

Utilities Commission Meeting 24 January 2022

Participants Chair Buddy Davenport, Vice Chair Rich Hawes, Secretary Treasurer Lillian Conrad, Assistant Secretary-Treasurer James Smith, Commissioner L. Kelly, Jr., Counsel Thomas Cloud and GM/CEO Joe Bunch.

Safety Message Modernization Video: *Enabling Enhanced System Security and Safety in Utility Services*. Excellent video that outlines what UC is doing to prevent outages and increasing its efficiencies. This informative video can be found on the UC's website under "Modernization".

Consent Items All unanimously approved

- **Approval** Reclaimed Water Pumping Station Assessment and WRF Pumping Systems Evaluation (Kimley-Horn)
- **Ratification of Award** ITB No. 01-22 Glencoe WTP Chemical Systems Improvements (Odyssey Manufacturing Company) and an Increase in Overall Project Budget. Discussion prior to voting re: budget increase from \$1.5M to \$3.5M approx. Reasons were due to the rebuilding of 2-3 buildings to properly store needed chemicals.
- **Agreement Approval** Pole Attachment License Agreement Between UCNSB & Wire 3 LLC
- **Project Approval** Lift Station No. 2 Permanent Generator Project (Tetra Tech)
- **Project Approval** Outage Management System (OMS) Project (Milsoft Utility Solutions – Single Source)
- **Contract Approval** Alpine Communication Corp. Distribution, Eng. and Pole Attachment Permit Processing involves keeping vendors on target (detailed management of the project by Alpine), handling all aspects of permitting from local, state and federal agencies, design work, etc.

General Manager's Report

Financial Status – January 2022

- The new rate structure has taken effect resulting in increased assets of \$1.3M/
- lower operating costs and increased capital contributions
- Electric consumption was 6% below this time last year
- January FYTD purchased power price per MWh was \$65.35 as compared to prior year's price of \$50.45.
- Natural gas price increased to \$4.38 (MMBtu) compared to last year's price of \$2.71. No one can predict what the future holds for natural gas price due to global conflict and political policies.
- **KPIs** are all green re: normal performance indicators.

Presentation on UCNSB's Transmission Loop Project Offered an example of the UC changes that will positively affect consumers. Adding another transmission loop connected to the current 2 supply substations with 14 feeder lines will enhance service when problems/outages occur. It should keep the "lights on" when an outage occurs in a substation. Project was part of a 2016 master plan with a budget at that time of \$2.5M, but more costly today. Construction should be completed 2024-2025.

Discussion on Organizational Staffing & Structure the UC employs 183, a consistent number since the GM assumed his position. Changes in personnel with restructuring job responsibilities have been made to better serve the customers.