

**UTILITY BOARD OF TRUSTEES  
CITY HALL COUNCIL CHAMBERS  
August 14th, 2019**

Present: Jan Kahler, Aaron Eltrich, Andrea Jones, and Megan Andresen,  
Absent: Todd Seifert

Chairperson Kahler called the meeting to order at 9:00 a.m.

Motion by Eltrich and seconded by Andresen to approve the agenda. All Ayes

Motion by Eltrich and seconded by Jones to approve the minutes. All Ayes

Mike Peters, President & CEO of WPPI Energy gave a presentation entitled “The Power of Great Places,” to the board. He highlighted WPPI’s focuses and informed the board of current activities happening at WPPI. Mr. Peters stated WPPI has 3 main focuses: Power Supply, Services, and Advocacy. With over 200,000 utility customers through 51 members, WPPI is member lead – member owned, run by a board of trustees.

Mr. Peters highlighted WPPI’s current diversified power supply contracts/ownerships. Two major green energy projects have been added to WPPI’s portfolio in recent years – Bishop Hill Windfarm that went live in June 2018, and Point Beach Solar, which will be live in 2021. WPPI’s greenhouse emissions is projected be 40% lower from 2005, once Point Beach goes live, and their wholesale rate projection for the next 5 years will remain stable.

Mr. Peters also highlighted several services WPPI provides to its members that have come out directly of members’ needs. Some services included meter techs on hand for testing and set up, cyber security services, rate studies conducted for members, and Energy Service Rep from WPPI.

Chairperson Kahler asked what is WPPI’s goal for renewable energy in the future? Mr. Peters stated that WPPI has no specific goal, but they strive to keep in line with other power suppliers. Once Point Beach solar farm is online, renewable energy will account for over 20% of their portfolio.

Nicole Guld, Rate Analyst from WPPI presented to the board updated rate study from last year with the forecast of losing the hospital load when the new hospital is completed. Her recommendations for rate changes include rolling the Purchase Power Adjustment (PPA) into the base rate, change tiers for commercial/industrial customer (from 2 tiers of LGS 50 & LGS 2000, to 3 tiers of LGS 50, LGS 200, & LGS 600), and also add a new rate class for low load factor customers. Residential and SGS would have an increase in the fixed charge, but a decrease in energy charge. The average residential customer that uses 660 kWh would see an increase of \$2.56 or 3.2%. The average commercial customer who uses 1915 kWh would see a slight decrease of \$1.94 or .9%. With these proposed rate changes, it is projected to keep the changes revenue neutral and avoid rate shock to individual utility customers.

Chairperson Kahler asked if losing the hospital load was not a factor, would there still be a need for a rate change? Ms. Guld stated yes, there would still be a need, as the loss of load

from the hospital should be mirrored with the decrease in purchased power, and MMEU would still need a rate increase of about 1.2% per the last cost of service findings.

Manager Krogman stated he is working with Nicole to have new rate tariffs written to have reviewed and approved either at the September or October board meeting, to be effective October 20<sup>th</sup>.

Motion by Eltrich and seconded by Andresen to approve the claims as presented.

All Ayes by Roll Call.

Manager's Reports –Danny Clark – all four apprentices will be attending underground school in September. One apprentice was hurt on the job this past month.

Chris Krogman – stated the URGE testing was done last week at the Power Plant. There was issues getting 2 engines running for the test – one had an error with the relay settings and the other needed a contactor cleaned. Working with WPPI to re-run the URGE test later this month to have all engines working, as the numbers from the test determine MMEU's capacity payments for next year.

Also informed the board the MMEU Open House for celebrating 100 years will be held on October 1<sup>st</sup>, 2pm to 7 pm at the Distribution Shop with tours available at the Power Plant.

The September board meeting will also have the Goal Setting Session for the 2020 budget.

Motion by Eltrich and seconded by Andersen to adjourn the meeting at 9:53 a.m.

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Jan Kahler, Chairperson

ATTEST:

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Aaron Eltrich, Vice Chairperson