility bill each month. This makes sure customers aren't overcharged or undercharged for electricity.

This year, the City will have given back $1.5 million as credit to the residents.

This report was received.

9. Receive Electric 2019 SAIDI Report

July's average System Average Interruptable Duration Index ("SAIDI") was 14.23 minutes.

This report was received.

10. Receive Electric June 2019 Finance Preliminary Report

Financials are on track after the second quarter. No significant changes.

This report was received.

G. ADJOURNMENT:

Acting Chairman Bulley made a motion to adjourn the Public Utilities Advisory Board meeting of July 18, 2019 at 6:40pm.
Board Member Knotter moved to approve, seconded by Board Member Aggarwal

Ayes: 3 - Knotter, Aggarwal, Bulley

Our next PUAB meeting is set for October 17, 2019 at 5:00pm.

/S/ Melanie Mazurski
Melanie Mazurski, Sr. Admin. Asst.
Public Utilities-Electric