



MEETING AGENDA – JUNE 27, 2017

RPU SERVICE CENTER
4000 EAST RIVER ROAD NE
BOARD ROOM
ROCHESTER, MN 55906

4:00 PM

Call to Order

1. **Recognition: MMUA Scholarship Winner - Brock Sycks**
2. **Approval of Agenda**
3. **Approval of Minutes**
 1. Public Utility Board - Regular Meeting - May 23, 2017 4:00 PM
4. **Approval of Accounts Payable**
 1. A/P Board listing

NEW BUSINESS

Open Comment Period

(This agenda section is for the purpose of allowing citizens to address the Utility Board. Comments are limited to 4 minutes, total comment period limited to 15 minutes. Any speakers not having the opportunity to be heard will be the first to present at the next Board meeting.)

5. Consideration Of Bids

1. Westside Energy Station Watermain Construction
Resolution: Westside Energy Station Watermain Construction

6. Tabled Items

1. 2017 Electric Service Rules and Regulations
Resolution: 2017 Electric Service Rules and Regulations

7. Regular Agenda

1. Solar Interconnection Agreement with the State of Minnesota Department of Military Affairs
Resolution: Solar Interconnection Agreement with the State of Minnesota Dept of Military Affairs
2. RPU Storm Water FTE Request
Resolution: RPU Storm Water FTE Request
3. Billing, Credit And Collections Policy Approval
Resolution: Billing, Credit and Collections Policy Approval

8. Informational

1. Rates Policy

9. Board Liaison Reports

1. Board Policies Spreadsheet
2. 2017 APPA National Conference Update
- 10. General Managers Report**
- 11. Division Reports & Metrics**
- 12. Other Business**
- 13. Adjourn**

The agenda and board packet for Utility Board meetings are available on-line at www.rpu.org and <http://rochestercitymn.iqm2.com/Citizens/Default.aspx>



MEETING MINUTES – MAY 23, 2017

RPU SERVICE CENTER
4000 EAST RIVER ROAD NE
BOARD ROOM
ROCHESTER, MN 55906

4:00 PM

Call to Order

1. Approval of Agenda

1. **Motion to:** approve the agenda as presented

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Michael Wojcik, Board Member
SECONDER:	Melissa Graner Johnson, Board Member
AYES:	Browning, Haskin, Johnson, Morgan, Wojcik

2. Approval of Minutes

1. Public Utility Board - Regular Meeting - Apr 25, 2017 4:00 PM

Board Member Melissa Graner Johnson pointed out an error in the Minutes of April 25, 2017, in section 4.1; Ms. Baker should be corrected to Ms. Zech. The minutes were amended to reflect this change.

Board President Mark Browning pointed out that the Electric Utility Line Extension Rate Schedule, referenced in section 4.2 of the minutes, was approved by the Rochester City Council on May 15, 2017.

RESULT:	ACCEPTED AS AMENDED [UNANIMOUS]
MOVER:	Michael Wojcik, Board Member
SECONDER:	Brian Morgan, Board Member
AYES:	Browning, Haskin, Johnson, Morgan, Wojcik

3. Approval of Accounts Payable

1. a/p board listing

Board Member Melissa Graner Johnson asked for clarification on line item #34, a pay-out retention to Hooper Corporation. RPU Buyer Mona Hoeft said the payment is to Hooper Construction which did some construction work for the utility, and the retention payments are released once construction is completed.

Ms. Johnson also asked about line item #90, a payment to City of Rochester for W/C. The W/C stands for workers compensation, General Manager Mark Kotschevar said.

Board Member Brian Morgan, as an employee of the Kerry Group, recused himself from line item #23, and Ms. Johnson, an employee of US Bank, recused herself from line item #382.

Minutes Acceptance: Minutes of May 23, 2017 4:00 PM (Approval of Minutes)

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Michael Wojcik, Board Member
SECONDER:	Melissa Graner Johnson, Board Member
AYES:	Browning, Haskin, Johnson, Morgan, Wojcik

NEW BUSINESS

Open Comment Period

(This agenda section is for the purpose of allowing citizens to address the Utility Board. Comments are limited to 4 minutes, total comment period limited to 15 minutes. Any speakers not having the opportunity to be heard will be the first to present at the next Board meeting.)

Board President Mark Browning opened the meeting for public comment. The following members of the public came forward to speak in support of RPU's Community Solar program:

1. Hannah Sobol, Rochester, remarked that climate change is real, and she was here to advocate the use of solar energy for her daughter and future generations.
2. Dr. Aleta Borrud, Rochester, a geriatrician, stated that she strongly says yes to solar, and is extremely concerned with the health effects of fossil fuels and not using solar. She encouraged RPU to invest in a solar garden.
3. Dr. Alan Hoffman, Rochester, a pediatrician, indicated that it's important for RPU to be a leader in solar energy. "The public is behind you," he said.
4. Flo Sandok, Rochester, also spoke to the benefits of solar, and said she would like to buy into the solar program
5. Rick Morris, Rochester, reading a letter written by Ivan Idso, co-founder of Rochester's EarthFest, expressed Mr. Idso's support of 100% renewable supply for Rochester.
6. Tom Williamson, Rochester, simply stated he asks for support of the solar project.

4. Regular Agenda

1. RPU SOLARCHOICE Program

Manager of Portfolio Optimization Jeremy Sutton presented a brief overview of RPU's SOLARCHOICE program, which was initially introduced to the Board last month. RPU is partnering with SMMPA (Southern Minnesota Municipal Power Agency) to offer RPU customers the chance to buy into the use of a solar panel(s) and receive the benefit of a kWh credit on their bill. This will offer an alternative to installing solar panels on the roofs of their homes to those customers who would like the benefit of solar energy. The solar garden is located at a facility in Princeton, Minnesota.

The cost per 335 watt panel will be \$650, and customers will have the option to pay 12 monthly installments, or pay in full. The term of the purchase is 12 years, starting on January 1, 2018, and running to 2030. Customers will be purchasing the power output from the panel(s), not the panel(s) themselves.

Mr. Sutton shared the draft program brochure and a revised customer contract with the Board members.

This item will appear on the Rochester City Council's consent agenda for approval at the June 5, 2017 meeting.

Resolution: RPU SOLARCHOICE Program

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to approve and request Common Council approval of the Community Solar Program, titled Rochester Public Utilities SOLARCHOICE Program, to be effective January 1, 2018 through December 31, 2029.

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 23rd day of May, 2017.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Michael Wojcik, Board Member
SECONDER:	Melissa Graner Johnson, Board Member
AYES:	Browning, Haskin, Johnson, Morgan, Wojcik

2. 2017 In-Building Transformer Vault Installation Standard

Manager of Engineering Randy Anderton and Senior Electrical Engineer Brian Kelly presented to the Board for approval a new design standard policy for in-building transformer vault installations. Mr. Anderton said that as downtown real estate becomes less available, it creates the challenge to find a mutually agreeable spot to place a traditional pad-mount transformer, therefore installing a transformer in a vault inside the building becomes a more viable solution. The standard was developed under the advice of a consultant, and it has been modeled after what other utilities are doing. The ability to install the transformer inside the building simply gives the building owner another option, Mr. Anderton said.

In-building transformer installations are more expensive and take significantly longer to repair than a pad-mount transformer, Mr. Anderton stated. General Manager Mark Kotschevar pointed out that vault type installations are very common in Minneapolis and all big cities, where space can be an issue.

President Mark Browning asked whether the standard is consistent with the utility's newly adopted line extension policy. Mr. Kotschevar replied that it is, since the policy applies only to standard pad-mount installations, and vault installations are considered non-standard.

Resolution: 2017 In-Building Transformer Vault Installation Standard

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to adopt the proposed In-Building Transformer Vault Installation Standard, effective on June 1, 2017.

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 23rd day of May, 2017.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Michael Wojcik, Board Member
SECONDER:	Brian Morgan, Board Member
AYES:	Browning, Haskin, Johnson, Morgan, Wojcik

3. 2017 Electric Service Rules and Regulations

Manager of Engineering Randy Anderton and Senior Electrical Engineer Brian Kelly presented for Board approval the latest version of the Electric Service Rules and Regulations handbook, which includes the new provision for in-building transformer vault installations. Mr. Anderton stated that the regulations get updated every two years, with the last update published in June 2015.

City Attorney Terry Adkins noted several instances where the language was unclear and asked that this agenda item be tabled until the language can be firmed up. The engineering department will bring the regulations document back to the Board's June meeting for approval with the language revised.

Agenda item "Electric Service Rules and Regulations" was tabled until the June 27, 2017 Board meeting.

4. **Motion to:** table this item until the next meeting.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Michael Wojcik, Board Member
SECONDER:	Melissa Graner Johnson, Board Member
AYES:	Browning, Haskin, Johnson, Morgan, Wojcik

5. Adoption of Minnesota Statute Chapter 453 Section 453.51 - 453.62 Municipal Electric Power

Manager of Power Resources Wally Schlink presented a request to the Board to adopt Minnesota Statute 453, Section 453.51-453.62, which establishes a means for municipal utilities to own and operate an adequate, economical, and reliable supply of electric energy. Adoption of the standard will give RPU the legislative powers to operate under a different set of standards for purchasing and partnerships, providing the same advantages and benefits as a Joint Action Agency, said Mr. Schlink. This will only affect the generation and transmission of electric energy, and not the distribution.

It will also not take away any authority of the RPU Board or the Rochester City Council, Mr. Schlink stated. In the past, RPU requested adoption of the powers granted by Statute 453 on a project-by-project basis, specifically for the CapX transmission project, the Silver Lake Plant Unit 4 ERP relocation project, and the Westside Energy Station project, said Mr. Schlink. The adoption of the statute for all of the utility's electric generation and

transmission operations will provide blanket legislative authority, rather than being project specific, Mr. Schlink noted.

This item will be presented to the Rochester City Council for approval as consent agenda at the June 5, 2017 meeting.

Resolution: Adoption of Minnesota Statute Chapter 453 Section 453.51 - 453.62
Municipal Electric Power

WHEREAS, the City of Rochester through its municipal utility, Rochester Public Utilities, is responsible for and wishes to participate in generation and transmission projects; and

WHEREAS, Rochester Public Utilities consists of various activities ultimately used to provide capacity and energy through construction or participation of a generation facility; and,

WHEREAS, the Rochester Public Utilities generation and transmission activities are intricate, complex, and unique requiring multiple project participants within and without the State of Minnesota and requiring the planning, acquisition and construction of a generation facility which includes design, engineering, procurement, construction, project management and erection of equipment, systems and all appurtenances; and,

WHEREAS, Minn. Stat. §453.58, subd. 1, authorizes the City to exercise any of the powers granted to a municipal power agency in Minn. Stat. §§453.51 - 453.62 notwithstanding any provision of any city charter or any other law denying, limiting, or placing conditions upon the exercise of any such power; and,

WHEREAS, the City has previously exercised the powers granted under Chapter 453 of the 2013 Minnesota Statutes Municipal Electric Power in prior and current projects and has found those powers to be the most effective process for joint participant electric power projects; and,

WHEREAS, Minn. Stat. 453.54, subd. 2, states that a City may plan, acquire, construct, reconstruct, operate, maintain, repair, extend, or improve one or more projects within or outside the state; and,

WHEREAS, Minn. Stat. 453.52, subd. 10 defines "Project" to mean "any plant, works, system, facilities, and real and personal property of any nature whatsoever, together with all parts thereof and appurtenances thereto, used or useful in the generation, production, transmission, purchase, sale, exchange, or interchange of electric energy or any interest therein or capacity thereof;" and,

WHEREAS, the generation and transmission activities by Rochester Public Utilities satisfies the definition of a Project as a system used or useful in the generation of electric energy and,

WHEREAS, in participating in the activities related to generation and transmission of electric power, the City wishes to invoke the authority provided to it in Minn. Stat. §453.58, subd. 1 and exercise the powers granted by Section 453.51 to 453.62 to include the power to:

- plan, acquire, construct, operate, maintain, repair, extend or improve one or more projects within or outside the state*
- perform any act authorized by sections 453.51 to 453.62 through or by means of its officers, agents, or employees or by contract with any person*
- acquire, own, hire, use, operate and dispose of personal property*
- acquire, own, use, lease as lessor or lessee, operate and dispose of real property and interests in real property and make improvements thereon*
- contract with any person, within or outside the state, for the construction of any project or for the sale, with or without advertising for bids, or transmission of electric energy generated by any project or for any interest therein or any right to capacity thereof, on such terms and for such period of time as its board of directors determines.*
- contract for the planning, acquisition, construction, reconstruction, operation, maintenance, repair, extension, and improvement of generation and transmission facilities outside of its corporate limits or those of its members, or may contract with other public or private owners of these facilities to perform these functions, without advertising for bids, preparing final plans and specifications in advance of construction, or securing performance and payment bonds, except to the extent that its governing body determines that these actions are desirable in furtherance of the purposes of sections 453.51 to 453.62; and,*

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to adopt

this

resolution in order to fulfill the requirements of Minn. Stat. §453.58, subd. 1., and authorize the

Mayor and the City Clerk to adopt the resolution for

All the Powers Granted by Minnesota Statutes Chapter 453 Sections 453.51 to 453.62 Municipal Electric Power

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 23rd day of May, 2017.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Melissa Graner Johnson, Board Member
SECONDER:	Michael Wojcik, Board Member
AYES:	Browning, Haskin, Johnson, Morgan, Wojcik

5. Informational

1. Billing, Credit and Collection Policy

Accounting Manager Bryan Blom and Accounting Supervisor Melissa Meixner presented to the Board an initial updated draft of the utility's Billing, Credit and Collections Policy. The policy has not been updated since 2005.

Mr. Blom said the policy has three main changes; a late payment fee, a deposit from all customers (which can be waived), and more detail about billing dates and due dates. The new policy brings RPU in line with the standard practices of the majority of other Minnesota utilities, Mr. Blom stated.

Board Member Michael Wojcik requested that advocacy groups such as the St. Vincent de Paul Society and the Salvation Army be allowed to review the policy for the effect it might have on folks who are struggling financially, and that RPU have an ongoing discussion with them going forward. Mr. Wojcik also asked whether customers can set up automatic electronic payments to reduce late payments. Director of Corporate Services Peter Hogan replied that late and delinquent payments can also occur electronically.

Board Member Tim Haskin clarified that with these policy changes, the utility is just trying to remove the bad debt risk as much as possible.

The policy will come back to the Board for approval at the June 27, 2017 meeting.

6. Board Liaison Reports

Board committees have been working on updating four outdated Board policies. The Billing, Credit and Collections Policy has been drafted and presented to the Board for initial review, and three more Board policies are currently being revised: Rates Policy (to be presented as an informational item to the Board at the June 27, 2017 meeting), Acquisition and Disposal of Interest in Real Property, and Compliance Policy.

President Mark Browning requested that the Index of Board Policies spreadsheet be included in next month's Board packet for reference.

It was noted that Board Member Melissa Graner Johnson will be absent from the June and September Board meetings, and Board Member Michael Wojcik will be absent from the June meeting.

7. General Managers Report

General Manager Mark Kotschevar reported that a proposal to hire two full time employees in coordination with Public Works to provide storm water billing services received consensus as an informational item from the Rochester City Council at its May 15, 2017 Committee of the Whole Meeting. RPU will move forward with the request and bring a formal resolution to the Board for budget approval.

Mr. Kotschevar announced there will be a celebration for the grand opening of the Douglas Trail Substation. A ribbon cutting will be held on June 27, 2017. Since this is a Board meeting day, Mr. Kotschevar invited Board members to attend the event prior to the Board meeting.

Mr. Kotschevar will be attending the Climate Smart Cities Program in Germany for the second year in a row this June, where he will be learning about baseline LED street lighting and the tracking of greenhouse gas reduction data. He will be spending two days at the Munster city government utility.

Mr. Kotschevar recognized City Administrator Stevan Kvenvold, for his 47 years of service to the community. Mr. Kvenvold's last day is May 31, 2017.

City Attorney Terry Adkins shared an update on the FERC filing initial decision from the administrative law judge; the judge agreed with RPU's argument in the case and it will now go before the FERC commission itself for a ruling. Mr. Adkins credited Mark Kotschevar and the entire RPU team for this effort, which will result in additional revenue for RPU. Mr. Kotschevar thanked Mr. Adkins for his support throughout the process.

There was a brief discussion on succession planning, when Board Member Michael Wojcik suggested, since the Board is comprised of three new members, that any succession planning start early. It was noted that President Mark Browning's term of office does not expire until January 2019. Mr. Wokcik also suggested planning a Board study session following the July 25, 2017 Board meeting.

8. Division Reports & Metrics

9. Other Business

10. Adjourn

The meeting was adjourned at 5:45 pm.

The agenda and board packet for Utility Board meetings are available on-line at www.rpu.org and <http://rochestercitymn.iqm2.com/Citizens/Default.aspx>

Submitted by:

Secretary

Approved by the Board

Board President

Date

Minutes Acceptance: Minutes of May 23, 2017 4:00 PM (Approval of Minutes)

ACCOUNTS PAYABLE

Meeting Date: 6/27/2017

SUBJECT: A/P Board listing

PREPARED BY: Terri Engle

please approve

ROCHESTER PUBLIC UTILITIES
A/P Board Listing By Dollar Range
For 05/10/2017 To 06/11/2017
Consolidated & Summarized Below 1,000

Greater than 50,000 :

1			
2			
3	SOUTHERN MN MUNICIPAL POWER A WESTSIDE ENERGY PARTNERS	May SMMPA Bill Westside Energy Substation (WES) Engineering Procurement Contract	7,663,111.46 3,289,136.77
4			
5	XCEL ENERGY CORP	Cap X LaCrosse Construction Management Agreement (CMA)	1,059,706.53
6	MN DEPT OF REVENUE	April Sales & Use Tax	507,535.83
7	KNUTSON CONSTRUCTION SERVICES	Slabs & Foundations WES	299,185.00
8	ABB INC. PAYMENT	Field Services Douglas Trail	182,398.00
9	CONSTELLATION NEWENERGY-GAS D	April Gas at SLP	153,898.61
10	ABB INC. PAYMENT	1-Power Transformer Douglas Trail~	114,799.00
11	STUART C IRBY CO INC	48900 ft-Wire, AL, 15kV, 1/0 Solid, 1/C, Jacketed	88,617.56
12	GENERATOR AND MOTOR SRVS OF P	GT Generator Outage Inspection Services~	78,990.33
13	SHI INTERNATIONAL CORP (P)	2017 Microsoft Enterprise Agreement 2/17-3/18	76,567.64
14	BORDER STATES ELECTRIC SUPPLY	480-Meter, FM2S CL200 240V 2WAY W/Disconnect	71,820.00
15	S L CONTRACTING INC	Oakcliff Watermain Relocation	66,968.00
16	BOYER TRUCKS	Freightliner chassis and body (V578)~	59,169.00
17	CONSTELLATION NEWENERGY-GAS D	April Gas at Cascade Creek	54,209.10
18	SPARTA CONSULTING INC	2017-18 SAP Application Support~ April & May	50,560.00
19			
20		Price Range Total:	13,816,672.83
21			

5,000 to 50,000 :

22			
23			
24	BILLTRUST dba	16-17 CC/Billing/Mailing/IVR Services	44,805.54
25	N HARRIS COMPUTER CORP	Cayenta Implementation Services	42,500.00
26	MEGGER (P)	6-Insulation resistance tester, 15kV	40,320.00
27	RSP ARCHITECTS LTD.	Service Center Expansion Project	39,738.38
28	CLEMENTS CHEVROLET CADILLAC	CIP Conserve & Save Rebates-lighting & Cooling Equip	38,377.00
29	TOYOTA LIFT OF MN (P)	Toyota Forklift, 5K (E594)	38,036.81
30	CAMELOT METALS INC	Steel Structure SB2 for WES	34,255.00
31	NELSON AUTO CENTER	2017 GMC Sierra 2500 (V597)~	28,612.91
32	NELSON AUTO CENTER	2017 GMC Sierra 2500 (V596)~	28,612.91
33	NELSON AUTO CENTER	2017 GMC Sierra 2500 (V598)~	28,612.91
34	WRIGHT TREE SERVICE INC	2017 Hourly Tree Trimming~	28,281.35
35	ULTEIG ENGINEERS INC	Zumbro River Line Relay Upgrades	26,330.01
36	LEAGUE OF MN CITIES INS TRUST	Claim Settlement	25,992.31
37	CAMELOT METALS INC	Steel Structure JT for WES	24,936.00
38	BURNS & MCDONNELL INC (P)	Combined Heat and Power Assessment	23,842.64
39	THE ENERGY AUTHORITY INC	May TEA Resource Fee	22,220.72
40	ALVIN E BENIKE INC (P)	Douglas Trail Substation Construction	21,930.00
41	ULTEIG ENGINEERS INC	Northern Hills Line Relay Upgrades	21,785.00
42	PEOPLES ENERGY COOPERATIVE (P)	May Compensable	21,131.00
43	A & A ELECT & UNDERGROUND CON	Directional Boring and Related Services	21,059.10
44	COMPUTER TASK GROUP INC	Project Coordinator for Cayenta Project	20,722.50
45	BLUESPIRE STRATEGIC MARKETING	2016 - 2019 RPU Plugged In Contract	20,456.00
46	BORDER STATES ELECTRIC SUPPLY	48-Meter, FM9S 2-Way 3-Register	19,706.90
47	TRIPWIRE INC	2017 Foundation Training	19,500.00
48	N HARRIS COMPUTER CORP	Travel for Cayenta Implementation Serv	19,325.04
49	WRIGHT TREE SERVICE INC	305B Line Clearance~	18,576.58
50	DAKOTA SUPPLY GROUP	360-Meter, FM2S CL200 240V AMR	18,217.91
51	BADGER METER INC (P)	120-HRE Badger M-25 100W Itron ERT Integral	17,922.00
52	U S ALLIANCE GROUP	May Credit Card Fees	17,891.92
53	PAAPE ENERGY SERVICE INC	Scada Disaster Site Controls	15,812.00
54	HUNT ELECTRIC CORP	Douglas Trail Sub Electrician	15,745.84
55	TJX COMPANIES	CIP Conserve & Save Rebates-lighting	15,126.00
56	ALL SYSTEMS INSTALLATION dba	Fiber splicing/terminating Douglas Trl	15,088.00
57	CAMELOT METALS INC	Steel Structure HB-WES	14,950.00
58	USIC LOCATING SERVICES INC	2017 Locating Services	14,855.13

ROCHESTER PUBLIC UTILITIES
A/P Board Listing By Dollar Range
For 05/10/2017 To 06/11/2017
Consolidated & Summarized Below 1,000

59	VISION COMPANIES LLC (P)	Facilitation of strategy/structure & Leadership Journey	14,737.50
60	VISION COMPANIES LLC (P)	Org Strategy, Exec Coaching, Survey, Offsite Facil	13,905.00
61	WRIGHT TREE SERVICE INC	801A Line Clearance~	12,920.78
62	CENTURYLINK	2017 Monthly Telecommunications	12,905.02
63	CRESCENT ELECTRIC SUPPLY CO	6080 ft-Conduit, PVC Sch 40, 5.00, 20' length	12,512.64
64	IBM CORPORATION	2017 Cognos Enterprise Planning	12,367.03
65	STUART C IRBY CO INC	2-Trans, PM, 3ph, 150kVA, 13.8/8, 208/120	11,874.00
66	ULTEIG ENGINEERS INC	Douglas Trail Substation Design EPIC	11,697.60
67	CPMI INC	Service Center Project	11,630.00
68	ALL SYSTEMS INSTALLATION dba	Security System Douglas Trail	11,376.94
69	ROCH SAND & GRAVEL INC	Bituminous base - Street repair, Teton L	11,327.80
70	XYLO TECHNOLOGIES INC	2017 IT Helpdesk Support	10,907.00
71	CAMELOT METALS INC	Steel Structure JV WES	10,768.00
72	ARNOLDS SUPPLY & KLEENIT CO (2017 Monthly Cleaning Services	10,660.79
73	FORBROOK LANDSCAPING SERVICES	Landscaping services well house sites	10,306.98
74	SUPERIOR COMPANIES OF MINNESO	Humidifier install	10,260.00
75	PAYMENT REMITTANCE CENTER	Ride-on Spreader/sprayer	9,986.97
76	DOYLE CONNER CO INC (P)	Concrete str repair due to water break	9,603.00
77	HIMEC INC (P)	Isolation valve install, GT2	9,415.69
78	MN DEPT OF REVENUE	April Sales & Use Tax	9,095.54
79	HUNT ELECTRIC CORP	Douglas Trail Sub Electrician	8,849.13
80	WELLS FARGO BANK ACCT ANALYSI	2017 Banking Services	8,634.65
81	STUART C IRBY CO INC	24-Insul, Post, 5.00 BCD/5.00 BCD, 161kV	8,592.75
82	CHS ROCHESTER	May Fuel	8,455.85
83	VALMONT INDUSTRIES INC	2-Anchor Bolts~	8,296.00
84	CAMELOT METALS INC	Steel Structure DLB-WES	7,620.00
85	AMERICAN ENGINEERING TESTING	Concrete/rebar testing services	7,521.40
86	EXPRESS SERVICES INC	2017 Seasonal staff grounds	7,419.07
87	BAKER TILLY VIRCHOW KRAUSE LL	2016 FERC Financial Statement Review	7,321.00
88	HY VEE	Arbor Day Event	7,317.97
89	STUART C IRBY CO INC	10-Metal Sec. Encl, 3ph, 30"x67"x22" 200Amp	7,212.50
90	INSPEC INC.	Pavement Assessment Plan Water	7,000.00
91	BAKER TILLY VIRCHOW KRAUSE LL	2016 Audit Fees	6,972.00
92	SPECTRUM REACH	Arbor Day Advertising	6,919.00
93	TRIPWIRE INC	Tripwire Support Renewal 2017/2018	6,611.13
94	KATS COMPANY LLC	Water Service Assured (SA) service replacement - 725 4 Ave	6,500.00
95	BURNS & MCDONNELL INC (P)	SL Substation-Expansion Planning	6,333.45
96	TECHNOLOGY CONSULTING GROUP L	System Admin Consultant	5,940.00
97	WESCO DISTRIBUTION INC	360-Insul, DE Susp, 10kv Bell 30,000lb Glass	5,922.00
98	TWIN CITY SECURITY INC	2017 Security Services	5,769.18
99	MIDCONTINENT ISO INC	May Charges	5,758.88
100	DELL MARKETING LP	6-Computer, Dell Optiplex 7040	5,708.15
101	ALSTOM GRID LLC (P)	Neutral grounding reactor, 13.8kV	5,655.00
102	JIM WHITING NURSERY/GARDEN CT	2017 Right Tree Right Place planting	5,268.07
103	SPECTRUM REACH	Tips from Tony - Irrigation	5,258.00
104	BANKS JOSHUA C	Photos plugged in & arbor day photos/vid	5,130.00
105			
106		Price Range Total:	1,271,518.87
107			
108	<u>1,000 to 5,000 :</u>		
109			
110	MOTOROLA INC	Radio, Vehicle, APX 1500 Pkg	4,894.50
111	BADGER METER INC (P)	Meter, Bare 5/8x3/4" Badger Disc	4,696.80
112	WIESER PRECAST STEPS INC (P)	Electrical vault, 8' x 4' x 7'	4,500.00
113	FERGUSON WATERWORKS SUPPLY (P	Vloc ML2 locator kit	4,450.00
114	BORDER STATES ELECTRIC SUPPLY	Junction, NLB, 600A, 3 Position, w/Brkt	4,436.88
115	NETWORKFLEET INC	2017 Monthly Charge - GPS Fleet Tracking	4,307.70
116	ADVANCED DISPOSAL SVC SOLID W	2017 Waste Removal Services - SC	4,300.01
117	COMPREHENSIVE LOSS MANAGEMENT	Annual Subscription to Resource Now	4,221.56

Attachment: AP Board 06 2017 (7496 : A/P Board listing)

ROCHESTER PUBLIC UTILITIES
A/P Board Listing By Dollar Range
For 05/10/2017 To 06/11/2017
Consolidated & Summarized Below 1,000

118	PAYMENT REMITTANCE CENTER	Certificates req to access MISO Sites	4,200.00
119	STUART C IRBY CO INC	Bulb, 100W, HPS	4,183.09
120	CHS ROCHESTER	May Fuel	4,071.14
121	AFFILIATED GROUP INC	2017 Collections/Delinquent Services	4,050.00
122	BOYER TRUCKS	Tax, License and Registration	4,024.12
123	SAFETY SIGNS LLC	Drum / Barricades Westside Sub	4,005.57
124	KATS COMPANY LLC	Water SA service repair - 933 25 ST SE	4,000.00
125	RESCO	Bus expansion support	3,958.20
126	IHEART MEDIA dba	Arbor Day Advertising and live remote	3,925.00
127	GRAYBAR ELECTRIC COMPANY INC	Splice WES Generator Interconnection	3,807.96
128	UNITED RENTALS INC	Forklift @ Douglas Trail sub 3/3 through	3,703.25
129	HALO BRANDED SOLUTIONS	Green RPU Footballs for 2017 Arbor Day	3,550.39
130	PAYMENT REMITTANCE CENTER	Sarah Warth, Registration IBM Cognos	3,500.00
131	CAMELOT METALS INC	Steel Structure DHB - WES	3,472.00
132	MINNESOTA ENERGY RESOURCES CO	April 2017 Gas SLP	3,461.54
133	VIKING ELECTRIC SUPPLY INC	Cable Pulling Lube	3,312.00
134	HALO BRANDED SOLUTIONS	Green & White Sunglasses for 2017 Arbor	3,257.55
135	STUART C IRBY CO INC	Arrester, 10kV, Dist, Elbow MOV	3,197.50
136	IHEART MEDIA dba	Tips from Tony - Irrigation	3,001.00
137	FIRST STUDENT INC	Arbor Day Busing	2,915.15
138	EPLUS TECHNOLOGY INC	Catalyst 3560-CX 8 port POE switch	2,873.04
139	ROCHESTER MN SOUTH LODGING LL	CIP Conserve & Save Rebates	2,873.00
140	UNITED RENTALS INC	Boom 60'-64', telescopic	2,826.34
141	BORDER STATES ELECTRIC SUPPLY	Meter, FM1S CL200 120V 2-Way W/Disc	2,816.54
142	KATS COMPANY LLC	Water SA service repair - 1130 W Center	2,800.00
143	WESCO DISTRIBUTION INC	Conduit Grips	2,799.60
144	CONSOLIDATED COMMUNICATIONS d	17-19 Network and Collocation Services	2,743.48
145	EPLUS TECHNOLOGY INC	Cisco IP Phone	2,599.04
146	UNITED RENTALS INC	Boom - 5/8 thru 6/5 2017	2,559.16
147	UNITED RENTALS INC	Boom fro 4/10 through 5/8/2017	2,559.16
148	BROWN C O INS AGENCY INC	Liability policy for DM&E project	2,493.55
149	OPTIV SECURITY INC	2016-2017 Blue Coat Web Gateway Renewal	2,464.80
150	SAFETY SIGNS LLC	Barricades/Drum / Westside Sug	2,418.80
151	WESCO DISTRIBUTION INC	Fuse Holder, Straight Line, Breakaway	2,386.50
152	GETGO INC.	2017 Go To Meetings Online Meetings	2,340.00
153	MOTOROLA INC	Radio, Vehicle, APX 1500 Pkg	2,334.75
154	CRESCENT ELECTRIC SUPPLY CO	Wire, Copper, 600V, 12-2 Solid w/Grd, UF	2,258.31
155	EPLUS TECHNOLOGY INC	Cisco Transceiver	2,248.72
156	STUART C IRBY CO INC	Wire, Tracer, Orange, #12, CCS	2,200.00
157	D P C INDUSTRIES INC	2017 Carus 8500 Aqua Mag F35	2,197.30
158	PAYMENT REMITTANCE CENTER	APPA Registration, Mike Heppelman	2,160.00
159	CHOSEN VALLEY TESTING	Geo-technical Services	2,140.00
160	D P C INDUSTRIES INC	2017 Chlorine, 150 lb Cyl	2,111.25
161	PAYMENT REMITTANCE CENTER	Registration for APPA Inst, Judy Anderson	2,080.00
162	ENVIRONMENTAL INITIATIVE	2017 Membership	2,000.00
163	INSPEC INC.	Pavement Assessment Plan Elec	2,000.00
164	PAYMENT REMITTANCE CENTER	Registration for ASSE Safety, Todd Kylo	1,990.00
165	PAAPE ENERGY SERVICE INC	2017 Continuum System and Software	1,987.88
166	NELSON AUTO CENTER	License, Tax, & Registration (V598)	1,971.59
167	NELSON AUTO CENTER	License, Tax, & Registration (V596)	1,971.59
168	NELSON AUTO CENTER	License, Tax, & Registration (V597)	1,971.59
169	WINKELS ELECTRIC INC	Rep brok underground serv w/overhead se	1,867.00
170	PAYMENT REMITTANCE CENTER	Hotel for APPA Insti, Judy Anderson	1,791.38
171	BAIER GERALD	2017 Sweeping Services Jan-December	1,791.23
172	PAYMENT REMITTANCE CENTER	Security Software	1,732.48
173	D P C INDUSTRIES INC	2017 Hydrofluorosilicic Acid - Delivered	1,713.90
174	WESCO DISTRIBUTION INC	Term, Stress C. 15kV, 500-750 MCM, C.S	1,708.20
175	GUNDERSON BRADLEY	Travel, Lineman Rodeo, E&O Conf, Lodging	1,697.54
176	CROWN TECHNICAL SYSTEMS	Switchgear~	1,685.39

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177	CAMELOT METALS INC	Steel Structure M - WES	1,650.00
178	SOMA CONSTRUCTION INC	Crush concrete for bacfill material	1,648.47
179	SOLARWINDS INC	SolarWinds Database Analyzer	1,603.13
180	NALCO COMPANY	Sur-Gard 1700 Oxygen Scavenger DEMIN/SLP	1,591.74
181	DELL MARKETING LP	Computer, Dell 22 Inch Monitor	1,548.52
182	FORBROOK LANDSCAPING SERVICES	Landscaping restoration at electric site	1,547.44
183	WESCO DISTRIBUTION INC	Clamp, Bolted Spacer, Two 1590 AAC	1,528.20
184	TRANSDATA INC	Transducer, Transdata W/V 30EWR525	1,516.00
185	PAYMENT REMITTANCE CENTER	Control Room Upgrade	1,505.88
186	EO JOHNSON CO INC	Serv call-rep the drum, dev matl, clean	1,475.01
187	GOPHER STATE ONE CALL	Monthly locate calls - Elec - May	1,451.25
188	GOPHER STATE ONE CALL	Monthly locate calls - Water - May	1,451.25
189	AFFILIATED CREDIT SERVICES IN	2017 Third Party Collections	1,431.42
190	CITY OF ROCHESTER	Workers Comp	1,415.61
191	BADGER METER INC (P)	Strainer, Bronze Plate. 3" Round Flange	1,390.50
192	PAYMENT REMITTANCE CENTER	Registration CS Week Conf Phil Teng	1,344.00
193	PAYMENT REMITTANCE CENTER	Registration CS Week Conf Patty Hanson	1,344.00
194	WIESER PRECAST STEPS INC (P)	Switch Gear Basement for AA Construction	1,335.94
195	EXPRESS SERVICES INC	2017 Temp Staff Marketing (2)	1,327.17
196	HIRSHFIELD'S	Window Wares Rods-Hardware	1,315.84
197	NARDINI FIRE EQUIPMENT CO INC	Semi-annual halon system inspection	1,300.14
198	ROCHESTER PUBLIC SCHOOLS	CIP Conserve & Save Rebates	1,292.00
199	JOHNSTON DONALD	Customer Refunds 300000520044	1,286.57
200	ADVANCED DISPOSAL SVC SOLID W	2017 Waste Removal Services - SLP/1814	1,243.19
201	MN PIPE & EQUIPMENT	repair shell cutter // RR	1,230.00
202	AKSAMIT TIMOTHY	Customer Refunds 300000531933	1,222.96
203	WESCO DISTRIBUTION INC	Conn, Fire-On Stirrup, 336.4, ACSR	1,200.00
204	RESCO	Conn, Bolt Lug, Two 1590 AAC, 4 Hole	1,192.80
205	EPLUS TECHNOLOGY INC	Catalyst 3560-CX 12 port POE switch	1,183.68
206	MINNESOTA ENERGY RESOURCES CO	April 2017 Gas CC	1,156.15
207	MERIT CONTRACTING INC (P)	Douglas Trail Labor Foreman for Safety Materials pickup	1,145.07
208	SCHUMACHER EXCAVATING INC.	Hydro Dam Road Repair	1,137.15
209	EPLUS TECHNOLOGY INC	2014-2017 Total Care Support	1,135.00
210	NARDINI FIRE EQUIPMENT CO INC	6-MO Fire Sys Inspection	1,131.81
211	ALTEC INDUSTRIES INC	winch rope.	1,122.33
212	REINDERS INC	2017 Landscaping Supplies	1,111.50
213	ROCHESTER ARMORED CAR CO INC	2017 Pick Up Services	1,104.40
214	ROBINETT LORENE	Customer Refunds 300000571162	1,101.18
215	BORDER STATES ELECTRIC SUPPLY	Tape, Fireproof, 3.0" x 20'	1,085.50
216	STUART C IRBY CO INC	2017 Rubber Goods Testing & Replacement	1,083.75
217	MCMASTER CARR SUPPLY COMPANY	st light adaptors for SC	1,079.32
218	MINNESOTA PUMP WORKS dba	Booster pump	1,075.00
219	GOPHER STATE ONE CALL	Monthly locate calls - Elec - April	1,071.90
220	GOPHER STATE ONE CALL	Monthly locate calls - Water - April	1,071.90
221	HEPPELMANN MIKE	Travel, APPA Trng, Mpls, Lodging	1,071.60
222	VIKING ELECTRIC SUPPLY INC	Conduit, PVC Sch 40, 4.00	1,039.57
223	USA BLUE BOOK DBA	Rubber covered hose, 2-1/2" x 15'	1,031.10
224	EXPRESS SERVICES INC	2017 Seasonal staff grounds	1,015.60
225	PAYMENT REMITTANCE CENTER	Travel, Proj Mgmt, Lodging	1,010.55
226	CAMELOT METALS INC	Change Order #1	1,005.00
227			
228		Price Range Total:	259,924.11
229			
230			
231			
232	<u>0 to 1,000 :</u>		
233			
234	EXPRESS SERVICES INC	Summarized transactions: 35	24,461.81
235	PAYMENT REMITTANCE CENTER	Summarized transactions: 111	12,874.35

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236	REBATES	Summarized transactions: 65	10,979.81
237	Customer Refunds (CIS)	Summarized transactions: 93	10,714.59
238	BORDER STATES ELECTRIC SUPPLY	Summarized transactions: 36	7,455.25
239	WESCO DISTRIBUTION INC	Summarized transactions: 24	7,364.58
240	MN PIPE & EQUIPMENT	Summarized transactions: 30	7,234.16
241	STUART C IRBY CO INC	Summarized transactions: 32	7,111.45
242	VIKING ELECTRIC SUPPLY INC	Summarized transactions: 72	6,472.36
243	CINTAS CORP	Summarized transactions: 100	5,049.79
244	ARNOLDS SUPPLY & KLEENIT CO (Summarized transactions: 19	3,685.19
245	CRESCENT ELECTRIC SUPPLY CO	Summarized transactions: 31	3,376.22
246	HALO BRANDED SOLUTIONS	Summarized transactions: 12	3,268.25
247	GRAINGER INC	Summarized transactions: 21	2,429.64
248	LAWSON PRODUCTS INC (P)	Summarized transactions: 14	2,205.80
249	RESCO	Summarized transactions: 7	2,194.11
250	VARIDESK LLC	Summarized transactions: 9	2,140.88
251	FERGUSON WATERWORKS SUPPLY (P	Summarized transactions: 9	2,066.17
252	DAKOTA SUPPLY GROUP	Summarized transactions: 10	1,931.28
253	INNOVATIVE OFFICE SOLUTIONS L	Summarized transactions: 17	1,812.45
254	SEEME PRODUCTIONS LLC	Summarized transactions: 2	1,728.44
255	ADAMSON ROBERT	Summarized transactions: 4	1,724.61
256	TOTAL TOOL SUPPLY INC (P)	Summarized transactions: 11	1,641.92
257	FASTENAL COMPANY	Summarized transactions: 27	1,532.13
258	CAMELOT METALS INC	Summarized transactions: 2	1,482.00
259	STEVE BENNING ELECTRIC	Summarized transactions: 6	1,471.06
260	MCMASTER CARR SUPPLY COMPANY	Summarized transactions: 28	1,383.77
261	MONSON STEVE	Summarized transactions: 5	1,359.41
262	ZAMZOW MELISSA	Summarized transactions: 3	1,357.12
263	REINDERS INC	Summarized transactions: 8	1,354.04
264	EPLUS TECHNOLOGY INC	Summarized transactions: 10	1,335.26
265	BADGER METER INC (P)	Summarized transactions: 8	1,298.09
266	MEINERS TYLER J	Summarized transactions: 5	1,278.72
267	ASPLUNDH TREE EXPERT CO INC (Summarized transactions: 3	1,224.60
268	GRAYBAR ELECTRIC COMPANY INC	Summarized transactions: 10	1,184.18
269	DAVIES PRINTING COMPANY INC	Summarized transactions: 3	1,177.77
270	FORBROOK LANDSCAPING SERVICES	Summarized transactions: 2	1,156.36
271	FIRST CLASS PLUMBING & HEATIN	Summarized transactions: 5	1,143.03
272	MINNESOTA PUMP WORKS dba	Summarized transactions: 4	1,136.48
273	WIESER PRECAST STEPS INC (P)	Summarized transactions: 4	1,080.29
274	PROPERTY RECORDS OLMSTED COUN	Summarized transactions: 9	1,070.00
275	PETERSON CHAD	Summarized transactions: 3	1,066.24
276	NORTHERN / BLUETARP FINANCIAL	Summarized transactions: 7	1,058.80
277	WINTER TANNER	Summarized transactions: 2	1,036.59
278	MENARDS ROCHESTER NORTH	Summarized transactions: 12	1,036.30
279	GARCIA GRAPHICS INC	Summarized transactions: 14	1,025.65
280	T S E INTERNATIONAL INC	Summarized transactions: 2	1,004.02
281	J J KELLER & ASSOCIATES INC	Summarized transactions: 3	995.04
282	G A ERNST & ASSOCIATES INC	Summarized transactions: 1	940.00
283	BARR ENGINEERING COMPANY (P)	Summarized transactions: 1	939.00
284	OPEN ACCESS TECHNOLOGY	Summarized transactions: 1	933.23
285	MEGGER (P)	Summarized transactions: 3	910.91
286	K A A L TV LLC	Summarized transactions: 1	900.00
287	DAVE SYVERSON TRUCK CENTER IN	Summarized transactions: 5	896.09
288	AUTHORIZE.NET	Summarized transactions: 1	873.75
289	PEPSI COLA BOTTLING CO	Summarized transactions: 1	832.56
290	CP SOLUTIONS INC	Summarized transactions: 1	800.00
291	SORENSEN & SORENSEN PAINTING	Summarized transactions: 1	800.00
292	McGRANN SHEA CARNIVAL STRAUGH	Summarized transactions: 2	793.50
293	ADVANCED DISPOSAL SVC SOLID W	Summarized transactions: 1	790.53
294	BOWMANS SAFE & LOCK SHOP LTD	Summarized transactions: 5	789.50

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295	SEMA	Summarized transactions: 4	763.54
296	ANDERSON JUDITH	Summarized transactions: 4	761.78
297	PEOPLES ENERGY COOPERATIVE	Summarized transactions: 4	753.17
298	CANADIAN PACIFIC RAILROAD	Summarized transactions: 1	750.00
299	KEACH TODD	Summarized transactions: 3	749.94
300	ON SITE SANITATION INC	Summarized transactions: 2	746.79
301	BOLTON AND MENK (P)	Summarized transactions: 2	742.50
302	GDS ASSOCIATES INC	Summarized transactions: 1	736.36
303	ZEE MEDICAL SERVICE INC (P)	Summarized transactions: 4	734.14
304	ACTON MOBILE dba	Summarized transactions: 2	723.13
305	CENTURYLINK	Summarized transactions: 2	693.46
306	U S A SAFETY SUPPLY	Summarized transactions: 8	679.65
307	METRO SALES INC	Summarized transactions: 1	669.19
308	MINNESOTA ENERGY RESOURCES CO	Summarized transactions: 4	666.11
309	USA BLUE BOOK DBA	Summarized transactions: 3	657.71
310	CINTAS CORP	Summarized transactions: 4	652.92
311	GLOBAL EQUIPMENT COMPANY	Summarized transactions: 6	652.26
312	MN SAFETY COUNCIL INC	Summarized transactions: 1	650.00
313	HACH COMPANY	Summarized transactions: 2	649.51
314	SCHUMACHER ELEVATOR COMPANY	Summarized transactions: 1	641.25
315	ADVANCE AUTO PARTS	Summarized transactions: 19	618.99
316	SPECTRUM REACH	Summarized transactions: 1	616.00
317	TOKAY SOFTWARE	Summarized transactions: 1	600.00
318	MEIXNER MELISSA	Summarized transactions: 6	598.87
319	PULSTAR INC	Summarized transactions: 3	597.43
320	PEOPLES ENERGY COOPERATIVE	Summarized transactions: 2	595.91
321	EO JOHNSON CO INC	Summarized transactions: 3	578.75
322	SOUND AND MEDIA SOLUTIONS	Summarized transactions: 1	577.13
323	MN POLLUTION CONTROL AGENCY	Summarized transactions: 1	570.91
324	THOMPSON GARAGE DOOR CO INC	Summarized transactions: 3	558.68
325	TRUCKIN' AMERICA	Summarized transactions: 2	552.50
326	WRIGHTS SMALL ENGINE SERVICE	Summarized transactions: 1	545.01
327	TRI STATE BUSINESS MACHINE IN	Summarized transactions: 2	528.45
328	ALL SEASONS POWER & SPORT INC	Summarized transactions: 1	521.43
329	BATTERIES PLUS	Summarized transactions: 2	502.05
330	THOMAS TOOL & SUPPLY INC	Summarized transactions: 9	474.43
331	SUMMIT FIRE PROTECTION INC	Summarized transactions: 1	465.00
332	HEPPELMANN MIKE	Summarized transactions: 3	464.82
333	ANCOM COMMUNICATIONS INC	Summarized transactions: 5	454.97
334	REGIONAL CONCRETE CUTTING INC	Summarized transactions: 1	450.00
335	NAPA AUTO PARTS (P)	Summarized transactions: 10	445.53
336	MCMASTER CARR SUPPLY COMPANY	Summarized transactions: 11	441.22
337	SAFETY SIGNS LLC	Summarized transactions: 1	432.84
338	BLACKBURN MANUFACTURING CO	Summarized transactions: 2	432.63
339	CLEMENTS CHEVROLET CADILLAC S	Summarized transactions: 5	426.98
340	GUNDERSON BRADLEY	Summarized transactions: 2	420.87
341	SCHLINK WALTER	Summarized transactions: 3	409.96
342	SUTTON JEREMY	Summarized transactions: 3	406.46
343	DAKOTA SUPPLY GROUP	Summarized transactions: 3	400.08
344	BILLTRUST dba	Summarized transactions: 1	400.00
345	DZUBAY TONY	Summarized transactions: 2	399.96
346	JOHNSON PRINTING CO INC	Summarized transactions: 4	390.09
347	AFFILIATED GROUP INC	Summarized transactions: 1	386.79
348	HAWK & SON'S INC	Summarized transactions: 1	360.00
349	WORKS COMPUTING INC	Summarized transactions: 2	360.00
350	CULLIGAN OF ROCHESTER INC	Summarized transactions: 5	355.66
351	MISSISSIPPI WELDERS SUPPLY CO	Summarized transactions: 2	350.00
352	BARRY SCREEN PRINT CO dba	Summarized transactions: 2	345.50
353	0.00	Summarized transactions: 1	345.47

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354	BOLDT JILL	Summarized transactions: 2	344.56
355	ACTION PLUMBING AND HEATING	Summarized transactions: 1	340.00
356	CENTURYLINK	Summarized transactions: 1	325.95
357	POMPS TIRE SERVICE INC	Summarized transactions: 4	316.48
358	CENTER FOR ENERGY AND ENVIRON	Summarized transactions: 1	307.80
359	MENARDS ROCHESTER SOUTH	Summarized transactions: 5	304.30
360	REBATES	Summarized transactions: 7	300.00
361	SMS SYSTEMS MAINTENANCE SERVI	Summarized transactions: 2	299.26
362	NOVASPECT INC	Summarized transactions: 2	293.37
363	POMPS TIRE SERVICE INC	Summarized transactions: 1	285.80
364	PAAPE ENERGY SERVICE INC	Summarized transactions: 1	285.00
365	MSC INDUSTRIAL SUPPLY CO INC	Summarized transactions: 5	278.91
366	ELECTRIC PUMP INC	Summarized transactions: 2	274.91
367	CANADIAN HONKER RESTAURANT &	Summarized transactions: 1	270.86
368	UNITED RENTALS INC	Summarized transactions: 2	267.19
369	LUHMANN ABE	Summarized transactions: 1	256.50
370	HANSON PATRICIA S	Summarized transactions: 1	256.50
371	JETTER CLEAN INC	Summarized transactions: 1	250.00
372	MOTOROLA INC	Summarized transactions: 3	245.42
373	NETWORK SERVICES COMPANY	Summarized transactions: 4	245.21
374	MN DEPT OF REVENUE	Summarized transactions: 2	236.84
375	ROCH PLUMBING & HEATING CO IN	Summarized transactions: 1	231.48
376	FEDEX SHIPPING	Summarized transactions: 9	216.52
377	STEVE BENNING ELECTRIC	Summarized transactions: 1	208.58
378	CLEMENTS CHEVROLET CADILLAC S	Summarized transactions: 3	205.32
379	WARNING LITES OF MN INC	Summarized transactions: 1	200.00
380	CHEMSEARCH	Summarized transactions: 1	178.32
381	DELL MARKETING LP	Summarized transactions: 1	172.06
382	KAMAN INDUSTRIAL TECHNOLOGIES	Summarized transactions: 6	171.43
383	KAUTZ TRAILER SALES dba	Summarized transactions: 2	170.00
384	MENARDS ROCHESTER NORTH	Summarized transactions: 2	169.88
385	MILESTONE MATERIALS	Summarized transactions: 1	166.69
386	NORTHERN / BLUETARP FINANCIAL	Summarized transactions: 1	165.96
387	MISSISSIPPI WELDERS SUPPLY CO	Summarized transactions: 4	164.20
388	ADVANCE AUTO PARTS	Summarized transactions: 6	161.59
389	ALTEC INDUSTRIES INC	Summarized transactions: 3	158.23
390	BOYER TRUCKS	Summarized transactions: 1	152.00
391	MN DEPT OF HEALTH	Summarized transactions: 1	150.00
392	MN DEPT OF HEALTH - ENVIRO HE	Summarized transactions: 1	150.00
393	ALMETEK INDUSTRIES INC	Summarized transactions: 13	144.11
394	FRANZ REPROGRAPHICS INC	Summarized transactions: 3	142.51
395	FIRST STUDENT INC	Summarized transactions: 1	139.42
396	GREAT RIVER ENERGY	Summarized transactions: 1	138.26
397	CORPORATE WEB SERVICES INC	Summarized transactions: 1	135.00
398	HALO BRANDED SOLUTIONS	Summarized transactions: 1	131.85
399	ULTEIG ENGINEERS INC	Summarized transactions: 2	131.18
400	CARQUEST AUTO PARTS	Summarized transactions: 2	129.15
401	FCX PERFORMANCE INC	Summarized transactions: 3	122.44
402	HATHAWAY TREE SERVICE INC	Summarized transactions: 3	120.00
403	NETWORKFLEET INC	Summarized transactions: 2	119.95
404	VANCO SERVICES LLC	Summarized transactions: 1	119.32
405	CONNEY SAFETY PRODUCTS LLC	Summarized transactions: 3	112.76
406	TEXTILE CARE SERVICES	Summarized transactions: 1	106.88
407	HAWKINS INC	Summarized transactions: 3	104.73
408	POST BULLETIN CO	Summarized transactions: 1	102.70
409	GRAINGER INC	Summarized transactions: 1	100.00
410	KOTSCHERVAR MARK	Summarized transactions: 1	93.63
411	RONCO ENGINEERING SALES INC	Summarized transactions: 1	90.09
412	XPO LOGISTICS FREIGHT INC	Summarized transactions: 1	87.88

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413	NICKELS SCOTT	Summarized transactions: 1	87.74
414	SHERWIN WILLIAMS CO	Summarized transactions: 2	86.62
415	SARGENTS LANDSCAPE NURSERY IN	Summarized transactions: 1	85.39
416	SLEEPY EYE TELEPHONE CO	Summarized transactions: 1	84.76
417	CHS ROCHESTER	Summarized transactions: 2	84.42
418	SCHMIDT GOODMAN OFFICE PRODUC	Summarized transactions: 1	81.23
419	QUANDT CHAD	Summarized transactions: 1	75.00
420	ROCHESTERFEST/CELEBRATION OF	Summarized transactions: 1	70.00
421	JOHNSON CARY	Summarized transactions: 1	69.02
422	HAASE MITCH	Summarized transactions: 1	60.00
423	KELLY SHAWN	Summarized transactions: 1	60.00
424	T E C INDUSTRIAL INC	Summarized transactions: 3	59.97
425	TOP PERFORMANCE SALES	Summarized transactions: 1	58.73
426	ALLIED PRODUCTS CORPORATION	Summarized transactions: 2	52.37
427	GARCIA GRAPHICS INC	Summarized transactions: 1	50.00
428	PROPERTY TAXES OLMSTED COUNTY	Summarized transactions: 1	50.00
429	PROPERTY RECORDS OLMSTED COUN	Summarized transactions: 1	50.00
430	THRONDSO OIL & LP GAS CO	Summarized transactions: 1	49.23
431	NALCO COMPANY	Summarized transactions: 2	47.50
432	KYLLO TODD	Summarized transactions: 1	42.00
433	SOUTHERN MN AUTO SUPPLY INC	Summarized transactions: 1	41.94
434	ARROW ACE HARDWARE-ST PETER	Summarized transactions: 1	40.05
435	OSWEILER TODD	Summarized transactions: 1	39.06
436	GOODIN COMPANY	Summarized transactions: 6	37.67
437	CENTRAL FINANCE OLMSTED COUNT	Summarized transactions: 1	36.75
438	DONAHUE DEBRA	Summarized transactions: 1	34.34
439	SOLID WASTE OLMSTED COUNTY	Summarized transactions: 1	31.80
440	INTERSTATE MOTOR TRUCKS INC	Summarized transactions: 1	31.22
441	VERIFIED CREDENTIALS INC	Summarized transactions: 1	30.00
442	ANDERTON RANDY	Summarized transactions: 1	26.00
443	NORTH AMERICAN ELECTRIC RELIA	Summarized transactions: 1	25.43
444	NAPA AUTO PARTS (P)	Summarized transactions: 1	24.30
445	FREUND ROBERT T	Summarized transactions: 1	19.15
446	LEKATZ CARTER	Summarized transactions: 1	19.03
447	MINNESOTA ENERGY RESOURCES CO	Summarized transactions: 1	15.27
448	ARROW ACE HARDWARE-ST PETER	Summarized transactions: 1	15.16
449	UPS FREIGHT	Summarized transactions: 1	14.19
450	TRANSDATA INC	Summarized transactions: 1	10.48
451	BLUESPIRE STRATEGIC MARKETING	Summarized transactions: 1	5.85
452	FASTENAL COMPANY	Summarized transactions: 2	2.60
453			
454		Price Range Total:	217,177.16
455			
456		Grand Total:	15,565,292.97

Attachment: AP Board 06 2017 (7496 : A/P Board listing)

FOR BOARD ACTION

Agenda Item # (ID # 7475)

Meeting Date: 6/27/2017

SUBJECT: Westside Energy Station Watermain Construction

PREPARED BY: Doug Klamerus

ITEM DESCRIPTION:

Quotes were opened on June 19, 2017 for the construction of the watermain servicing the Westside Energy Station (WES). Formal bidding was not required for this portion of the WES project, as it was included in the 453 designation previously approved by the Board. Staff solicited quotes from three contractors that RPU has previous experience with that perform well and could complete the work on time.

A breakdown of the quotes is as follows:

Contractor	Bid Amount
Swenke Ims Contracting LLC	\$448,028.50
Elcor Construction	\$478,026.40
S.L. Contracting Inc.	\$669,850.50

Swenke Ims Contracting LLC submitted a responsible proposal warranting approval. Substantial completion date is estimated to be August 31, 2017.

Unit pricing of additional materials has also been obtained, should it be needed. Unknown substrate conditions or changes in material measurements have the potential of increasing the contract amount, which will be managed by internal authorization procedures.

The WES project budget included \$513,900 for this project.

UTILITY BOARD ACTION REQUESTED:

Approve a resolution to enter into a contract with Swenke Ims Contracting LLC, in the amount of \$448,028.50, and authorize the Mayor and City Clerk to execute the agreement.



RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to approve a contract agreement with Swenke Ims Construction LLC, and authorize the Mayor and the City Clerk to execute the agreement for

Westside Energy Station Watermain Construction

The amount of the contract not to exceed FOUR HUNDRED FORTY-EIGHT THOUSAND TWENTY EIGHT AND 50/100 DOLLARS (\$448,028.50) plus applicable tax.

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 27th day of June 2017.

President

Secretary

FOR BOARD ACTION

Agenda Item # (ID # 7464)

Meeting Date: 6/27/2017

SUBJECT: 2017 Electric Service Rules and Regulations

PREPARED BY: Randy Anderton

ITEM DESCRIPTION:

During the last Board Meeting (May 23, 2017), adoption of the 2017 Electric Service Rules and Regulations was tabled in order for staff to review, clarify and remove any references to the phrases “strongly recommended” or “encouraged” from the document. Staff reviewed the document, found four (4) total instances in which either phrase appears within the document, and proposes the attached language changes in order to eliminate them:

- 1) Section 705 (Wiring Adequacy) - page 41
- 2) Section 803 (Clearances), Sub-section 803.1 - page 43
- 3) Section 803 (Clearances), Sub-section 803.2 - page 44
- 4) Section 1004 (Fault Current), Sub-section 1004.2 - page 51

UTILITY BOARD ACTION REQUESTED:

Staff requests that the Utility Board adopt the proposed 2017 Electric Rules and Regulations document with the attached language changes to become effective on July 1, 2017.

703.3 Calculation – RPU will calculate the power factor of customers in designed rate classes by installing a varhour meter. Refer to Section 601 for customer's responsibilities in providing metering equipment.

704 FAULT CURRENTS

The customer's service equipment and other devices shall be adequate to withstand and interrupt the maximum available fault current. For single-family residences with service equipment rated 200 amperes maximum and 120/240 volts, single phase, equipment shall have a minimum interrupting rate of 10,000 amperes symmetrical and other equipment shall be braced to withstand that minimum value. Refer to Section 1003 for more information.

705 WIRING ADEQUACY

~~The National Electrical Code® (NFPA No. 70) specifies the adequacy of wiring with respect to safety; however, but such installations may not be efficient, convenient, or adequate for good service of future expansion of electrical use. In many instances, the installation of wiring capacity greater than minimum code requirements is strongly recommended.~~

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706 CUSTOMER-OWNED GENERATING EQUIPMENT

Unless authorized by written agreement, electric generating equipment installed by the Customer shall not be interconnected or operated in parallel with RPU's system. The customer shall own, install, operate, and maintain electrical interlocking equipment which will prevent parallel operation and such equipment shall be approved by RPU prior to installation. Please contact RPU for specific requirements relating to generation installations designed to operate in parallel with RPU's distribution system (e.g. solar, wind, etc.)

707 CUSTOMER'S OBLIGATIONS

707.1 Increased Load – In the event the customer desires to increase load materially, such as adding electric heat, increased motor loads, etc., they shall give RPU sufficient advance notice, so that RPU may provide added facilities if necessary. If the customer fails to notify RPU and RPU's equipment is damaged as a result of such increased load, the customer shall reimburse and make payment to RPU for all such damages.

707.2 Balancing of Load – Except in the case of three-phase, four-wire delta services, the current unbalance in three-phase services shall not exceed 10 percent of the current that would be required at maximum load under balanced conditions.

SECTION 800 OVERHEAD SECONDARY SERVICES

RPU will supply overhead secondary service (600 volts or less), in areas where overhead facilities are available, at the voltages and under the conditions specified in other sections of this publication. The service entrance location will be specified by RPU. This section includes information on distribution transformer size, overhead service drop, and connections to the customer’s premises or equipment. Metering and customer equipment requirements are covered in other sections of this publication. The requirements of this section apply to all residential, commercial, and industrial customers.

801 MAXIMUM TRANSFORMER SIZE

801.1 Maximum Size – The maximum standard overhead transformer size installed by RPU will be either one 50 kVA transformer for a single-phase application or three 15 kVA transformers for multiphase applications. If a larger transformer size is required for a particular application, it shall be a pad-mounted type.

801.2 Number of Secondary Services – One (1) or more secondary services may be supplied from a transformer; the number of services from a transformer shall be determined by RPU depending upon the application.

802 SERVICE DROP CONDUCTORS

802.1 New Services – The service drop for new services will be a twisted wire triplex (3 wires) or quadruplex (4 wires) configuration from the distribution system to the point of attachment on the customer’s premises.

802.2 Existing Services – The service drop may either be a twisted wire or open wire configuration. If necessary for various reasons, RPU may change a service from an open wire to a twisted wire configuration.

803 CLEARANCES

803.1 Required Clearances (Roofs, Balconies & Windows/Doors) – The service drop must be so located that the minimum clearance as specified in the latest editions of the National Electrical Code® and the National Electric Safety Code® are maintained. ~~Illustration drawings of the clearances required are shown in Section 1100, Exhibits 4, 4.1, and 4.2 and 4.3. Please It is strongly recommended that the customer contact RPU’s Engineering Department if there are any questions about the clearances depicted. Service is going to pass over a roof, balcony/deck, or within 5 feet of a window/door.~~

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RPU will not energize an electric service with an observed clearance violation.

803.2 Required Clearances (Patios, Pools & Hot Tubs) – Service drop conductors must be located so that the minimum clearance as specified in the latest editions of the National Electrical Code® and the National Electric Safety Code® are maintained. ~~Illustration drawings of the clearances required are shown in Section 1100, Exhibits 4.3, 4.4 and 4.5. It is strongly recommended that the customer~~ Please contact RPU's Engineering Department if there are any questions about the clearances depicted ~~service is going to pass over a pool or hot tub.~~ RPU will not energize an electric service with an observed clearance violation.

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804 POINT OF ATTACHMENT

804.1 Buildings – A solid point of attachment for supporting the service drop on the building shall be provided by the customer at a point which will comply with previously stated clearances in Section 803. Where the required heights and clearances cannot be maintained by a point of attachment on the building, the customer shall provide a service mast which is of a permanent nature and of sufficient strength to support the service drop at the required minimum clearance. Illustration drawings of the attachment clearances and service mast installations are shown in Section 1100, Exhibits 6 and 6.1. In such an installation, 2-inch or larger galvanized iron conduit or 3-inch or larger rigid aluminum conduit shall be used. RPU reserves the right to decline to connect its service drop to an extension support, which, in its judgment, constitutes a hazard to life or property.

805 SERVICE ENTRANCE

805.1 Location – The customer's service entrance wiring shall terminate at a point so located that the service drop from the supply lines will not interfere with windows, doors, awnings, drainpipes, or other parts of the building or other obstructions so that only one bracket is required.

805.2 Customer's Responsibility – Customer's portion of the service entrance shall consist of conduit from the meter socket, a weather head, and wire. Tails shall be left on the customer's service wires extending a minimum of three (3) feet beyond the weather head. The neutral wire shall be identified and shall be continuous (no cut) from the weather head to the entrance switch (unless otherwise approved by RPU).

Attachment: RPU Electric Rules & Regs_2017_June_pg 44 (7464 : 2017 Electric Service Rules and Regulations)

pad-mounted primary metering cabinets for instrument transformer maintenance.

1004 FAULT CURRENT

1004.1 Intention – It is RPU's intent to address the customer's need for information concerning fault current and transformer protective device requirements pertaining to new construction, rewiring, or additional load. Refer to the current edition of the National Electric Code®, Article 110.9 Interrupting Rating and Article 110.16 Arc Flash Hazard Warning, or as may be amended.

1004.2 Tables – Tables 10.1 through 10.3 in this Section show the maximum available RMS symmetrical fault current that may be expected at the secondary terminals of distribution transformers. Each fault current value listed in the tables is based on the percent impedance value of the transformer that might be set initially or as a replacement. No primary source or secondary line impedance has been included since it is generally relatively small, may change, and cannot be accurately forecasted.

Note: Because an overloaded transformer is typically replaced with the next larger standard size transformer, and an under-loaded transformer may be replaced with the next smaller standard size transformer, the customer ~~shall~~ ~~is encouraged to~~ use this range of transformers to perform their analysis and select equipment such as fuse or circuit breakers and service entrance bus bar bracing. When selecting the fault current interrupting rating of the customer protection devices, the customer should also take into account the minimum size transformer that would be required to serve the load rating of the customer main protection device.

1004.3 Variability – Due to the variability of the transformer and electric distribution system characteristics, these tables should be used as a general guideline and shall not be used as a design tool to replace engineering that may be required by the Code Authorities having jurisdiction. Customers or contractors requiring specific fault current calculations should consult a registered professional engineer of their choice.

Note 1: All installations served from a single-phase pad-mount transformer should as a minimum use the calculations based on the installation of a 37.5 kVA transformer.

Note 2: All temporary construction meter installations may use the actual transformer size.

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RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to adopt the 2017 Electric Service Rules and Regulations to become effective on July 1, 2017.

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 27th day of June, 2017.

President

Secretary

FOR BOARD ACTION

Agenda Item # (ID # 7454)

Meeting Date: 6/27/2017

SUBJECT: Solar Interconnection Agreement with the State of Minnesota Department of Military Affairs

PREPARED BY: Dirk Bierbaum

ITEM DESCRIPTION:

The State of Minnesota Department of Military Affairs has installed a 55kW solar photovoltaic (PV) system at their facility at 1715 Marion Road (commonly referred to as the National Guard Armory). No energy will flow from their PV system back onto RPU's distribution system, but an interconnection agreement is required, since the generation will operate in parallel with RPU's distribution system.

For PV systems greater than 40 kW, the Minnesota State Interconnection Standards are used, which includes the State's contract. The customer has reviewed the State's contract and requested changes. Because the requested changes are a significant deviation from the State's original contract language, the City Attorney's office is recommending the Board's approval of the changes and the Agreement.

UTILITY BOARD ACTION REQUESTED:

Staff recommends that the Board approve the Interconnection Agreement for the Interconnection of extended Parallel Distributed Generation Systems with the RPU Distribution System between Rochester Public Utilities and the State of Minnesota Department of Military Affairs for the solar PV installation located at 1715 Marion Rd SE.

The City Attorney's office has reviewed the Agreement.

RPU Agreement

**Rochester Public Utilities
Interconnection Agreement
For the Interconnection of Extended Parallel Distributed Generation
Systems with the RPU Distribution System**

This Generating System Interconnection Agreement is entered into by and between Rochester Public Utilities (RPU) and the Interconnection Customer "State of Minnesota, Department of Military Affairs". The Interconnection Customer and RPU are sometimes also referred to in this Agreement jointly as "Parties" or individually as "Party".

In consideration of the mutual promises and obligations stated in this Agreement and its attachments, the Parties agree as follows:

I. SCOPE AND PURPOSE

- A) Establishment of Point of Common Coupling. This Agreement is intended to provide for the Interconnection Customer to interconnect and operate a Generation System with a total Nameplate Capacity of 10MWs or less in parallel with the RPU distribution system at the location identified in Exhibit C and shown in the Exhibit A one-line diagram.
- B) This Agreement governs the facilities required to and contains the terms and condition under which the Interconnection Customer may interconnect the Generation System to the RPU distribution system. This Agreement does not authorize the Interconnection Customer to export power or constitute an agreement to purchased or wheel the Interconnection Customer's power. Other services that the Interconnection Customer may require from RPU, or others, may be covered under separate agreements.
- C) To facilitate the operation of the Generation System, this agreement also allows for the occasional and inadvertent export of energy to RPU. The amount, metering, billing and accounting of such inadvertent energy exporting shall be governed by Exhibit D (Operating Agreement). This Agreement does not constitute an agreement by RPU to purchase or pay for any energy, inadvertently or intentionally exported, unless expressly noted in Exhibit D or under a separately executed power purchase agreement (PPA).
- D) This agreement does not constitute a request for, nor the provision of any transmission delivery service or any local distribution delivery service.
- E) The Technical Requirements for interconnection are covered in a separate Technical Requirements document know as, the "Rochester Public Utilities Distributed Generation Interconnection Requirements", a copy of which has been made available to the Interconnection Customer and incorporated and made part of this Agreement by this reference

II. DEFINITIONS

- A) "Dedicated Facilities" the equipment that is installed due to the interconnection of the Generation System and not required to serve other RPU customers.
- B) "Extended Parallel" means the Generation System is designed to remain connected with RPU for an extended period of time.

- C) “Generation” any device producing electrical energy, i.e., rotating generators driven by wind, steam turbines, internal combustion engines, hydraulic turbines, solar, fuel cells, etc.; or any other electric producing device, including energy storage technologies.
- D) “Generation Interconnection Coordinator” the person or persons designated by RPU to provide a single point of coordination with the Applicant for the generation interconnection process.
- E) “Generation System” the interconnected generator(s), controls, relays, switches, breakers, transformers, inverters and associated wiring and cables, up to the Point of Common Coupling.
- F) “Interconnection Customer” the party or parties who will own/operate the Generation System and are responsible for meeting the requirements of the agreements and Technical Requirements. This could be the Generation System applicant, installer, owner, designer, or operator.
- G) “Local EPS” an electric power system (EPS) contained entirely within a single premises or group of premises.
- H) “Nameplate Capacity” the total nameplate capacity rating of all the Generation included in the Generation System. For this definition the “standby” and/or maximum rated kW capacity on the nameplate shall be used.
- I) “Point of Common Coupling” the point where the Local EPS is connected to the RPU distribution system
- J) “Point of Delivery” the point where the energy changes possession from one party to the other. Typically this will be where the metering is installed but it is not required that the Point of Delivery is the same as where the energy is metered
- K) “Technical Requirements” RPU Requirements for Interconnection of Distributed Generation

III. DESCRIPTION OF INTERCONNECTION CUSTOMER'S GENERATION SYSTEM

- A) A description of the Generation System, including a single-line diagram showing the general arrangement of how the Interconnection Customer's Generation System is interconnected with RPU's distribution system, is attached to and made part of this Agreement as Exhibit A. The single-line diagram shows the following:
 - 1) Point of Delivery (if applicable)
 - 2) Point of Common Coupling
 - 3) Location of Meter(s)
 - 4) Ownership of the equipment.
 - 5) Generation System total Nameplate Capacity 55 kW
 - 6) Scheduled operational (on-line) date for the Generation System.

IV. RESPONSIBILITIES OF THE PARTIES

- A) The Parties shall perform all obligations of this Agreement in accordance with all applicable laws and regulations, operating requirements and good utility practices.
- B) Interconnection Customer shall construct, operate and maintain the Generation System in accordance with the applicable manufacture's recommend maintenance schedule, the Technical Requirements and in accordance with this Agreement

- C) RPU shall carry out the construction of the Dedicated Facilities in a good and workmanlike manner, and in accordance with standard design and engineering practices.

V. CONSTRUCTION

The Parties agree to cause their facilities or systems to be constructed in accordance with the laws of the State of Minnesota and to meet or exceed applicable codes and standards provided by the NESC (National Electrical Safety Code), ANSI (American National Standards Institute), IEEE (Institute of Electrical and Electronic Engineers), NEC (National Electrical Code), UL (Underwriter's Laboratory), Technical Requirements and local building codes and other applicable ordinances in effect at the time of the installation of the Generation System.

A) Charges and payments

The Interconnection Customer is responsible for the actual costs to interconnect the Generation System with the RPU distribution system, including, but not limited to any Dedicated Facilities attributable to the addition of the Generation System, RPU labor for installation coordination, installation testing and engineering review of the Generation System and interconnection design.

~~Summary of RPU costs, description of facilities being installed, and responsibility for install are outlined in Exhibit B. All payments/costs to RPU have already been received. Estimates of these costs are outlined in Exhibit B. While estimates, for budgeting purposes, have been provided in Exhibit B, the actual costs are still the responsibility of the Interconnection Customer, even if they exceed the estimated amount(s).~~ All costs, for which the Interconnection Customer is responsible for, must be reasonable under the circumstances of the design and construction.

1) Dedicated Facilities

- a) During the term of this Agreement, ~~RPU shall design~~ the Interconnection Customer has contracted with a third party, construct to construct and install the Dedicated Facilities outlined in Exhibit B. The Interconnection Customer shall be responsible for paying the actual costs of the Dedicated Facilities attributable to the addition of the Generation System.
- b) Once installed, the Dedicated Facilities shall be owned and operated by RPU and all costs associated with the operating and maintenance of the Dedicated Facilities, after the Generation System is operational, shall be the responsibility of RPU, unless otherwise agreed.
- c) ~~By executing this Agreement, the Interconnection Customer grants permission for RPU to begin construction and to procure the necessary facilities and equipment to complete the installation of the Dedicated Facilities, as outlined in Exhibit B. If for any reason, the Generation System project is canceled or modified, so that any or all of the Dedicated Facilities are not required, the Interconnection Customer shall be responsible for all costs incurred by RPU, including, but not limited to the additional costs to remove and/or complete the installation of the Dedicated Facilities.~~ The Interconnection Customer may, for any reason,

cancel the Generation System project, so that any or all of the Dedicated Facilities are not required to be installed. The Interconnection Customer shall provide written notice to RPU of cancellation. Upon receipt of a

cancellation notice, RPU shall take reasonable steps to minimize additional costs to the Interconnection Customer, where reasonably possible.

~~2) Payments~~

- ~~a) The Interconnection Customer shall provide reasonable adequate assurances of credit, including a letter of credit or personal guaranty of payment and performance from a creditworthy entity acceptable under RPU credit policy and procedures for the unpaid balance of the estimated amount shown in Exhibit B.~~
- ~~b) The payment for the costs outlined in Exhibit B, shall be as follows:~~
- ~~i. 1/3 of estimated costs, outlined in Exhibit B, shall be due upon execution of this agreement.~~
 - ~~ii. 1/3 of estimated costs, outlined in Exhibit B, shall be due prior to initial energization of the Generation System, with the RPU distribution system.~~
 - ~~iii. Remainder of actual costs, incurred by RPU, shall be due within 30 days from the date the bill is mailed by RPU after project completion.~~

VI. DOCUMENTS INCLUDED WITH THIS AGREEMENT.

- A) This agreement includes the following exhibits, which are specifically incorporated herein and made part of this Agreement by this reference: (if any of these Exhibits are deemed not applicable for this Generation System installation they may be omitted from the final Agreement by RPU.)
- 1) Exhibit A – Description of Generation System and single-line diagram. This diagram shows all major equipment, including, visual isolation equipment, Point of Common Coupling, Point of Delivery for Generation Systems that intentionally export, ownership of equipment and the location of metering.
 - 2) Exhibit B – ~~Estimated installation and testing costs payable by the Interconnection Customer. Included in this listing shall be the description and estimated costs for the required Dedicated Facilities being installed by RPU for the interconnection of the Generation System and a description and estimate for the final acceptance testing work to be done by RPU.~~ Summary of RPU costs and description of dedicated facilities being installed for the interconnection of the generation system.
 - 3) Exhibit C – Engineering Data Submittal – A standard form that provides the engineering and operating information about the Generation System.
 - 4) Exhibit D – Operating Agreement – This provides specific operating information and requirements for this Generation System interconnection. This Exhibit has a separate signature section and may be modified, in writing, from time to time with the agreement of both parties.
 - 5) Exhibit E – Maintenance Agreement – This provides specific maintenance requirements for this Generation System interconnection. This Exhibit has a separate signature section and may be modified, in writing, from time to time with the agreement of both parties.

VII. TERMS AND TERMINATION

- A) This Agreement shall become effective as of the date when both the Interconnection Customer and RPU have both signed this Agreement. The

Agreement shall continue in full force and effect until the earliest date that one of the following events occurs:

- 1) The Parties agree in writing to terminate the Agreement; or
- 2) The Interconnection Customer may terminate this agreement at any time, by written notice to RPU, prior to the completion of the final acceptance testing of the Generation System by RPU. Once the Generation System is operational then VII.A.3 applies. Upon receipt of a cancellation notice, RPU shall take reasonable steps to minimize additional costs to the Interconnection Customer, where reasonably possible.
- 3) Once the Generation System is operational the Interconnection Customer may terminate this agreement after 30 days written notice to RPU, unless otherwise agreed to within the Exhibit D, Operating Agreement; or
- 4) RPU may terminate this agreement after 30 days written notice to the Interconnection Customer if:
 - a) The Interconnection Customer fails to interconnect and operate the Generation System per the terms of this Agreement; or
 - b) The Interconnection Customer fails to make a noticeable effort to take all corrective actions specified in RPU's written notice that the Generation System is out of compliance with the terms of this Agreement, within the time frame set forth in such notice. RPU will work with the Interconnection Customer to ensure the Interconnection Customer has reasonable time frame to take all corrective actions prior to the expiration of the 30-day time period; or
 - c) If the Interconnection Customer fails to complete RPU's final acceptance testing of the generation system within 24 months of the date proposed under section III.A.5.
- B) Upon termination of this Agreement the Generation System shall be disconnected from the RPU distribution system. The termination of this Agreement shall not relieve either Party of its liabilities and obligations, owed or continuing, at the time of the termination.

VIII. OPERATIONAL ISSUES

Each Party will, at its own cost and expense, operate, maintain, repair and inspect, and shall be fully responsible for, the facilities which it now or hereafter may own, unless otherwise specified.

- A) Technical Standards: The Generation System shall be installed and operated by the Interconnection Customer consistent with the requirements of this Agreement; the Technical Requirements; the applicable requirements located in the National Electrical Code (NEC); the applicable standards published by the American National Standards Institute (ANSI) and the Institute of Electrical and Electronic Engineers (IEEE); and local building and other applicable ordinances in effect at the time of the installation of the Generation System.
- B) Right of Access: At all times, RPU's personnel shall have access to the disconnect switch of the Generation System for any reasonable purpose in

connection with the performance of the obligations imposed on it by this Agreement, to meet its obligation to operate the RPU distribution system safely

and to provide service to its customers. If necessary for the purposes of this Agreement, the Interconnection Customer shall allow RPU access to the Local EPS's equipment and facilities located on the premises.

- C) Electric Service Supplied: RPU will supply the electrical requirements of the Local EPS that are not supplied by the Generation System. Such electric service shall be supplied, to the Interconnection Customer's Local EPS, under the rate schedules applicable to the Customer's class of service as revised from time to time by RPU.
- D) Operation and Maintenance: The Generation System shall be operated and maintained, by the Interconnection Customer in accordance with the Technical Standards and any additional requirements of Exhibit D and Exhibit E, attached to this document, as amended, in writing, from time to time.
- E) Cooperation and Coordination: Both RPU and the Interconnection Customer shall communicate and coordinate their operations, so that the normal operation of the RPU distribution system does not unduly effect or interfere with the normal operation of the Generation System and the Generation System does not unduly effect or interfere with the normal operation of the RPU distribution system. Under abnormal operations of either the Generation System or the RPU distribution system, the responsible Party shall provide reasonably timely communication to the other Party to allow mitigation of any potentially negative effects of the abnormal operation of their system.
- F) Disconnection of Unit: RPU may disconnect the Generation System as reasonably necessary, for termination of this Agreement; non-compliance with this Agreement; system emergency, imminent danger to the public or RPU personnel; routine maintenance, repairs and modifications to the RPU distribution system. When reasonably possible, RPU shall provide prior notice to the Interconnection Customer explaining the reason for the disconnection. If prior notice is not reasonably possible, RPU shall as soon as reasonably possible after the fact, provide information to the Interconnection Customer as to why the disconnection was required. It is agreed that RPU shall have no liability for any loss of sales ~~or other damages,~~ including all consequential damages for the loss of business opportunity, profits or other losses, regardless of whether such damages were foreseeable, for the disconnection of the Generation System per this Agreement. RPU shall expend reasonable effort to reconnect the Generation System in a timely manner and to work towards mitigating damages and losses to the Interconnection Customer where reasonably possible.
- G) Modifications to the Generation System – When reasonably possible the Interconnection Customer shall notify RPU, in writing, of plans for any modifications to the Generation System interconnection equipment, including all information needed by RPU as part of the review described in this paragraph, at least twenty (20) business days prior to undertaking such modification(s). Modifications to any of the interconnection equipment, including, all interconnection required protective systems, the generation control systems, the transfer switches/breakers, interconnection protection VT's & CT's, and Generation System capacity, shall be included in the notification to RPU. When reasonably possible the Interconnection Customer agrees not to commence

installation of any modifications to the Generating System until RPU has approved the modification, in writing, which approval shall not be unreasonably withheld. RPU shall have a minimum of five (5) business days to review and respond to the planned modification. RPU shall not take longer than a maximum of ten (10) business days, to review and respond to the modification after the receipt of the information required to review the modifications. When it is not reasonably possible for the Interconnection Customer to provide prior written notice, the Interconnection Customer shall provide written notice to RPU as soon as reasonably possible, after the completion of the modification(s).

- H) Permits and Approvals: The Interconnection Customer shall obtain all environmental and other permits lawfully required by governmental authorities prior to the construction of the Generation System. The Interconnection Customer shall also maintain these applicable permits and compliance with these permits during the term of this Agreement.

IX. LIMITATION OF LIABILITY

- A) ~~Each Party shall at all times indemnify, defend, and save the other Party harmless from any and all damages, losses, claims, including claims and actions relating to injury or death of any person or damage to property, costs and expenses, reasonable attorneys' fees and court costs, arising out of or resulting from the Party's performance of its obligations under this agreement, except to the extent that such damages, losses or claims were caused by the negligence or intentional acts of the other Party.~~ Each party shall be responsible for its own acts and the results thereof to the extent authorized by law and shall not be responsible for the acts of any others and the result thereof. The Interconnection Customer's torts are covered by Minnesota Statutes § 3.736 as may be modified over the term of the Agreement. RPU's torts are covered by Minnesota Statutes §466.04 as may be modified over the term of the Agreement.
- B) Each Party's liability to the other Party for failure to perform its obligations under this Agreement, shall be limited to the amount of direct damage actually incurred. In no event shall either Party be liable to the other Party for any punitive, incidental, indirect, special, or consequential damages of any kind whatsoever, including for loss of business opportunity or profits, regardless of whether such damages were foreseen.
- C) Notwithstanding any other provision in this Agreement, with respect to RPU's provision of electric service to any customer including the Interconnection Customer, RPU's liability to such customer shall be limited as set forth in the RPU's tariffs and terms and conditions for electric service, and shall not be affected by the terms of this Agreement.

X. DISPUTE RESOLUTION

- A) Each Party agrees to attempt to resolve all disputes arising hereunder promptly, equitably and in a good faith manner.
- B) The parties agree to use progressive escalation of disputes to resolve any disputes arising under this Agreement promptly and at the lowest level possible (the "Dispute Resolution Process"), provided and upon the conditions that the

parties engage in the Dispute Resolution Process promptly when a dispute arises, that the parties pursue resolution of the dispute diligently in good faith, and that the Dispute Resolution Process terminates when this Agreement herein terminates whether the dispute is (or is not) resolved earlier. The mechanics of the Dispute Resolution Process are subject to change as personnel and titles change. The initial escalation ladder is:

<u>Interconnection Customer</u>	<u>RPU</u>
<u>a. Project Manager</u>	<u>Project Manager</u>
<u>b. Construction Facilities Mgmt Officer</u>	<u>Vice President</u>
<u>c. Adjutant General</u>	<u>President</u>

~~B) In the event a dispute arises under this Agreement, and if it cannot be resolved by the Parties within thirty (30) days after written notice of the dispute to the other Party, the Parties agree to submit the dispute to mediation by a mutually acceptable mediator, in a mutually convenient location in the State of Minnesota. The Parties agree to participate in good faith in the mediation for a period of 90 days. If attempted dispute resolution fails, then either Party may exercise~~

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whatever rights and remedies it may have in equity or law consistent with the terms of this Agreement.

XI. INSURANCE

~~XI. It shall be the duty of RPU and the Interconnection customer to maintain insurance or self-insurance on their own property, both real and personal. Notwithstanding anything apparently to the contrary in this Lease Agreement. The parties hereby release one another and their respective partners, officers, employees and property manager (and shall cause either of their insurers (if any) to release same) from any and all liability or responsibility to the other or anyone claiming through or under them by way of subrogation or otherwise for loss or damage, even if such loss or damage shall have been caused by the fault or negligence of the other party, or anyone for whom such party may be responsible.~~

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- ~~A) At a minimum, In connection with the Interconnection Customer's performance of its duties and obligations under this Agreement, the Interconnection Customer shall maintain, during the term of the Agreement, general liability insurance, from a qualified insurance agency with a B+ or better rating by "Best" and with a combined single limit of not less than:~~
- ~~1) Two million dollars (\$2,000,000) for each occurrence if the Gross Nameplate Rating of the Generation System is greater than 250kW.~~
 - ~~2) One million dollars (\$1,000,000) for each occurrence if the Gross Nameplate Rating of the Generation System is between 40kW and 250kW.~~
 - ~~3) Three hundred thousand (\$300,000) for each occurrence if the Gross Nameplate Rating of the Generation System is less than 40kW.~~
 - ~~4) Such general liability insurance shall include coverage against claims for damages resulting from (i) bodily injury, including wrongful death; and (ii) property damage arising out of the Interconnection Customer's ownership and/or operating of the Generation System under this agreement.~~
- ~~B) If the Generation System is connected to an account receiving residential service from RPU and its total generating capacity is smaller than 40kW, then the endorsements required in Section XI.B shall not apply.~~
- ~~C) The Interconnection Customer shall furnish the required insurance certificates and endorsements to RPU prior to the initial operation of the Generation System. Thereafter, RPU shall have the right to periodically inspect or obtain a copy of the original policy or policies of insurance~~
- ~~D) Evidence of the insurance required in Section XI.A. shall state that coverage provided is primary and is not excess to or contributing with any insurance or self insurance maintained by RPU.~~
- ~~E) If the Interconnection Customer is self-insured with an established record of self insurance, the Interconnection Customer may comply with the following in lieu of Section XI.A — E:~~
- ~~1) Interconnection Customer shall provide to RPU, at least thirty (30) days prior to the date of initial operation, evidence of an acceptable plan to self insure to a level of coverage equivalent to that required under section XI.A.~~
 - ~~2) If Interconnection Customer ceases to self insure to the level required~~

~~herunder, or if the Interconnection Customer is unable to provide continuing evidence of its ability to self-insure, the Interconnection Customer agrees to immediately obtain the coverage required under Section XI.A.~~

~~F) Failure of the Interconnection Customer or RPU to enforce the minimum levels of insurance does not relieve the Interconnection Customer from maintaining such levels of insurance or relieve the Interconnection Customer of any liability.~~

~~G) All insurance certificates, statements of self insurance, endorsements, cancellations, terminations, alterations, and material changes of such insurance shall be issued and submitted to the following:~~

~~Rochester Public Utilities
Attention: Key Account Representative
4000 E River Rd NE
Rochester, MN 55906~~

XII. MISCELLANEOUS

A) FORCE MAJEURE

- 1) An event of Force Majeure means any act of God, act of the public enemy, war, insurrection, riot, fire, storm or flood, explosion, breakage or accident to machinery or equipment, any curtailment, order, regulation or restriction imposed by governmental, military or lawfully established civilian authorities, or any other cause beyond a Party's control. An event of Force Majeure does not include an act of negligence or intentional wrongdoing. Neither Party will be considered in default as to any obligation hereunder if such Party is prevented from fulfilling the obligation due to an event of Force Majeure. However, a Party whose performance under this Agreement is hindered by an event of Force Majeure shall make all reasonable efforts to perform its obligations hereunder
- 2) Neither Party will be considered in default of any obligation hereunder if such Party is prevented from fulfilling the obligation due to an event of Force Majeure. However, a Party whose performance under this Agreement is hindered by an event of Force Majeure shall make all reasonable efforts to perform its obligations hereunder. .

B) NOTICES

- 1) Any written notice, demand, or request required or authorized in connection with this Agreement ("Notice") shall be deemed properly given if delivered in person or sent by first class mail, postage prepaid, to the person specified below:
 - a) If to RPU
 - Rochester Public Utilities
 - Attention: Key Account Representative
 - 4000 E River Rd NE
 - Rochester, MN 55906
 - b) If to Interconnection Customer
 - Department of Military Affairs
 - Facility Management Office,
 - Camp Ripley
 - 1500 Highway 115
 - Little Falls, MN 56345-4173

- 2) A Party may change its address for notices at any time by providing the other Party written notice of the change, in accordance with this Section.
- 3) The Parties may also designate operating representatives to conduct the daily communications which may be necessary or convenient for the administration of this Agreement. Such designations, including names, addresses, and phone numbers may be communicated or revised by one Party's notice to the other Party.

C) ASSIGNMENT

The Interconnection Customer shall not assign its rights nor delegate its duties under this Agreement without RPU's written consent. Any assignment or delegation the Interconnection Customer makes without RPU's written consent shall not be valid. RPU shall not unreasonably withhold its consent to the Generating Entities assignment of this Agreement.

D) NON-WAIVER

None of the provisions of this Agreement shall be considered waived by a Party unless such waiver is given in writing. The failure of a Party to insist in any one or more instances upon strict performance of any of the provisions of this Agreement or to take advantage of any of its rights hereunder shall not be construed as a waiver of any such provisions or the relinquishment of any such rights for the future, but the same shall continue and remain in full force and effect.

E) GOVERNING LAW AND INCLUSION OF RPU'S TARIFFS AND RULES.

- 1) This Agreement shall be interpreted, governed and construed under the laws of the State of Minnesota as if executed and to be performed wholly within the State of Minnesota without giving effect to choice of law provisions that might apply to the law of a different jurisdiction.
- 2) The interconnection and services provided under this Agreement shall at all times be subject to the terms and conditions set forth in the tariff schedules and rules applicable to the electric service provided by RPU, which tariff schedules and rules are hereby incorporated into this Agreement by this reference.
- 3) Notwithstanding any other provisions of this Agreement, RPU shall have the right to unilaterally change rates, charges, classification, service, tariff or rule or any agreement relating thereto.

F) AMENDMENT AND MODIFICATION

This Agreement can only be amended or modified by a writing signed by both Parties.

G) ENTIRE AGREEMENT

This Agreement, including all attachments, exhibits, and appendices, constitutes the entire Agreement between the Parties with regard to the interconnection of the Generation System of the Parties at the Point(s) of Common Coupling expressly provided for in this Agreement and supersedes all prior agreements or

understandings, whether verbal or written. It is expressly acknowledged that the Parties may have other agreements covering other services not expressly provided for herein, which agreements are unaffected by this Agreement. Each party also represents that in entering into this Agreement, it has not relied on the promise, inducement, representation, warranty, agreement or other statement not set forth in this Agreement or in the incorporated attachments, exhibits and appendices.

~~H) CONFIDENTIAL INFORMATION~~

~~Except as otherwise agreed or provided herein, each Party shall hold in confidence and shall not disclose confidential information, to any person (except employees, officers, representatives and agents, who agree to be bound by this section) unless required to do so by any law or court order. Confidential information shall be clearly marked as such on each page or otherwise affirmatively identified. If a court, government agency or entity with the right, power, and authority to do so, requests or requires either Party, by subpoena, oral disposition, interrogatories, requests for production of documents, administrative order, or otherwise, to disclose Confidential Information, that Party shall provide the other Party with prompt notice of such request(s) or requirements(s) so that the other Party may seek an appropriate protective order or waive compliance with the terms of this Agreement. In the absence of a protective order or waiver the Party shall disclose such confidential information which, in the opinion of its counsel, the party is legally compelled to disclose. Each Party will use reasonable efforts to obtain reliable assurance that confidential treatment will be accorded any confidential information so furnished.~~

~~H) NON-WARRANTY~~

~~Neither by inspection, if any, or non-rejection, nor in any other way, does RPU give any warranty, expressed or implied, as to the adequacy, safety, or other characteristics of any structures, equipment, wires, appliances or devices owned, installed or maintained by the Interconnection Customer or leased by the Interconnection Customer from third parties, including without limitation the Generation System and any structures, equipment, wires, appliances or devices appurtenant thereto.~~

~~H) NO PARTNERSHIP.~~

~~This Agreement shall not be interpreted or construed to create an association, joint venture, agency relationship, or partnership between the Parties or to impose any partnership obligation or partnership liability upon either Party. Neither Party shall have any right, power or authority to enter into any agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other Party.~~

XIII. SIGNATURES

IN WITNESS WHEREOF, the Parties hereto have caused two originals of this Agreement to be executed by their duly authorized representatives. This Agreement is effective as of the last date set forth below.

Interconnection Customer

By: _____

Name: _____

Title: _____

Date: _____

Rochester Public Utilities

Authorized Representative

General Manager

City of Rochester

Mayor

Attest:

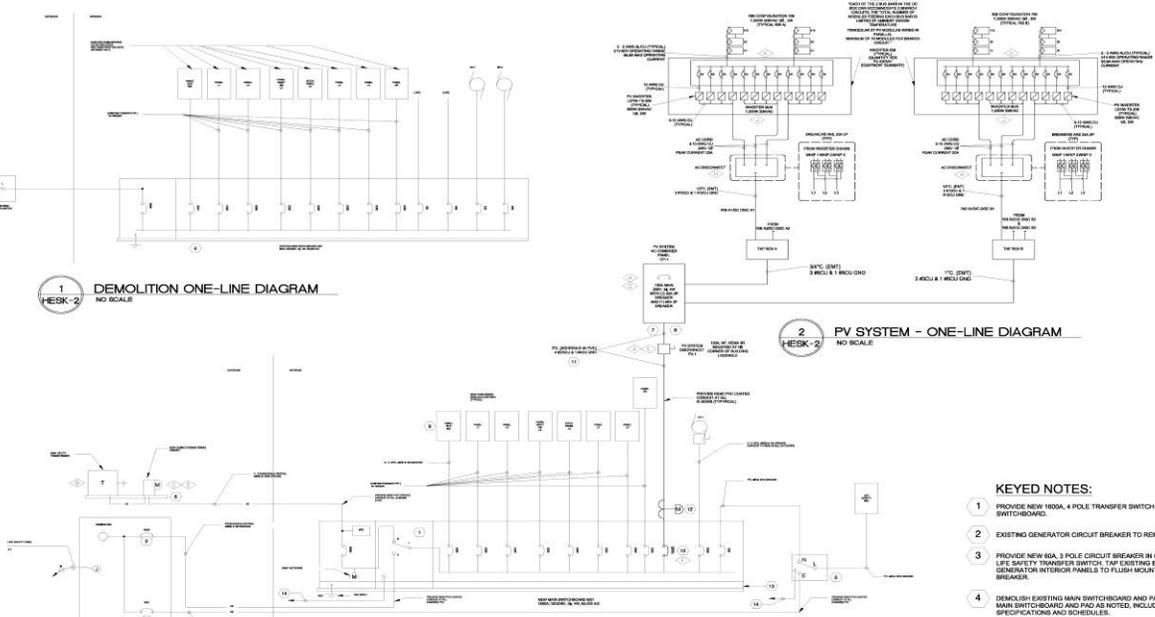
City Clerk

Date:

Reviewed by:

City Attorney

EXHIBIT A GENERATION SYSTEM DESCRIPTION AND SINGLE-LINE DIAGRAM



- LABEL AND MARKINGS LEGEND:**
- 1 PROVIDES THE LOCATION OF THE SERVICE DISCONNECTING MEANS AND THE PHOTOVOLTAIC DISCONNECTING MEANS. THIS PLACARD SHALL BE APPLIED AT THE MAIN PHOTOVOLTAIC AC SERVICE DISCONNECTING MEANS AND THE PV ARRAY (2 TOTAL).
 - 2 AC SYSTEM TRANSFORMER WARNING LABEL APPLIED TO AC SYSTEM MAIN TRANSFORMER. 1 PER MAIN AC SERVICE (1 TOTAL).
 - 3 LABEL FOR UTILITY TRANSFORMER CONNECTION CABINET IDENTIFYING DUAL POWER SOURCE, UTILITY ELECTRICAL SERVICE AND PHOTOVOLTAIC SYSTEM CONNECTION. 1 PER CONNECTION CABINET (1 TOTAL).
 - 4 UTILITY COMPANY BIDIRECTIONAL METER SOCKET. GENERIC WARNING LABEL APPLIED TO UTILITY PHOTOVOLTAIC SYSTEM METERING SERVICE CABINET. 1 PER UTILITY SERVICE (1 TOTAL).
 - 5 UTILITY PV AC DISCONNECT WARNING LABEL IDENTIFYING - UTILITY ELECTRICAL SERVICE MAIN AC DISCONNECTING MEANS. 1 PER PV AC DISCONNECT (1 TOTAL).
 - 6 UTILITY PV AC DISCONNECT WARNING LABEL IDENTIFYING - UTILITY ELECTRICAL SERVICE AND PHOTOVOLTAIC SYSTEM MAIN AC DISCONNECTING MEANS. 1 PER PV AC DISCONNECT (1 TOTAL).
 - 7 PHOTOVOLTAIC SYSTEM AC COMBINER PANEL WARNING LABEL, APPLIED TO THE AC COMBINER PANEL. 1 PER PANEL (1 TOTAL).
 - 8 PHOTOVOLTAIC SYSTEM AC DISCONNECT WARNING LABEL WITH SYSTEM SPECIFICATIONS, APPLIED TO ALL PHOTOVOLTAIC AC DISCONNECTS. 1 PER AC DISCONNECT (8 TOTAL).
 - 9 PHOTOVOLTAIC INVERTER WARNING LABELS APPLIED TO ALL INVERTERS. 1 PER INVERTER (8 TOTAL).
 - 10 PHOTOVOLTAIC DC CONNECTION UNIT WARNING LABEL WITH SYSTEM SPECIFICATIONS, APPLIED TO ALL DC DISCONNECTS. (8 TOTAL).
 - 11 LABEL FOR SECURITY OF PV SYSTEM ARRAY PERIMETER. INSTALL DIBAGE AT PERIMETER OF ARRAY.

3 DEMOLITION ONE-LINE DIAGRAM
NO SCALE

2 PV SYSTEM - ONE-LINE DIAGRAM
NO SCALE

1 HESK-2
NO SCALE

GENERAL NOTES:

1. THE ELECTRICAL DESIGN OF THIS PHOTOVOLTAIC SYSTEM IS IN COMPLIANCE WITH THE 2008 NATIONAL ELECTRICAL CODE (NEC).
2. EQUIPMENT LABELED PER NEC 110.21(B), 690.5(C), 690.17, 690.31(B)(1-4), 690.35, 690.51, 690.53, 690.56, 705.12.
3. EGC REFERS TO EQUIPMENT GROUND CONDUCTOR, GEC REFERS TO GROUNDING ELECTRODE CONDUCTOR.
4. ALL CONDUCTORS SHALL BE COPPER, AND OF TYPE XHHW-2 UNLESS NOTED OTHERWISE. PV OUTPUT CIRCUIT BREAKERS SHALL BE SUITABLE FOR BACKED OPERATION.
5. MAINTAIN -0% VOLTAGE DROP ON ALL AC & DC PV CIRCUITS.

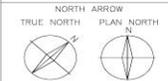
PV ARRAY EQUIPMENT SUMMARY

(10) MODULES PER STRING A
(20) MODULES PER STRING B
(20) MODULES PER WMPD PV DC COMBINER/DISCONNECT A
(20) MODULES PER WMPD PV DC COMBINER/DISCONNECT B
(20) 400V 75kV TRIP BREAK AT A AND MODULES
(20) 400V 18 000W MICRO INVERTERS PER SUB ARRAY A
(80) 300V 18 000W LEAD SOLAR L1000 10-000W/10-000W/10-000W TOTAL
(80) 200V 18 000W LEAD SOLAR L1000 10-000W/10-000W/10-000W TOTAL
(8) 150A 3P AC DISCONNECT SWITCH TOTAL
(8) 150A 3P AC DISCONNECT SWITCH TOTAL
(1) 150A 3P AC DISCONNECT SWITCH TOTAL
(1) 150A 3P AC DISCONNECT SWITCH TOTAL
(1) 150A 3P BREAKER FOR DC

- KEYED NOTES:**
- 1 PROVIDE NEW 1500A, 4 POLE TRANSFER SWITCH IN MAIN SWITCHBOARD.
 - 2 EXISTING GENERATOR CIRCUIT BREAKER TO REMAIN.
 - 3 PROVIDE NEW 40A, 3 POLE CIRCUIT BREAKER IN GENERATOR FOR LIFE SAFETY TRANSFER SWITCH. TAP EXISTING BUS AND MODIFY GENERATOR INTERIOR PANELS TO FLUSH MOUNT CIRCUIT BREAKER.
 - 4 DEMOLISH EXISTING MAIN SWITCHBOARD AND PAD. PROVIDE NEW MAIN SWITCHBOARD AND PAD AS NOTED, INCLUDED IN SPECIFICATIONS AND SCHEDULES.
 - 5 PROVIDE NEW 150A, 4 POLE TRANSFER SWITCH FOR LIFE SAFETY LOADS.
 - 6 COORDINATE WITH UTILITY FOR SERVICE TRANSFORMER. PROVIDE NEW PAD FOR NEW SERVICE TRANSFORMER.
 - 7 (2) 300V, 30, 40, NEMA 3R PV PANEL WITH 150A MCB (1) 150A, 3P BREAKER FOR TAP BOX A, (1) 150A, 3P BREAKER FOR TAP BOX B AC RATING
 - 8 PV PANEL TO BE INSTALLED ON UNISTRUT. GALVANNEZ WEATHERPROOF SUPPORT WITH WEATHERPROOF BACKING AND MOUNTING. PROVIDE LOCKABLE ENCLOSURE.
 - 9 PROVIDE NEW 400A PANELBOARD FOR THE BOILER ROOM PANEL. RECONNECT ALL REMAINING LOADS USING EXISTING BRANCH CIRCUITING. REFER TO PANELBOARD SCHEDULE.
 - 10 PROVIDE 150A, 3P BACKED BREAKER FOR PV SYSTEM.
 - 11 PROVIDE FEEDER SIZED FOR PV SYSTEM. COORDINATE WITH PV MANUFACTURER AND INSTALL PER MANUFACTURER REQUIREMENTS.
 - 12 PROVIDE METER ON PV SYSTEM. PROVIDE CONNECTION TO ARRAY METERING SYSTEM. COORDINATE EXACT LOCATION WITH OWNER AND SPECIFIC PV SYSTEM INSTALLED.
 - 13 PROVIDE WIREWAY SPACE FOR REROUTING OF FEEDERS TO NEW PANELS.
 - 14 PROVIDE 1" CONDUIT BACK TO GENERATOR FOR CONTROLSIGNAL WIRING TO START GENERATOR UPON POWER LOSS.

MINNESOTA ARMY
NATIONAL GUARD
ROCHESTER ARMORY
1716 MARION ROAD SE
ROCHESTER, MN 55904

HUNT
Electric Corporation
7900 CHICAGO AVE. S
BLOOMINGTON, MN 55420
(651) 646-2911
Fax (651) 643-6575



Revising No.	Title	By	Date	Appr.

This document is the property of the Owner and is not to be used without owner's written permission.

Facility: MINNAC ROCHESTER ARMORY
Project: MINNESOTA ARMY NATIONAL GUARD ROCHESTER ARMORY SOLAR PHOTOVOLTAIC POWER PLANT

Sheet Title: PV SYSTEM ONE-LINE DIAGRAM

Scale: AS SHOWN	Project No: 86308
Design By: HESK	Permit No: TBD
Checked By: DPB	Sheet: HESK-2
Date: 11-30-2016	

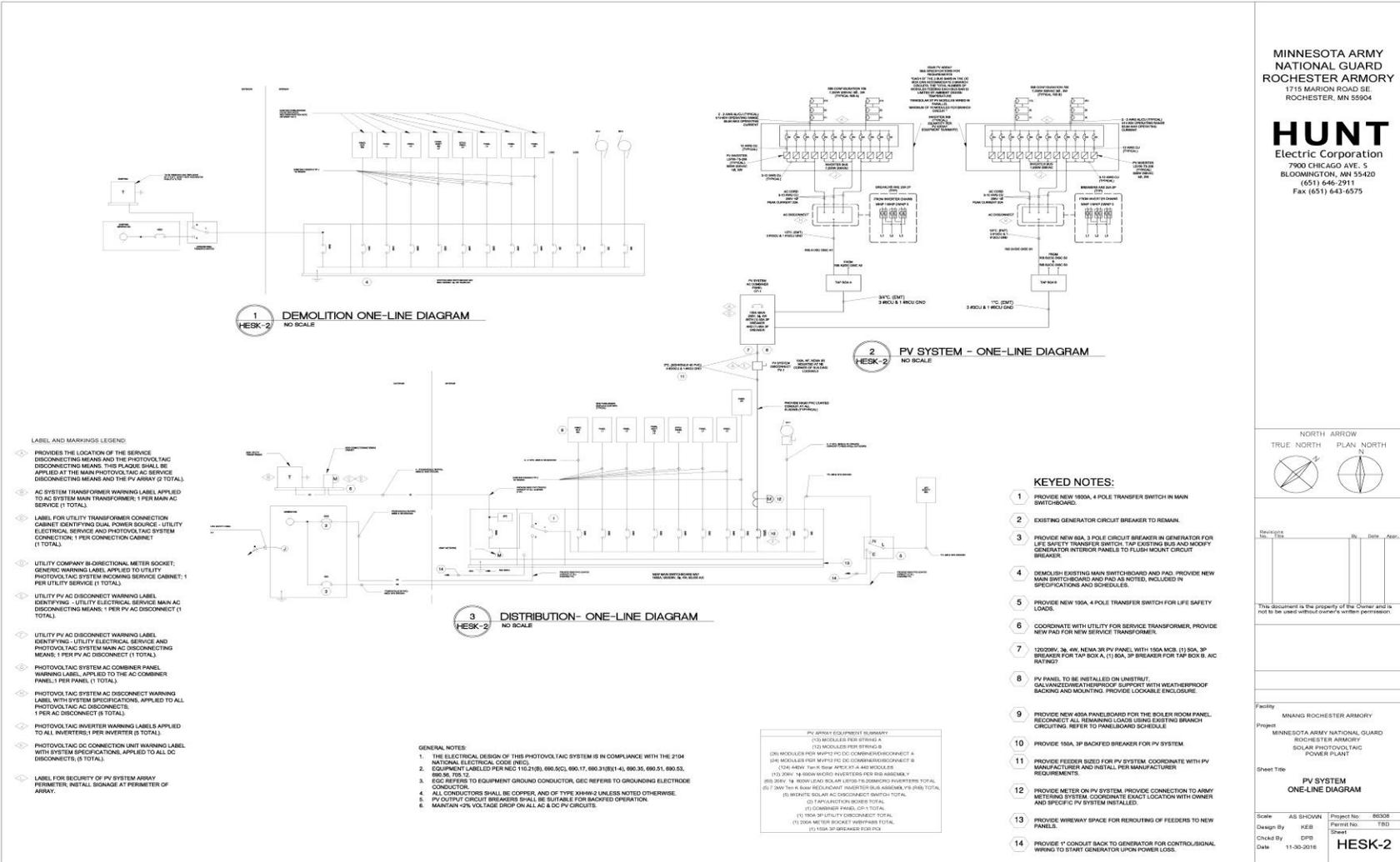


EXHIBIT B

SUMMARY OF RPU COSTS AND DESCRIPTION OF DEDICATED FACILITIES BEING INSTALLED BY RPU FOR THE INTERCONNECTION OF THE GENERATION SYSTEM

The Generation System will be fully contained behind the existing Point of Common Coupling between RPU and the Interconnection Customer. RPU will not construct any new Dedicated Facilities for the installation of the Generation System. Except for the items noted below, the Interconnection Customer is responsible for all costs for the Generation System.

- A) RPU shall provide a production meter at no cost to the customer. The Interconnection Customer, or its contractor, shall provide all other equipment, including meter cabinet, meter socket and the installation costs.

EXHIBIT C
ENGINEERING DATA SUBMITTAL

Attach a completed Engineering Data Submittal form from Appendix C of "Rochester Public Utilities Interconnection Process for Distributed Generation Systems".

EXHIBIT D

OPERATING AGREEMENT

The Generation System is of sufficiently small size in comparison to the total load of the Interconnection Customer that no energy is anticipated to flow from the Generation System through the Point of Common Coupling in to the RPU system. Therefore a power purchase agreement is not needed.

- A) The Interconnection Customer will be billed for service in accordance with the rate structure and monthly charges that the customer would be assigned if the customer did not have the interconnected Generation System. The rate class for the Interconnection Customer is Medium General Service.
- B) The Interconnection Customer will operate its Generation System so that they conform to the national, state, and local electric and safety codes, and will be responsible for the costs of conformance.
- C) RPU may stop providing electricity to the Interconnection Customer during a system emergency. RPU will not discriminate against the Interconnection Customer when it stops providing electricity or when it resumes providing electricity

Exhibit D SIGNATURES

IN WITNESS WHEREOF, the Parties hereto have caused two originals of this Agreement to be executed by their duly authorized representatives. This Agreement is effective as of the last date set forth below.

Interconnection Customer

By: _____

Name: _____

Title: _____

Date: _____

Rochester Public Utilities

Authorized Representative

General Manager

City of Rochester

Mayor

Attest:

City Clerk

Date:

Reviewed by:

City Attorney

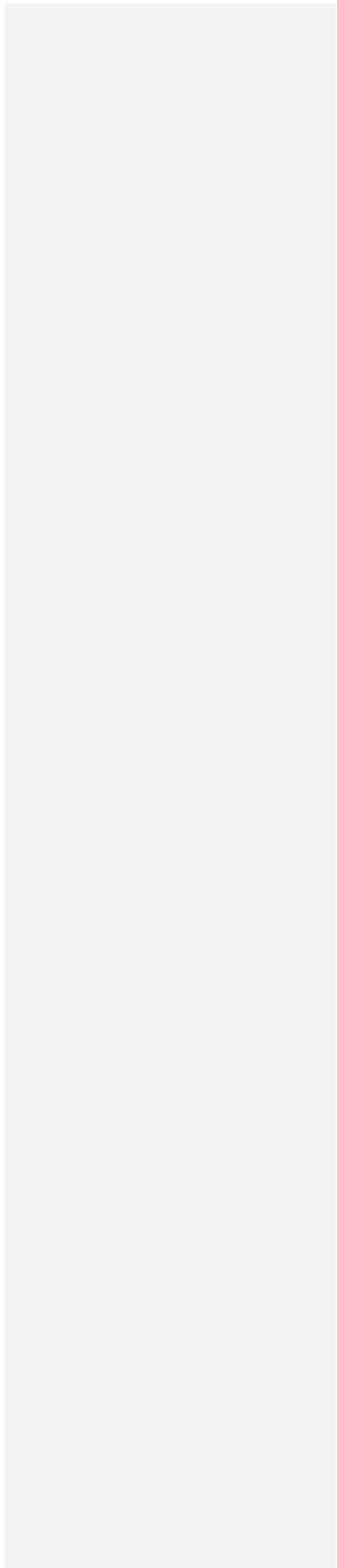


EXHIBIT E

MAINTENANCE AGREEMENT

The Interconnection Customer is responsible for routine maintenance for the Generation System.

Exhibit E SIGNATURES

IN WITNESS WHEREOF, the Parties hereto have caused two originals of this Agreement to be executed by their duly authorized representatives. This Agreement is effective as of the last date set forth below.

Interconnection Customer

By: _____

Name: _____

Title: _____

Date: _____

Rochester Public Utilities

Authorized Representative

General Manager

City of Rochester

Mayor

Attest:

City Clerk

Date:

Reviewed by:

City Attorney



RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to approve the Interconnection Agreement for the Interconnection of extended Parallel Distributed Generation Systems with the RPU Distribution System between Rochester Public Utilities and the State of Minnesota Department of Military Affairs for the solar PV installation located at 1715 Marion Rd SE, Rochester, Minnesota.

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 27th day of June, 2017.

President

Secretary

FOR BOARD ACTION

Agenda Item # (ID # 7501)

Meeting Date: 6/27/2017

SUBJECT: RPU Storm Water FTE Request

PREPARED BY: Patty Hanson

ITEM DESCRIPTION:

RPU is migrating to a new customer care system (Cayenta), which has provided an opportunity for RPU and Rochester Public Works (RPW) staff to discuss existing storm water billing challenges and to streamline and improve the Storm Water Utility Fee (SWUF) billing process. RPW and RPU staff have met, documented and discussed the types of issues being encountered and why they are occurring, such as:

- Lack of full-time (FTE) resources dedicated specifically to managing the SWUF program on either side
- Inconsistent monthly review of all parcels for changes and updates via County and Planning databases
- Inconsistency in receiving data in a timely manner
- Not all parcels are mapped which requires investigation
- Lack of clear decision-making tree for applying SWUF charges and/or applying refunds and adjustments due to errors
- Inconsistency in SWUF classification between residential and commercial
- Major lag times in resolving issues between RPW and RPU staff

Other options to correct the inconsistencies and inherent problems have also been discussed. As a result, RPU staff provided RPW with a Service Level Agreement (SLA) that addresses the issues and takes on more responsibility in the day-to-day management of the SWUF, which includes GIS and quality control, all customer inquiries, and all aspects of billing resolutions including credits and adjustments. The SLA adds two additional RPU staff; a GIS specialist and a Customer Relations Representative, both dedicated to the management of the SWUF.

Mr. Richard Freese, Director of Rochester Public Works, received funding approval from the

FOR BOARD ACTION

Agenda Item # (ID # 7501)

Meeting Date: 6/27/2017

Rochester City Council on Monday, June 19, 2017 to cover the additional costs to RPU for the two additional staff. The appropriate cost assignment for the two additional staff will be included in RPW's monthly statement from RPU.

UTILITY BOARD ACTION REQUESTED:

Based on the Rochester City Council's approval of RPW's request for additional funding in the RPW 2017 budget, staff recommends that the Board change the current authorized RPU FTE (full time employee) count of 193 to an authorized RPU FTE count of 195, and approve an increase of two (2) additional FTEs.

Service Level Agreement

Rochester Public Utilities – Storm Water Customer Account Billing, Management and Support on behalf of Rochester Public Works

Responsibilities of Rochester Public Utilities (RPU)

1. RPU will build and maintain a utility billing system that will process the billing of storm water fees based on an owner / parcel based concept.
 - Owner-occupied residential parcels are normally one-to-one relationships between the owner and the parcel therefore will be billed as such.
 - When the residence is either a single-family rental property or multi-family rental property, the parcel owner or their property management agent will be billed for the storm water fees, not the tenants of the rental units
 - Single-parcel commercial properties will be billed directly to the owner or their property management agent, not a rental unit tenant.
 - Contiguous multiple-parcel commercial properties will be billed directly to the owner or their property management agent, not to the tenants of the rental units.
2. RPU will staff a full time RPU GIS specialist.
 - Responsible for Impervious Area Digitizing, manage and maintain the RPU GIS database and review Storm Water Utility Fee (SWUF) parcels against the County database, track changes, calculate SWUF, and coordinate with the Commercial Customer Service Representative to make changes on customers' accounts.
3. RPU will staff a full time Commercial Customer Service Representative.
 - Responsible for Commercial Move Ins/Outs, updating customer accounts, notifying customers of billing changes, answering basic SWUF questions, and work with the RPU GIS Specialist.
4. RPU will be responsible for handling customer inquiries which include describing SWUF, its origin, etc.
5. RPU will cooperate with RPW in coordination of efforts required for accurate and timely billing of Storm Water Fees.

6. RPU will track and report the following metrics to the Director of Public Works on a periodic basis:
 - 1) Run a monthly query within Cayenta to ensure no parcels show up without fees. There should be zero.
 - 2) Run monthly comparison between Cayenta and the County database and report the number of differences whether added or removed.
 - 3) Track and report on monthly property ownership changes (excluding the months the County freezes their database). Align changes within Cayenta.
 - 4) Continued reporting of monthly revenues as part of billing.
 - 5) Track and report on the number of parcel changes (e.g. impervious, size) and the associated fees.
 - 6) Report on the number of annual digitized changes.
 - 7) Track call volume of customer calls to Commercial Customer Service Representative.
 - 8) RPU personnel accurately track time devoted to Storm Water Utility activities using IO# (internal order number).
 - 9) The number of error corrections made and their cause such as:
 - a. Incorrect impervious area
 - b. Incorrect customer being billed

Responsibilities of Rochester Public Works (RPW)

1. RPW will continue to process and manage SWUF credit applications, as well as reviews and inspections.
2. RPW will continue to review grading plans for new developments, etc.
3. RPW will maintain the ordinance.
4. RPW will be responsible for Storm Water outreach and education.
5. RPW will cooperate with RPU in coordination of efforts required for accurate and timely billing of Storm Water Fees.
6. The Director of Public or his/her designee will be responsible for reviewing and approving all billing adjustments and credits. In the interest of efficient process flow, RPU recommends that the Director of Public Works designates the RPU Controller with the authority to review and approve all billing adjustments and credits.

Billing assumptions:

1. RPU will bill the property-owner of record per Olmsted County Property Records & Licensing Department and will change the owner of record only when Olmsted County Property Records indicates a change. Any disputes over responsibility for bill payment during an ownership transition will need to be handled between the previous and current owner.
2. RPU will work with RPW to develop thresholds on parcel changes as to when a credit should be calculated and issued.
3. Credits will go back a maximum of six months.

Implementation requirements to move to a property owner based billing:

1. RPU GIS will run a comparison between GIS/County data and RPU's current SAP system to identify property owners and tenants.
2. Where applicable RPU Customer Service will notify property owners of the change in responsibility for billing from tenants to property owners.

Fees for Customer Account Billing, Management and Support

RPU bills for the electric and water services it provides as well as for the waste water and storm water fees that RPW is responsible for. Costs incurred to provide customer account management and support include costs for the RPU Customer Relations Department; costs related to billing including printing, mailing, or electronic bill presentment; providing customers with multiple methods of making payments, banking/payment processing fees; delinquent account collections; costs related to metering and meter reading (i.e., water meter readings are used to produce both water and waste water billings), and costs for computer software/hardware infrastructure and support.

RPU has an established method of assigning these costs to each of the utilities; electric, water, waste water, and storm water. Cost assignments are generally based on either the percentage of revenues billed for each service or the number of services billed for each service. Where possible, costs are assigned directly to a specific utility when the cost is unique to that utility, and/or cost assignment to a specific utility is excluded when that utility does not require those services. For example, meter reading costs are excluded from being assigned to the storm water utility as no meter reading is involved. The cost assignment methodology is applied to historic costs annually and the fees for customer account management and support are adjusted annually.

This methodology will continue to be applied noting that the RPU cost assigned to Storm Water is expected to increase significantly because of the two additional FTE's that are being hired. Additionally, because of the change to a parcel-based billing concept, the support fees for RPU's Customer Utility and Billing software system, which are based on the number of customer accounts, will increase because separate accounts will be required in instances where the property owner is not the same person/entity as the person/entity being billed for electric, water, and waste water services.

As described earlier, the cost assignment methodology has been based on actual historic costs. However, in the first year of transition to RPU providing two additional FTE's and additional support costs described above for the Customer Utility and Billing System, RPU will add an estimate for these additional costs to the historic costs in determining the appropriate cost assignment and the related fee for customer account billing, management and support.

Term of Agreement

This agreement will renew automatically on January 1st of each year. Should either RPU or RPW wish to end this arrangement, one year's written notice to the other party is required.

RPU Representative Signature: _____

Printed Name: _____

Dated: _____

RPW Representative Signature: Richard Freese

Printed Name: RICHARD FREESE

Dated: JUNE 20, 2017

RESOLUTION

WHEREAS, Rochester Public Utilities is currently migrating to a new customer service software (Cayenta); and,

WHEREAS, this transition provides an opportunity for RPU and the Public Works Department to discuss existing stormwater billing challenges and to streamline and improve the Storm Water Utility Fee billing process.

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of Rochester that the City take the following actions:

1. Request RPU to modify the monthly statement to include parcel details within the SWUF section;
2. Standardize credit and refund limits to match that of the RPU policies for consistency;
3. Utilize enterprise databases to implement routine processes and reports to flag parcel and customer changes that may impact SWUF billing. These quality control measure will be possible after the consolidation and centralizing the information into the RPU systems;
4. Fund additional staffing within the RPU organization to add two additional RPU staff both dedicated exclusively to the SWUF. This will consolidate and streamline work processes within the RPU enterprise database system. This will allow SWUF-related transactions to be tracked completely within one system and will provide a more comprehensive customer service experience. The additional staff needed consists of: one Stormwater Customer Service Representative and one Stormwater GIS Specialist;
5. Migrate to a “parcel owner-based” billing model for the stormwater utility fee for all customers, including those 20-25% of Parcel Owners who are not the RPU Utility Customer. This would remove the possibility of charging an RPU customer who is not responsible for the SWUF costs. This would be implemented as follows:
 - A. In the case where the Property Owner of Record is not also the listed RPU Customer for that service address, the Property Owner of Record will be contacted and a Customer Account would be created for the Property Owner of Record. Once a Property Owner of Record has a

matching Customer Account - SWUF specific fees will be billed via that account.

- B. With this in place, any changes of parcel ownership details (per PRL download) will result in a monthly report, and require review and updates by staff. In other words, changes would be driven by Property Owner of Record details instead of the typical metered services which are driven by customer requests.
- 6. Authorize the Director of Public Works to sign the attached Service Level Agreement (SLA). (The estimated annual cost for this enhanced level of service effort and resulting quality control accuracy is \$202,326. This cost should be included in the Customer service portion of the SWUF and would add approximately \$0.42 per month per customer to the existing Customer Charge for all Storm Water Utility customers. Alternatively, the Customer Charge could be raised by approximately \$2.15 per customer for those roughly 20-25% of customers for which a new SWUF Customer Account will need to be created because the Property Owner and the RPU Utility Customer are not the same. We recommend that this increase be effective January 1, 2018.)

PASSED AND ADOPTED BY THE COMMON COUNCIL OF THE CITY OF ROCHESTER, MINNESOTA, THIS 19th DAY OF June, 2017.

ATTEST: [Signature]
CITY CLERK

[Signature: Randy Staver]
PRESIDENT OF SAID COMMON COUNCIL

APPROVED THIS 21st DAY OF June, 2017.



[Signature: Andrew F. Biede]
MAYOR OF SAID CITY



RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to approve increasing the authorized RPU FTE count from 193 to 195, and approve the addition of the following:

Two (2) FTES dedicated to the management of the Storm Water Utility Fee billing process

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 27th day of June, 2017.

President

Secretary

FOR BOARD ACTION

Agenda Item # (ID # 7495)

Meeting Date: 6/27/2017

SUBJECT: Billing, Credit And Collections Policy Approval

PREPARED BY: Melissa Meixner

ITEM DESCRIPTION:

The Billing, Credit and Collections Policy is intended to protect the rights of all our customers. Although RPU is committed to customer service, our customers have the responsibility to pay for services received. Failure to meet this responsibility places a burden on our other customers to compensate for lost revenue.

This policy would replace the Credit Policy that was created in 1990 and last updated in 2005. Some of the items in the proposed policy are not new RPU practices, but were not included in the Credit Policy from 2005 and staff determined should be formally documented in the new policy in order to help protect RPU in certain situations.

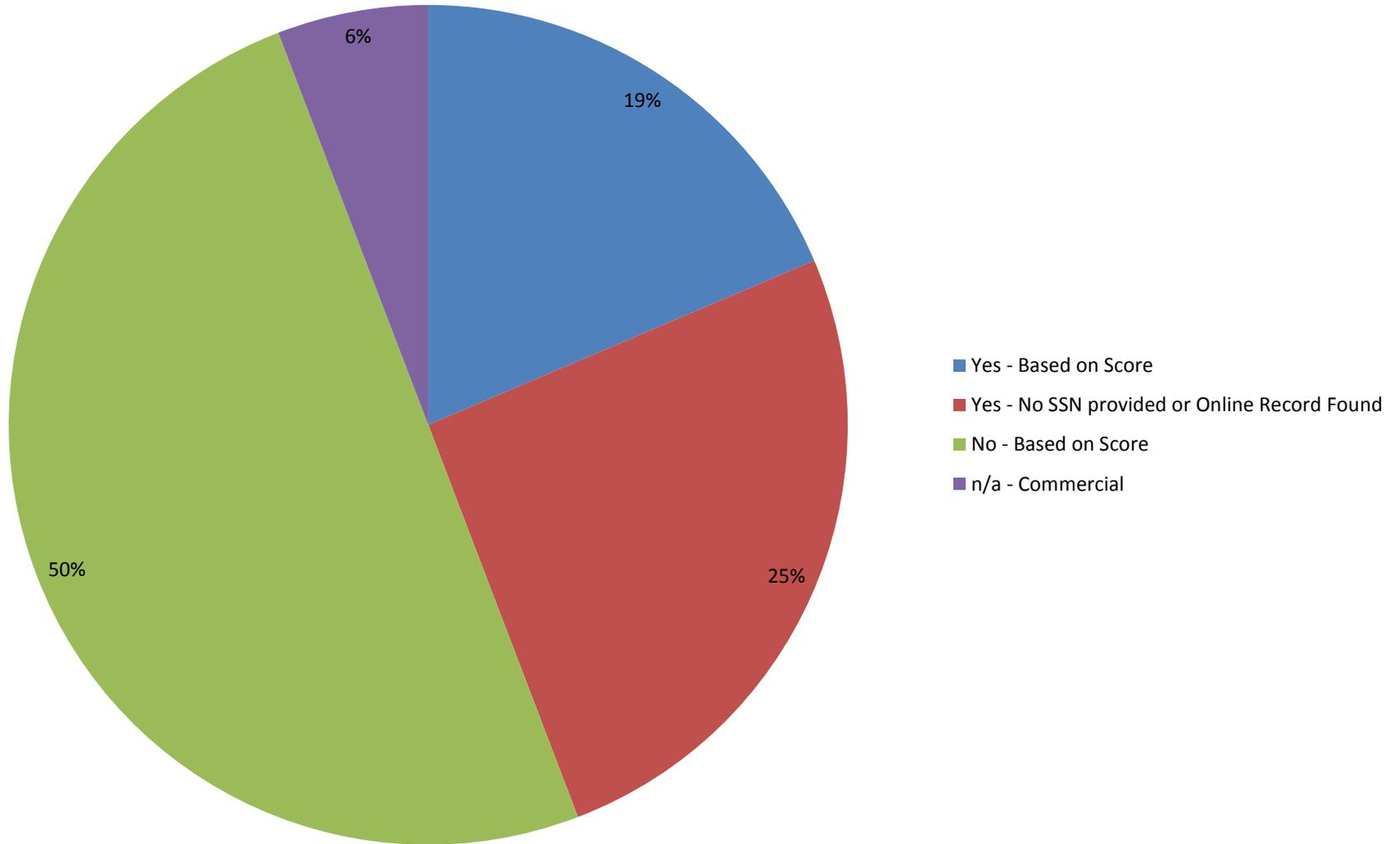
This item was presented as informational only at the May 23, 2017 meeting (Agenda item #7315). Please refer to that for more details.

Staff was asked to provide an analysis of how many deposits would have been collected if we had the proposed policy in place during 2016. A random sample of 86 customers was provided by the IT department for accounting to analyze. See attached graph for results.

UTILITY BOARD ACTION REQUESTED:

Staff requests that the Board approve the Billing, Credit and Collections Policy.

New Customer Sample - Deposit Decisioning





RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to approve the following:

Billing, Credit and Collections Policy

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 27th day of June, 2017.

President

Secretary

FOR BOARD ACTION

Agenda Item # (ID # 7452)

Meeting Date: 6/27/2017

SUBJECT: Rates Policy

PREPARED BY: Peter Hogan

ITEM DESCRIPTION:

At the direction of the RPU Board, Management has reviewed and updated the current Rates Policy to reflect the Board's decision to adopt the Utility Basis of rate setting which was adopted for the Electric Utility in 2014 and the Water Utility in 2015. The Utility Basis of rate making is designed to provide stable rates and financial sustainability.

Financial sustainability is achieved by aligning variable and fixed costs with the variable and fixed revenues. This ensures that the cost of fixed infrastructure to provided services to our customers is funded separately from the variable commodity (power, energy or water) being supplied. The long term impacts of this approach is that large fluctuations in the commodities we provide do not adversely impact the Utility. Examples of these impacts are hot summers (electric consumption); wet or dry years (water consumption); conservation efforts or customers installing generation or wells, which also reduce our commodity sales.

Rate stability is achieved by ensuring that the long term assets that are being used currently are being paid for by the current customers, so that there are funds available to replace these assets when they reach the end of their useful lives. When we use a cash basis, the Utility is more susceptible to rate shocks when a large expenditure is needed, or in some cases, major maintenance or replacement is delayed, causing an unfunded exposure. This can lead to additional expense and reliability impacts when we have a system failure, or possibly collateral damage caused by not addressing the initial issue.

The proposed Rates Policy continues to support the direction given in the Rochester Home Rule Charter, whereby rates and charges are based on cost of service without subsidies between classes of customers.

UTILITY BOARD ACTION REQUESTED:

Informational item only.

ROCHESTER PUBLIC UTILITIES BOARD

POLICY STATEMENT

POLICY SUBJECT: RATES

POLICY OBJECTIVE:

The Board's objective is to recover, through the application of rates and charges for utility services, revenues which are sufficient to meet the financial obligations of each independent Utility enterprise. Further, the Board intends to apply rates and charges which are equitable and financially sustainable among customers or classes of customers based on the Utility Basis of rate-making principles.

The Utility Basis of rate-making is designed to provide financial sustainability and stability by aligning variable and fixed costs with the variable and fixed revenues while generating sufficient revenues to fund operations, debt service, working capital, contingency reserves and the replacement of long term assets.

POLICY STATEMENT:

1. Rates and charges for utility services will be sufficient to produce that portion of total funding requirements which is to be provided by revenues from such rates and charges based on a periodic cost of service study. A cost of service study will be conducted at least every three years. The amount of revenue to be provided from rates and charges will be established in accordance with the Board's approved budget and financing plan.
2. Revenues derived from rates and charges for utility services will be applied only to the respective utility enterprise fund from which the cost of providing such service is paid.
3. Rates and charges will be based upon generally accepted industry principles (Utility Basis) to reflect an equitable distribution of costs to customers. No "free" service will be provided, including service to the municipality.
4. Within the limitations imposed by the application of generally accepted industry principles, rates and charges will be designed to encourage the end use of services in a way which will reduce the total cost of providing those services and promote financial sustainability.
5. All rates and charges for service will be set forth in writing on a schedule or tariff sheet which specifies, where applicable, the type of service, its availability,

conditions of delivery, and terms of payment.

6. Applicable schedules of rates and charges will be available on the RPU web site or upon request, during regular business hours at the RPU Service Center.
7. All proposed rate schedules will be published on the RPU web site and in the newspaper of record within five (5) business days after the Board authorizes publication of the proposed rates with notice that the Board invites public comment at the upcoming meeting scheduled for the Board's formal consideration of such rates. The publication will specify the intended meeting dates, times, and locations at which the Board and Common Council will formally consider the rates for adoption.
8. Each service account will be assigned to an applicable rate classification available to their customer class which is expected to result in the lowest cost to the customer.

RESPONSIBILITIES:

1. The adequacy of rates and charges to produce the level of revenues established by the Board will be reviewed by the General Manager and discussed with the Board. The review will normally be conducted concurrent with review of the annual budget; however, the General Manager will monitor conditions and alert the Board at any time that the rates do not produce the anticipated level of revenues.
2. At the Board's direction, the General Manager will prepare rate studies and present the results of such studies to the Board. The General Manager is directed to develop rate design expertise on the RPU staff. With the concurrence of the Board, the General Manager is authorized to retain outside consulting assistance when required or desirable.
3. The Board, following review of pertinent studies and other information will establish rates and charges for service. With the concurrence of the Common Council, the Board will direct the General Manager to implement such rates and charges as of the approved effective date.
4. The General Manager will prepare and implement those management policies and procedures which are needed to carry out the administrative provisions of this policy statement.
5. The General Manager will keep the Board informed of significant developments on the subject of rates and will recommend changes in rate policy, design, and application which may be in the best interests of the

RPU and its customers.

RELEVANT LEGAL AUTHORITY:

Rochester Home Rule Charter Sections: 15.05, Subd. 3.The Board shall, with the concurrence of the common council, fix the rates to be charged for the availability and use of the public utility commodities and services under its jurisdiction. Rates shall be reasonable and compensatory so as to cover all of the costs of the respective public utility and shall be uniform for all consumers within the same class, but different rates may be established for different classifications by the board. Rates within the city corporate limits may be less but shall be no greater than rates for the same classification outside the city limits.

EFFECTIVE DATE OF POLICY: April 10, 1984

DATE OF POLICY REVISION: July 25, 2017

POLICY APPROVAL:

Board President

Date

Attachment: Rates Policy 2017 06 Draft (7452 : Rates Policy)

ROCHESTER PUBLIC UTILITIES BOARD

POLICY STATEMENT

POLICY SUBJECT: RATES

POLICY OBJECTIVE:

The Board's objective is to recover, through the application of rates and charges for utility services, revenues which are sufficient to meet the financial obligations of each independent ~~utility~~-Utility enterprise. Further, the Board intends to apply rates and charges which are equitable and financially sustainable among customers or classes of customers based on ~~generally accepted industry~~the Utility Basis of rate-making principles.

The Utility Basis of rate-making is designed to provide financial sustainability and stability by aligning variable and fixed costs with the variable and fixed revenues while generating sufficient revenues to fund operations, debt service, working capital, contingency reserves and the replacement of long term assets.

POLICY STATEMENT:

1. Rates and charges for utility services will be sufficient to produce that portion of total funding requirements which is to be provided by revenues from such rates and charges based on a periodic cost of service study. A cost of service study will be conducted at least every three years. The amount of revenue to be provided from rates and charges will be established in accordance with the Board's ~~financing policy statement and~~ approved budget and financing plan.
2. Revenues derived from rates and charges for utility services will be applied only to the respective utility enterprise fund from which the cost of providing such service is paid.
3. Rates and charges will be based upon generally accepted industry principles (Utility Basis) to reflect an equitable distribution of costs to customers. No "free" service will be provided, including service to the municipality.
4. Within the limitations imposed by the application of generally accepted industry principles, rates and charges will be designed to encourage the end use of services in a way which will reduce the total cost of providing those services and promote financial sustainability.
5. All rates and charges for service will be set forth in writing on a schedule or tariff sheet which specifies, where applicable, the type of service, its availability,

conditions of delivery, and terms of payment.

6. Applicable schedules of rates and charges will be ~~distributed annually to each customer receiving service, and to all new customers. Schedules will be~~ available on the RPU web site or; upon request, during regular business hours at the RPU ~~offices~~Service Center.
7. All proposed ~~new~~ rate schedules will be published on the RPU web site ~~or~~and in the newspaper of record ~~at least 30 days~~ within five (5) business days after the Board authorizes publication of the proposed rates with notice that the Board invites public comment at the upcoming meeting scheduled for before the date of the Board's formal consideration of such rates. The publication will specify the intended meeting dates, times, and locations at which the Board and Common Council will formally consider the rates for adoption.
8. ~~Unless otherwise requested by the customer, e~~Each service account will be assigned to ~~the an~~ applicable rate classification available to their customer class which is expected to result in the lowest cost to the customer.

RESPONSIBILITIES:

1. The adequacy of rates and charges to produce the level of revenues established by the Board will be reviewed by the General Manager and discussed with the Board. The review will normally be conducted concurrent with review of the annual budget; however, the General Manager will monitor conditions and alert the Board at any time that the rates do not produce the anticipated level of revenues.
2. At the Board's direction, the General Manager will prepare rate studies and present the results of such studies to the Board. The General Manager is directed to develop rate design expertise on the RPU staff. With the concurrence of the Board, the General Manager is authorized to retain outside consulting assistance when required or desirable.
3. The Board, following review of pertinent studies and other information will establish rates and charges for service. With the concurrence of the Common Council, the Board will direct the General Manager to implement such rates and charges as of the approved effective date.
4. The General Manager will prepare and implement those management policies and procedures which are needed to carry out the administrative provisions of this policy statement.

- 5. The General Manager will keep the Board informed of significant developments on the subject of rates and will recommend changes in rate policy, design, and application which may be in the best interests of the RPU and its customers.

RELEVANT LEGAL AUTHORITY:

Rochester Home Rule Charter Sections: 15.05, Subd. 3.The Board shall, with the concurrence of the common council, fix the rates to be charged for the availability and use of the public utility commodities and services under its jurisdiction. Rates shall be reasonable and compensatory so as to cover all of the costs of the respective public utility -and shall be uniform for all consumers within the same class, but different rates may be established for different classifications by the board. Rates within the city corporate limits may be less but shall be no greater than rates for the same classification outside the city limits.

EFFECTIVE DATE OF POLICY: April 10, 1984

DATE OF POLICY REVISION: ~~February 11, 1997~~ July 25, 2017

POLICY APPROVAL:

Board President

Date

Attachment: Rates Policy 2017 06 Draft Redline (7452 : Rates Policy)

FOR BOARD ACTION

Agenda Item # (ID # 7505)

Meeting Date: 6/27/2017

SUBJECT: Board Policies Spreadsheet

PREPARED BY: Mark Kotschevar

ITEM DESCRIPTION:

UTILITY BOARD ACTION REQUESTED:

Informational only

ROCHESTER PUBLIC UTILITIES		
INDEX OF BOARD POLICIES		
	REVISION DATE	RESPONSIBLE BOARD COMMITTEE
BOARD		
1. Mission Statement	6/26/2012	Policy
2. Responsibilities and Functions	3/27/2012	Policy
3. Relationship with the Common Council	2/28/2012	Policy
4. Board Organization	3/29/2016	Policy
5. Board Procedures	3/27/2012	Policy
6. Delegation of Authority/Relationship with Management	2/28/2012	Policy
7. Member Attendance at Conferences and Meetings	6/10/1986	Policy
8. Member Expenses	6/10/1986	Combine with #7
9. Conflict of Interest	11/26/1985	Delete
10. Alcohol and Illegal Drugs	7/28/1988	Delete
11. Worker Safety	3/27/2012	Policy
CUSTOMER		
12. Customer Relations	5/8/1984	Ops & Admin
13. Customer and Public Information	4/10/1984	Communications
14. Application for Service	7/1/2016	Ops & Admin
15. Line Extension Policy	3/28/2017	Finance
16. Credit and Collections Policy	1/24/2005	Finance
17. Electric Service Availability	4/28/1998	Ops & Admin
18. Electric Metering	4/10/1984	Ops & Admin
19. Electric & Water Bill Adjustment	3/10/1994	Finance
20. Rates	2/11/1997	Finance
21. RPU Cold Weather Disconnect Policy	9/28/2010	Communications
ADMINISTRATIVE		
22. Acquisition and Disposal of Interest in Real Property	3/26/2002	Ops & Admin
23. Electric Utility Cash Reserve Policy	1/13/2017	Finance
24. Water Utility Cash Reserve Policy	1/13/2017	Finance
25. Charitable Contributions	11/26/1985	Communications
26. Compliance Policy (PENDING)	PENDING	Communications
27. Contribution in Lieu of Taxes	6/29/1999	Finance
28. Debt Issuance (PENDING)	PENDING	Finance
29. Joint-Use of Fixed Facilities and Land Rights	10/8/1996	Ops & Admin
30. Customer Data Policy	10/9/2014	Communications
31. Life Support	10/9/2014	Communications
Red - Currently being worked on		
Yellow - Will be scheduled for revision		

FOR BOARD ACTION

Agenda Item # (ID # 7513)

Meeting Date: 6/27/2017

SUBJECT: 2017 APPA National Conference Update

PREPARED BY: Mark Kotschevar

ITEM DESCRIPTION:

Board members Tim Haskin and Brian Morgan will provide a brief summary of their participation at the 2017 APPA National Conference in Orlando, Florida.

UTILITY BOARD ACTION REQUESTED:

Informational only