



## MEETING AGENDA – DECEMBER 17, 2019

BOARD ROOM  
4000 EAST RIVER ROAD NE  
ROCHESTER, MN 55906

4:00 PM

### **Call to Order**

- 1. Approval of Agenda**
- 2. Safety Moment**
- 3. Approval of Minutes**

1. Public Utility Board - Regular Meeting - Nov 26, 2019 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. Informational**

1. Commercial Customer Survey Results

- 6. Regular Agenda**

1. SCADA System Upgrade  
Resolution: SCADA System Upgrade
2. 2020 Authorized Depositories  
Resolution: 2020 Authorized Depositories
3. Capacity Sale  
Resolution: Capacity Sale
4. Solar Purchase Power Agreement  
Resolution: Solar Purchase Power Agreement
5. Billing, Credit and Collections Policy  
Resolution: Billing, Credit and Collections Policy

- 7. Board Liaison Reports**

1. RPU Index of Board Policies

- 8. General Managers Report**

- 9. Division Reports & Metrics**

- 10. Other Business**

- 11. Adjourn**

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



## MEETING MINUTES – NOVEMBER 26, 2019

BOARD ROOM  
4000 EAST RIVER ROAD NE  
ROCHESTER, MN 55906

4:00 PM

### Call to Order

Attendee Name	Title	Status	Arrived
Brett Gorden	Board Member	Present	
Tim Haskin	Board Member	Present	
Melissa Graner Johnson	Board Vice President	Present	
Brian Morgan	Board President	Absent	
Michael Wojcik	Board Member	Absent	

### 1. Approval of Agenda

- Motion to:** approve the agenda as presented

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS]</b>
<b>MOVER:</b>	Tim Haskin, Board Member
<b>SECONDER:</b>	Brett Gorden, Board Member
<b>AYES:</b>	Brett Gorden, Tim Haskin, Melissa Graner Johnson
<b>ABSENT:</b>	Brian Morgan, Michael Wojcik

### 2. Safety Moment

General Manager Mark Kotschevar spoke regarding using caution when putting up holiday decorations, especially when using ladders. He advised to watch out for overhead lines. Also, RPU is collecting used Christmas lights for recycling and disposal, and residents are encouraged to drop off their old lights at the RPU Service Center lobby until January 31, 2020.

### 3. Approval of Minutes

- Public Utility Board - Special Meeting - Nov 12, 2019 4:00 PM
- Motion to:** approve the Minutes of November 12, 2019 as presented

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS]</b>
<b>MOVER:</b>	Brett Gorden, Board Member
<b>SECONDER:</b>	Tim Haskin, Board Member
<b>AYES:</b>	Brett Gorden, Tim Haskin, Melissa Graner Johnson
<b>ABSENT:</b>	Brian Morgan, Michael Wojcik

### 4. Approval of Accounts Payable

- AP Board Listing
- Motion to:** approve the a/p board listing as presented

*Vice President Johnson asked if line item number 97, a payment to Barr Engineering Company for Silver Lake Dam inspection, is related to the removal of the dam or a routine item? General Manager Mark Kotschevar said the charge is for an assessment of the dam that is being conducted to determine future maintenance expenses.*

Minutes Acceptance: Minutes of Nov 26, 2019 4:00 PM (Approval of Minutes)

*Board Member Tim Haskin questioned if a payment to N. Harris Computer Corp. for Cayenta implementation services includes finals costs or if anything is being held back. Director of Corporate Services Peter Hogan replied that we are holding funds for post-go-live deliverables.*

*Vice President Johnson recused herself from voting on line item number 464, a payment to US Bank.*

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS]</b>
<b>MOVER:</b>	Brett Gorden, Board Member
<b>SECONDER:</b>	Tim Haskin, Board Member
<b>AYES:</b>	Brett Gorden, Tim Haskin, Melissa Graner Johnson
<b>ABSENT:</b>	Brian Morgan, Michael 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.)*

President Morgan was absent for the meeting, therefore Vice President Johnson assumed the role of Board President for the meeting. Vice President Johnson opened the meeting for public comment. No one came forward to speak.

## 5. Consideration Of Bids

### 1. Trailer-Mounted Oil Maintenance and Degasification System

*Buyer Mona Hoeft said sealed bids were opened on October 30, 2019 for the purchase of a trailer-mounted oil maintenance filtration system and a trailer-mounted vacuum and degasification system to be used to remove moisture, dissolved gases and particulate from transformer oils and fluids. Three bids were received from Enervac, Baron USA and SESCO Inc. The SESCO Inc. bid was submitted on the wrong proposal form and was therefore deemed non-responsive. After evaluation of the bids, staff decided to rent the degasification system and only purchase the load tap changer oil maintenance filtration system from Baron USA in the amount of \$80,717.50 plus applicable taxes, which is included in the 2019 budget.*

Resolution: Trailer-Mounted Oil Maintenance and Degasification System

*BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to reject the bid from SESCO, Inc. as non-responsive, and approve a purchase with Baron USA, LLC in the amount of \$80,717.50 for a LTC Oil Maintenance Filtration System.*

*Passed by the Public Utility Board of the City of Rochester, Minnesota, this 26th day of November, 2019.*

<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Brett Gorden, Board Member
<b>SECONDER:</b>	Tim Haskin, Board Member
<b>AYES:</b>	Brett Gorden, Tim Haskin, Melissa Graner Johnson
<b>ABSENT:</b>	Brian Morgan, Michael Wojcik

## 6. Regular Agenda

### 1. Professional Services: Bluespire Marketing

*A request was presented to the Board to approve a renegotiated contract with BlueSpire Marketing, the firm that publishes and distributes RPU's monthly magazine "Plugged In," for a forty-eight month term beginning January 1, 2020. The new agreement allows for the future possibility of distributing the magazine via email or converting to a digital format to reduce printing, handling and postage costs.*

*Communications Coordinator Tony Benson said RPU has been using BlueSpire Marketing for eight years, and staff has received positive feedback from customers receiving "Plugged In." The publication is sent to 49,300 customers monthly with less than 200 customers opting out. The agreement, in the amount of \$156,576 annually subject to budget approval, allows for early termination with a 30-day notice.*

*Board Member Tim Haskin asked if the distribution of the magazine includes postage costs? Postage is included in the cost, said Mr. Benson. Board Member Brett Gorden asked if this type of contract requires multiple bids. General Manager Mark Kotschevar stated that professional service agreements are not subject to state bidding laws.*

Resolution: Professional Services Bluespire Marketing

*BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to approve a forty-eight month agreement with Bluespire Inc. for the RPU Plugged In monthly publication services and authorize the Mayor and the City Clerk to execute the agreement. Funding will be subject to approval of the annual budget.*

*Passed by the Public Utility Board of the City of Rochester, Minnesota, this 26th day of November, 2019.*

<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Tim Haskin, Board Member
<b>SECONDER:</b>	Brett Gorden, Board Member
<b>AYES:</b>	Brett Gorden, Tim Haskin, Melissa Graner Johnson
<b>ABSENT:</b>	Brian Morgan, Michael Wojcik

### 2. Uniform Rental/Laundry Services

*Buyer Mona Hoeft presented a request for approval of a contract with a new vendor for uniform rental and laundry services, for both flame-resistant (FR) and non-FR uniforms. RPU's existing contract with Cintas Uniform Services expires on December 31, 2019. Staff proposes entering into a six-year agreement with City Laundering Company, the same company used by Rochester Public Works for the past year, after negotiating a cost not to exceed \$337,000. The contract also includes the rental of towels and floor mats. Ms. Hoeft stated this amount is*

*within the annual budgeted amount and is spread across multiple departments. As a professional service, she said, competitive bidding is not required.*

*Vice President Johnson asked if this will be a money-saving move. That's difficult to determine, said Ms. Hoeft, since Cintas is higher on some prices, while City Laundering is higher on others. Vice President Johnson asked if Public Works has had a positive experience with City Laundering; Ms. Hoeft replied they have. Board Member Tim Haskin asked if the work is done locally. Ms. Hoeft stated the company is based in Owatonna.*

Resolution: Uniform Rental/Laundry Services

*BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to approve a six-year agreement with City Laundering Company and authorize the Mayor and the City Clerk to execute the agreement for Uniform Rental/Laundry Services in an amount not to exceed \$337,000.*

*Passed by the Public Utility Board of the City of Rochester, Minnesota, this 26th day of November, 2019.*

<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Brett Gorden, Board Member
<b>SECONDER:</b>	Tim Haskin, Board Member
<b>AYES:</b>	Brett Gorden, Tim Haskin, Melissa Graner Johnson
<b>ABSENT:</b>	Brian Morgan, Michael Wojcik

3. Solar Purchase Power Agreement

*The power resources department, led by director Jeremy Sutton, along with purchasing and engineering staff have been working with a solar developer on a solar purchase power agreement for a future local 10 megawatt solar farm, said General Manager Mark Kotschevar. A request for proposal (RFP) for vendors was sent out on August 2, 2019, with staff ultimately choosing Rochester Solar, LLC c/o Geronimo Energy as the developer having the best interest of the City in mind. Although the project did not receive interest from commercial customers in taking the output, RPU decided to go forward as an RPU-only project, with the potential for commercial customer involvement in the future.*

*The 20-year-term purchase power agreement for 10 megawatts with Rochester Solar LLC will incorporate the solar energy output into RPU's power supply mix for the community. Southern Minnesota Municipal Power Agency (SMMPA) has agreed to reimburse RPU the cost of approximately one megawatt of this project for their power portfolio, and RPU will absorb the remaining 9 megawatts of output, with an impact to the average residential customer of \$0.47 per month, based on wholesale pricing. This charge would be rolled into the power cost adjustment and would be higher for commercial customers, based on kilowatt hour usage. The solar farm is expected to be operational before December 31, 2021. The agreement includes an option for RPU to purchase the property on which the farm will be constructed in 2030 or earlier, offering the possibility of future expansion.*

*The 310-acre site is located on Highway 14 west of Rochester next to the City limits, said Mr. Kotschevar. The solar farm would occupy about 80 acres of the property, with the remaining property as cropland. As a large vacant lot, the property is unique for what is left in the area as one able to interconnect*



to RPU's system, said Mr. Sutton. The plant would produce about 20,900 megawatt hours of solar energy per year with a cost of \$840,000 per year to the rate payer. It would provide energy to about 2,900 homes, said Mr. Kotschevar, and enough energy to cover 1.7% of RPU's annual sales. Staff designed the solar project based on the community's interest in renewable energy, Mr. Kotschevar stated.

City Attorney Jason Loos was assisting RPU with review of the agreement's terms and conditions. The agreement is scheduled to appear on the agenda of the Rochester City Council for approval at its December 2, 2019 meeting.

Vice President Johnson stated the importance of getting the agreement in place before the end of the year due to tax credits, and for the agreement to advance to the Council for approval. She also suggested the plan be communicated via social media. Board Member Tim Haskin noted the project utilizes 25 percent of the acreage in the first phase, and asked if there is an assumption that going forward the capacity per acre will improve the function in technology. The solar vendors will provide bi-facial panels which produce more energy output than fixed panels, but there has been a general trend of acres per megawatt declining, said Dirk Bierbaum, Manager of Portfolio Optimization. A property that size that is contiguous to the City with capacity for growth over 20 years, allowing RPU to increase energy output is certainly appealing, said Mr. Haskin. This agreement gives RPU options, said Mr. Kotschevar, and provides room for hooking a battery to the solar farm in the future if technology gets there. Board Member Brett Gorden asked what the expected life of the solar farm will be. The assumption is at least 25 years, said Mr. Sutton. Mr. Gorden stated that this appears to be a really good opportunity to get RPU and the community on the path towards 100 percent renewable energy, and asked if the rate impact will be spread equally across all the customer classes. Mr. Kotschevar said it will, through the power cost adjustment that applies to everyone.

Mr. Kotschevar declared this a historic moment for the City of Rochester, since at 80 acres, to his knowledge, this will be the largest solar array a municipal has entered into.

Resolution: Renewable Energy Purchase Agreement

*BE IT RESOLVED* by the Public Utility Board of the City of Rochester, Minnesota, to approve the Renewable Energy Purchase Agreement with Rochester Solar, LLC, subject to final terms and conditions approved by the City Attorney and General Manager, and authorize the Mayor and the City Clerk to execute the agreement.

*Passed by the Public Utility Board of the City of Rochester, Minnesota, this 26th day of November, 2019*

<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Tim Haskin, Board Member
<b>SECONDER:</b>	Brett Gorden, Board Member
<b>AYES:</b>	Brett Gorden, Tim Haskin, Melissa Graner Johnson
<b>ABSENT:</b>	Brian Morgan, Michael Wojcik

## 7. Board Liaison Reports

General Manager Mark Kotschevar said that Director of Core Services Sidney Jackson is working on a draft of the new Undergrounding Policy with input from Board Member Michael Wojcik.

## 8. General Managers Report

General Manager Mark Kotschevar said he attended the SMMPA Board Meeting in Mora, Minnesota, on November 13, and although he pushed for an agency rate decrease, it did not receive board support, however, discussion turned to SMMPA issuing a \$7 million refund check back to its members. As a result, RPU will receive a \$3 million check from the agency. This will appear as a cash reserve line item in RPU's financials.

The RPU Board received an email complaint from an apartment owner with all-electric apartments on RPU's deposit policy, which is now fully in effect due to the implementation of the new customer care and billing system. Customer Relations Director Krista Boston has been working with the customer. The policy requires customers with poor credit to pay a deposit equal to the two highest billing months from the past year. Mr. Kotschevar proposed that the board discuss how to lessen that burden to customers and potentially explore other alternatives at the next board meeting.

Next month, the results of RPU's commercial customer focus group and phone survey will be presented to the board.

Director of Power Resources Jeremy Sutton has been working on an excess generation capacity sales agreement with Missouri River Energy Services through TEA, RPU's wholesale market service provider, to sell capacity to MISO and will be coming to the board next month with a proposed \$10.9 million agreement over ten years to begin in the 2022-2023 time frame.

Director of Corporate Services Peter Hogan provided an update on the implementation of Cayenta, the new customer care and billing system. There were some issues with the Smart Energy Water interface and the customer portal email sent to customers and customers being unable to change their passwords, he said; it was taken offline, but is now back online. Telephone hold wait times for customer service also went up, but have improved.

## 9. Division Reports & Metrics

Vice President Johnson congratulated RPU staff on the \$16,000 raised for United Way. General Manager Mark Kotschevar said the credit goes to Business Services Manager Deb Donahue.

## 10. Other Business

Board Member Tim Haskin asked if the closing of a couple large retailers in the City has affected the utility's commercial portfolio. Mr. Kotschevar replied it has not, as RPU has had growth in other sectors.

## 11. Adjourn

*The agenda and board packet for Utility Board meetings are available on-line at [www.rpu.org](http://www.rpu.org) and <http://rochestercitymn.igmp2.com/Citizens/Default.aspx>*

Submitted by:

\_\_\_\_\_  
Secretary

Approved by the Board

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Regular Meeting

Tuesday, November 26, 2019

4:00 PM

Board President

Date

Minutes Acceptance: Minutes of Nov 26, 2019 4:00 PM (Approval of Minutes)

## FOR BOARD ACTION

Agenda Item # (ID # 11419)

Meeting Date: 12/17/2019

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**SUBJECT:** a/p board listing

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**PREPARED BY:** Colleen Keuten

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ITEM DESCRIPTION:

UTILITY BOARD ACTION REQUESTED:

**ROCHESTER PUBLIC UTILITIES**  
**A/P Board Listing By Dollar Range**  
For 11/13/2019 To 12/12/2019  
**Consolidated & Summarized Below 1,000**

**Greater than 50,000 :**

SOUTHERN MN MUNICIPAL POWER A	November SMMPA Bill	6,992,311.04
MN DEPT OF REVENUE	October Sales & Use Tax	661,138.44
BROWN C O INS AGENCY INC	Commerical Prop Ins Renewal 11/1/19-11/1/20	492,404.36
BROWN C O INS AGENCY INC	Excess Renewal Policy 11/1/19-11/01/2020	310,392.14
A & A ELECT & UNDERGROUND CON	2017-2022 Directional Boring	191,226.60
CONSTELLATION NEWENERGY-GAS D	October Gas for SLP	175,897.14
LEAGUE OF MN CITIES INS TRUST	General Liability Insurance 11/1/19-11/1/20	129,844.00
LAKE ZUMBRO RESTORATION OLMST	Lake Zumbro Dredging	110,014.86
CITY OF ROCHESTER	2018-2022 Capital Improv Projects-DMC J8614	87,500.00
CONSTELLATION NEWENERGY-GAS D	October Gas for CC	71,546.56
CONSTELLATION NEWENERGY-GAS D	October Gas for WES	66,636.41
XYLO TECHNOLOGIES INC	2019 IT Helpdesk Support 9/19-11/19	54,470.00

**Price Range Total:** 9,343,381.55

**5,000 to 50,000 :**

WHITLOCK CONSULTING GROUP LLC	November Project Asst with Cayenta Implemen	40,687.91
SMIDT CONSTRUCTION	Construct Radiator Tower Stairs at WES	38,931.00
WRIGHT TREE SERVICE INC	Hourly Tree Removal 2019-2020~	35,234.44
CENTRAL MINNESOTA MUNICIPAL P	November Capacity/CMP	31,900.00
PW POWER SYSTEMS INC	DVP Retrofit - Micronet CPU Upgrade	30,495.60
N HARRIS COMPUTER CORP	Cayenta Implementation Services	30,000.00
PEOPLES ENERGY COOPERATIVE (P	November Compensable	28,853.48
ULTEIG ENGINEERS INC	2019-20 Engineering T&D - IBM Substation	28,565.20
ROCHESTER COMMUNITY & TECHNIC	CIP-Lighting (C&I)-Incentives/Rebates	26,646.26
SMART ENERGY SYSTEMS LLC	Smart Customer Mobile Implementation	26,250.00
USIC LOCATING SERVICES INC	October 2019 Locating Services	25,345.83
CITY OF ROCHESTER	2016-2020 Capital Improv Projects-DMC J8614	25,000.00
BILLTRUST dba	November 2019 CC/Billing/Mailing/IVR Services	23,911.65
THE ENERGY AUTHORITY INC	November RMA Fee	22,628.17
WARTSILA NORTH AMERICA	8EA-Cylinder Peak Press, WS,SGE,PT50x1	21,524.03
FITCH INC	Annual Relationship fee	20,000.00
ATLAS COPCO COMPRESSORS LLC	2EA-Air compressor, GA37-125 AP	19,344.38
WENCK ASSOCIATES INC	2019 Part 70 Reissuance Applications	17,972.54
ROCHESTER COMMUNITY & TECHNIC	CIP-Cooling Eq. (C&I)-Incentives/Rebates	16,967.50
BLUESPIRE STRATEGIC MARKETING	2016 - 2019 RPU Plugged In Contract	16,950.00
CLARK CONCRETE INC	Concrete Projects at Five Locations	16,316.61
RESCO	1EA-Switch, PM, Air, 3ph, 3-600SW/1-200F	15,238.00
IBM CORPORATION	2019 Cognos Enterprise Planning	14,963.97
MERIT CONTRACTING INC (P)	WC Sub Containment Pit #1 & #2 Repairs	14,914.00
BROWN C O INS AGENCY INC	Terrorism Renewal Policy 11/1/19-11/1/20	14,193.76
VISION COMPANIES LLC (P)	October OffSite,LJ Kickoffs & First Sessions	13,762.50
CRESCENT ELECTRIC SUPPLY CO	5000FT-Conduit, HDPE, 4.00, Empty, SDR 1	13,230.01
CENTURYLINK (P)	2018-23 Monthly Telecommunications	13,065.74
VISION COMPANIES LLC (P)	Leadership Journey 100,200;Offsite Facil/Exp	12,862.50
ASPLUNDH TREE EXPERT LLC (P)	601B Tree Line Clearance~	12,766.22
CHS ROCHESTER	November Fuel	12,546.55

Attachment: AP Board CrMo Nov (11419 : a/p board listing)

**ROCHESTER PUBLIC UTILITIES**  
**A/P Board Listing By Dollar Range**  
For 11/13/2019 To 12/12/2019  
**Consolidated & Summarized Below 1,000**

50	BARR ENGINEERING COMPANY (P)	Hydro Isolation Gate Redesign	12,479.54
51	STUART C IRBY CO INC	1EA-Trans, PM, 3ph, 500kVA, 13.8/8, 480	11,657.00
52	BROWN C O INS AGENCY INC	2019/2020 Agency Fee	11,000.00
53	STUART C IRBY CO INC	10EA-Metal Sec. Encl, 3ph, 30"x67"x22" 2	9,350.00
54	RSP ARCHITECTS LTD.	A/E Finance/Accounting Office Renovation	8,836.00
55	BAKER TILLY VIRCHOW KRAUSE LL	Prof Serv-Onsite Prelim Field Work,Attach O	8,820.00
56	AE2S INC	Water Model Update and Calibration Svcs.	8,709.75
57	DAKOTA SUPPLY GROUP	35EA-Luminaire, Commercial, LED, PC, 120	7,910.00
58	VIRTEVA LLC	Office 365 Implementation	7,542.50
59	PARAGON DEVELOPMENT SYSTEMS I	Data Center Infrast. Refresh (Nimble)	7,500.00
60	MOTOROLA INC	3EA-Radio, Vehicle, APX 1500 Pkg	7,341.75
61	ELECTRIC SCIENTIFIC CO INC	GT1 Halon System Recharge Matls & Labor	7,289.67
62	BARR ENGINEERING COMPANY (P)	General groundwater consulting services	7,246.00
63	STUART C IRBY CO INC	2EA-Switch, Air, 3 Phase Riser	7,150.00
64	ULTEIG ENGINEERS INC	Marion Road Substation Proposal	7,148.00
65	STUART C IRBY CO INC	6000FT-Cable, Fiber optic, 216 fiber	6,912.00
66	ADVANTAGE DIST LLC (P)	5004GAL-Urea 32, WES	6,471.11
67	FLOW CONTROL AUTOMATION INC	1EA-Pressure reducing valve, 8"	6,449.00
68	DELL MARKETING LP	5EA-Computer, Dell Optiplex 7060	6,352.49
69	CITY OF ROCHESTER	Quarterly Attorney Services Q4	6,250.00
70	U S ALLIANCE GROUP	November Credit Card Processing Fees	5,762.55
71	MIDCONTINENT ISO INC	November MISO Fees	5,736.08
72	BARR ENGINEERING COMPANY (P)	Annual Dam Inspection at Lake Zumbro	5,563.61
73	QUANTITATIVE MARKET INTELLIGE	2019 Business Customer Satisfaction Surv	5,450.63
74	EXPRESS SERVICES INC	2019 Temp Services IT Support	5,428.77
75	ULTEIG ENGINEERS INC	Transmission Relay Coordination Study	5,269.50
76	PRESIDIO NETWORKED SOLUTIONS	Commvault Renewal	5,225.60
77	BORDER STATES ELECTRIC SUPPLY	1EA-Load Trainer Simulator Board w/Hard Drive	5,189.89
78	WINKELS ELECTRIC INC	Repair Broken Service Wire-1407 Durand Ct SE	5,147.50
79	BURNS & MCDONNELL INC (P)	Routing Validation &Risk Assesment Study	5,107.70
80	TWIN CITY SECURITY INC	2019 Security Services	5,067.06
81			
82		<b>Price Range Total:</b>	902,431.55

**1,000 to 5,000 :**

86	VERIZON WIRELESS	2019 Cell & Ipad Monthly Service	4,985.02
87	BADGER METER INC (P)	120EA-Meter, Bare 5/8x3/4" Badger Disc	4,982.40
88	SHI INTERNATIONAL CORP (P)	2019-20 KACE maintenance	4,852.02
89	ADVANCED DISPOSAL SVC SOLID W	2019 Waste removal SC & SLP	4,776.02
90	MIRATECH GROUP LLC	SCR training lvl 2	4,729.22
91	POWER SYSTEMS ENGINEERING INC	Interconnection Arc Flash Study	4,708.50
92	PARSONS ELECTRIC LLC	Inst Data Add Ins-Hallways;S2-M1 Node Blades	4,483.32
93	ELITE CARD PAYMENT CENTER	25EA-Spark plug	4,440.50
94	ELCOR CONSTRUCTION INC	Valve repair @Foxchase Rd intersection	4,318.66
95	HARRIS ROCHESTER INC	U2 Boiler Tube Repair	4,061.58
96	NEOPOST USA INC	Postage	4,000.00
97	ELEVATE MARKETING SOLUTIONS LLC	Billboards Advertising September	4,000.00
98	SHI INTERNATIONAL CORP (P)	Extended Support Windows 7, Server 2008	3,996.75
99	ELEVATE MARKETING SOLUTIONS LLC	Cable Ads-11/1-11/30/19	3,988.00

Attachment: AP Board CrMo Nov (11419 : a/p board listing)

**ROCHESTER PUBLIC UTILITIES**  
**A/P Board Listing By Dollar Range**  
For 11/13/2019 To 12/12/2019  
**Consolidated & Summarized Below 1,000**

100	PW POWER SYSTEMS INC	1EA-Check Valve, Eng. Heat GT2	3,970.50
101	CLARK CONCRETE INC	Concrete Work at 414 Chalet Drive NW	3,961.00
102	ROCHESTER COMMUNITY & TECHNIC	CIP-VSDs-Incnitvs/Rebates	3,926.00
103	PARSONS ELECTRIC LLC	Cascade Creek Camera Replacement	3,913.00
104	HIGH FOREST BOBCAT SERVICE LL	Replace Air Dryer - Pneumatic	3,670.80
105	KANTOLA CONSULTING	Phase I Post Cayenta Go-Live Review	3,600.00
106	ADVANCED DIESEL	Volvo Pump Rebuild	3,495.72
107	ALTERNATIVE TECHNOLOGIES INC	Dissolved gas analysis	3,345.00
108	GRAINGER INC	GT1 Replacement Heater	3,337.88
109	CONSOLIDATED COMMUNICATIONS d	2018-20 Network and Co-location Services	3,312.16
110	BORDER STATES ELECTRIC SUPPLY	8EA-Meter, FM12S CL200 MRV 2-Way	3,284.48
111	ACCORD ELECTRIC INC	Baihly booster #001 Manual Transfer swit	3,277.68
112	MUELLER EQUIPMENT SERVICE	GT1 Diesel Coolong Leak Repair	3,240.96
113	QUANTITATIVE MARKET INTELLIGE	2019 Qtly Customer Satisfaction Survey	3,206.25
114	BANKS JOSHUA C	Online del-Drone images-Zumbro,Pole Inst	3,180.00
115	WERNER ELECTRIC SUPPLY	Timing relay	3,157.89
116	THE GATES OF ROCHESTER	Customer Refund	3,143.41
117	ELEVATE MARKETING SOLUTIONS LLC	Billboard Advertising 11/1-11/20/19	3,100.00
118	ELEVATE MARKETING SOLUTIONS LLC	October Advertising-Scam spot-10/1-10/20	3,018.00
119	PAAPE ENERGY SERVICE INC	Garage Fan Interface	2,949.75
120	NFRONT CONSULTING LLC	2019 MISO Forecast	2,910.00
121	RESCO	2EA-Phasing tester w/case	2,746.00
122	NORTHERN / BLUETARP FINANCIAL	Hydro Air Compressor	2,714.60
123	BAIER GERALD	Pave 25 Ft Patch	2,656.25
124	GDS ASSOCIATES INC	FERC Filing	2,650.00
125	MINNESOTA ENERGY RESOURCES CO	Natural gas - CSC	2,572.23
126	HATHAWAY TREE SERVICE INC	Brush-RPU-Chips per Load	2,520.00
127	ELEVATE MARKETING SOLUTIONS LLC	October Cable Advertising-10/25-10/31	2,504.00
128	U S A SAFETY SUPPLY	24PR-Glove, Leather Insulated, X-Large	2,468.81
129	EXPRESS SERVICES INC	2018-19 Seasonal staff facilities	2,455.84
130	MOTOROLA INC	1EA-Radio, Vehicle, APX 1500 Pkg	2,447.25
131	ELEVATE MARKETING SOLUTIONS LLC	November Cable Ads	2,415.00
132	VIKING ELECTRIC SUPPLY INC	3600FT-Wire, AL, 600V, #2-#4 ACSR NEU Tr	2,404.69
133	PAAPE ENERGY SERVICE INC	Update Building Automation Sys-Matls & Labor	2,345.91
134	TREATMENT RESOURCES INC	2EA-Vac. Reg. 201C5, Adv. Ser.200, 50ppd	2,260.00
135	DELL MARKETING LP	2EA-Computer, Laptop, Dell Latitude 5590	2,258.10
136	INTERSTATE MOTOR TRUCKS INC	'16 Terrastar 4x4 brake repair	2,237.75
137	NEW LINE MECHANICAL	Reloc 2-faucets/hose hangers;Add 3-Boot Wash	2,200.00
138	NORTHWEST STORAGE LLC	CIP-Lighting (C&I)-Incentives/Rebates	2,185.76
139	JOHNSON PRINTING CO INC	Print 2020 Calendar	2,179.18
140	NALCO COMPANY	1DRM-Nalco, N356	2,154.51
141	HARRIS ROCHESTER INC	Server Room Cooling Unit	2,150.00
142	POWERMATION DIVISON	WTB VFD Replacement parts	2,147.16
143	UNITED RENTALS INC	Telescopic Boom Rental	2,140.15
144	JOHNSON PRINTING CO INC	Print Envelopes for RPU Connect Letter Mailing	2,094.75
145	GOPHER STATE ONE CALL	November 2019 Locating Service	2,087.10
146	AMARIL UNIFORM COMPANY	6EA-Parka, FR two-tone	2,084.06
147	TODD USTBY	CIP-Lighting (C&I)-Incentives/Rebates	2,079.00
148	WESCO DISTRIBUTION INC	6EA-Cold Shrink Termination Kit	2,062.32
149	ELITE CARD PAYMENT CENTER	Travel,SHall,AVO Conf,Dallas,Registration	2,035.00

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150	LEAGUE OF MN CITIES INS TRUST	119-925 AdmGnl-Oper-Injuries_Damages	2,000.00
151	MINNESOTA ENERGY RESOURCES CO	October Gas - SLP	1,994.74
152	OPEN ACCESS TECHNOLOGY	December Web Compliance Service	1,950.00
153	MIDLAND PLASTICS INC	25EA-Spacer Bracket, Mid Span, 3-Wire	1,932.75
154	BADGER METER INC (P)	1EA-Meter, Bare E-Series 4" Ultra , 20"L	1,912.50
155	BADGER METER INC (P)	1EA-Meter, Bare E-Series 4" Ultra , 14"L	1,887.00
156	VERIZON CONNECT NWF INC	November 2019 - GPS Fleet Tracking	1,857.10
157	U S A SAFETY SUPPLY	18PR-Glove, Leather Insulated, 2XL	1,851.61
158	RESCO	600EA-Lock, Trans. Security	1,782.68
159	RESCO	10EA-Switch, Ft, 10 Potentials	1,729.00
160	ELITE CARD PAYMENT CENTER	Travel,WSchmitz,Transf Seminar,Registrat	1,695.00
161	ELITE CARD PAYMENT CENTER	Travel,TMason,Transf Seminar,Registratio	1,695.00
162	ONLINE INFORMATION SERVICES I	2019 Utility Exchange Report	1,681.31
163	BORDER STATES ELECTRIC SUPPLY	60EA-Elbow, 15kV, 200A, LB,1/0 Sol,175-2	1,677.00
164	WARTSILA NORTH AMERICA	1EA-NOx sensor 24 V	1,646.90
165	CORPORATE WEB SERVICES INC	2019 Website Services	1,619.85
166	J J KELLER & ASSOCIATES INC	Safety Training Licensing	1,603.13
167	BAIER GERALD	Fill Holes with Blacktop	1,600.00
168	CDW GOVERNMENT INC	6EA-PDU metered dual circuit, 120V	1,580.64
169	ROCH SAND & GRAVEL INC	Class 5 for Water Main Breaks	1,572.75
170	BADGER METER INC (P)	1EA-Meter, Bare E-Series 3" Ultra , 17"L	1,572.00
171	BADGER METER INC (P)	1EA-Meter, Bare E-Series 3" Ultra , 12"L	1,547.00
172	SEEME PRODUCTIONS LLC	Spec Prod Pack-RPU Connect	1,540.00
173	SOMA CONSTRUCTION INC	Crushed Concrete-Main Break Repair Backfill	1,526.54
174	K A A L TV LLC	November TV Advertising	1,520.00
175	GDS ASSOCIATES INC	2019 MISO Attch O Consulting Service	1,507.50
176	A & A ELECT & UNDERGROUND CON	Directional Boring-953 Southern View LN	1,496.50
177	MURCAL INC dba	15EA-Spark plug	1,487.22
178	MEI TONG	CIP-LED Light Fixtures-Incntivs/Rebts	1,410.00
179	BOLTON AND MENK (P)	New Cingular Airport Modification~	1,400.00
180	BOLTON AND MENK (P)	AT&T Willow #94~	1,400.00
181	U S POSTMASTER	Annual Caller Box Fee	1,390.00
182	IHEART MEDIA dba	October Radio Ads	1,380.00
183	KENNEDY & GRAVEN CHARTERED	Marion Road Land Acquisition	1,376.20
184	TOKAY SOFTWARE dba	Backflow Prevention Software	1,335.94
185	DELL MARKETING LP	10EA-Computer, Dell 22 Inch Monitor	1,326.64
186	U S A SAFETY SUPPLY	30PR-Gloves, Kevlar-lined	1,310.70
187	WIESER PRECAST STEPS INC (P)	1EA-Grd Sleeve, Switch Basement, PME	1,290.00
188	CITY OF ROCHESTER	Workers Comp Admin Fees October 2019	1,282.00
189	ROCH PLUMBING & HEATING CO IN	Water SA meter valve repair-2457 Broadway	1,268.32
190	EPLUS TECHNOLOGY INC	3EA-Optic cable, 5M	1,259.40
191	IHEART MEDIA dba	November Radio Ads	1,242.00
192	MCMaster CARR SUPPLY COMPANY	Streetlight adapters	1,232.58
193	IBM (IRG SITE)	CIP-Lighting (C&I)-Incentives/Rebates	1,216.00
194	PEOPLES ENERGY COOPERATIVE (P	Reframe a 3 Phase Pole	1,208.00
195	CORE & MAIN LP (P)	2EA-WB67 Hydrant Ext., K562, 12.0	1,204.00
196	KNXR - FM	October Radio Ads	1,200.00
197	ROCHESTER ARMORED CAR CO INC	2019 Pick Up Services	1,187.24
198	SEIVER LINNEA	Customer Refund	1,170.84
199	BURNS & MCDONNELL INC (P)	Infrastructure Financial Modeling Study	1,168.28

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200	ELITE CARD PAYMENT CENTER	Travel,APPA,New Orleans, Lodging	1,165.36
201	CITY OF ROCHESTER	Workers Comp Payments	1,156.92
202	RESCO	50EA-Conn, Bump Sleeve, 336.4 ACSR	1,145.00
203	HDR ENGINEERING INC	AWIA Risk and Resilience GAP Assessment	1,109.83
204	CORE & MAIN LP (P)	2EA-Coupling,12" Romac Alpha 2Bolt Restr	1,057.26
205	ADVANTAGE DIST LLC (P)	55GAL-Oil, DTE Heavy Med. (55 Gal Drum)	1,046.89
206	STUART C IRBY CO INC	16EA-Pedestal Dome Cover, Box Style	1,040.00
207	WESCO DISTRIBUTION INC	15EA-Term, No Skirts 15kv, 500-750 MCM,	1,033.50
208	MIRATECH GROUP LLC	10EA-Condensate Pump Heads, New Style	1,029.63
209	HINDT-KUISLE DENNIS	CIP-Central AC-Incentives/Rebates	1,025.00
210	OPEN ACCESS TECHNOLOGY	December OATI Tagging agent	1,016.67
211	CHS ROCHESTER	400GAL-Diesel Fuel	1,010.00
212	SOUTHEAST MECHANICAL INC	Installed/Repaired Water Filter System	1,007.03
213	ELEVATE MARKETING SOLUTIONS LLC	October-Cable Advertising-10/1-10/20	1,002.00
214			
215		<b>Price Range Total:</b>	291,146.84
216			
217	<b><u>0 to 1,000 :</u></b>		
218			
219	REBATES	Summarized transactions: 90	15,363.23
220	ELITE CARD PAYMENT CENTER	Summarized transactions: 97	15,024.54
221	EXPRESS SERVICES INC	Summarized transactions: 16	13,380.33
222	CUSTOMER REFUNDS (CIS)	Summarized transactions: 68	7,189.08
223	STUART C IRBY CO INC	Summarized transactions: 25	7,071.31
224	CINTAS CORP	Summarized transactions: 45	6,671.62
225	U S A SAFETY SUPPLY	Summarized transactions: 35	5,781.37
226	WESCO DISTRIBUTION INC	Summarized transactions: 16	5,444.90
227	EPLUS TECHNOLOGY INC	Summarized transactions: 10	4,682.27
228	FIRST CLASS PLUMBING & HEATIN	Summarized transactions: 12	3,720.51
229	CITY OF ROCHESTER	Summarized transactions: 11	3,558.84
230	GRAINGER INC	Summarized transactions: 23	3,198.63
231	BORDER STATES ELECTRIC SUPPLY	Summarized transactions: 13	3,026.54
232	AMARIL UNIFORM COMPANY	Summarized transactions: 17	3,006.15
233	CORE & MAIN LP (P)	Summarized transactions: 16	2,800.02
234	TREATMENT RESOURCES INC	Summarized transactions: 7	2,608.64
235	WINKELS ELECTRIC INC	Summarized transactions: 6	2,547.61
236	WARTSILA NORTH AMERICA	Summarized transactions: 13	2,441.42
237	CRESCENT ELECTRIC SUPPLY CO	Summarized transactions: 14	2,435.17
238	GRAYBAR ELECTRIC COMPANY INC	Summarized transactions: 23	2,259.75
239	AMAZON.COM	Summarized transactions: 27	2,234.55
240	BADGER METER INC (P)	Summarized transactions: 15	2,177.94
241	ELITE CARD PAYMENT CENTER	Summarized transactions: 5	2,122.36
242	BOLTON AND MENK (P)	Summarized transactions: 5	2,100.00
243	NETWORK SERVICES COMPANY	Summarized transactions: 12	2,074.96
244	LAWSON PRODUCTS INC (P)	Summarized transactions: 9	2,066.74
245	EVOQUA WATER TECHNOLOGIES LLC	Summarized transactions: 4	2,052.01
246	U S A SAFETY SUPPLY	Summarized transactions: 8	1,967.14
247	VIKING ELECTRIC SUPPLY INC	Summarized transactions: 19	1,948.65
248	ADVANCED DISPOSAL SVC SOLID W	Summarized transactions: 3	1,871.09
249	MAJERUS WILLIAM	Summarized transactions: 6	1,818.57

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**ROCHESTER PUBLIC UTILITIES**  
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250	MINGO RON	Summarized transactions: 4	1,818.42
251	GARCIA GRAPHICS INC	Summarized transactions: 8	1,809.00
252	KYLLO TODD	Summarized transactions: 5	1,805.56
253	RESCO	Summarized transactions: 10	1,759.15
254	ADVANCE AUTO PARTS	Summarized transactions: 24	1,725.14
255	INNOVATIVE OFFICE SOLUTIONS L	Summarized transactions: 18	1,700.96
256	CENTRAL TOOL SPECIALITIES dba	Summarized transactions: 4	1,659.64
257	MCMASTER CARR SUPPLY COMPANY	Summarized transactions: 22	1,617.82
258	DAKOTA SUPPLY GROUP	Summarized transactions: 8	1,608.42
259	SUNBELT RENTALS	Summarized transactions: 2	1,541.52
260	BOLDT JILL	Summarized transactions: 6	1,489.65
261	ALTEC INDUSTRIES INC	Summarized transactions: 11	1,486.94
262	HAWK & SON'S INC	Summarized transactions: 2	1,476.00
263	A & A ELECT & UNDERGROUND CON	Summarized transactions: 2	1,451.90
264	WERNER ELECTRIC SUPPLY	Summarized transactions: 26	1,394.54
265	CONNEY SAFETY PRODUCTS LLC	Summarized transactions: 7	1,385.20
266	VERIZON WIRELESS	Summarized transactions: 3	1,331.55
267	HALL SHAUN	Summarized transactions: 6	1,170.08
268	WSB & ASSOCIATES	Summarized transactions: 2	1,150.50
269	CENTURYLINK (P)	Summarized transactions: 6	1,118.15
270	JOHNSON PRINTING CO INC	Summarized transactions: 4	1,101.36
271	CDW GOVERNMENT INC	Summarized transactions: 3	1,075.29
272	PARSONS ELECTRIC LLC	Summarized transactions: 3	1,061.13
273	RDO EQUIPMENT COMPANY (P)	Summarized transactions: 7	1,054.97
274	POMPS TIRE SERVICE INC	Summarized transactions: 2	1,023.56
275	WRIGHT TREE SERVICE INC	Summarized transactions: 3	1,005.43
276	INSTITUTE FOR ENVIRONMENTAL	Summarized transactions: 2	984.94
277	UNITED RENTALS INC	Summarized transactions: 1	948.14
278	OPTIV SECURITY INC	Summarized transactions: 1	946.16
279	ARNOLDS SUPPLY & KLEENIT CO (	Summarized transactions: 4	944.25
280	ELECTRIC SCIENTIFIC CO INC	Summarized transactions: 1	939.70
281	ROCH SAND & GRAVEL INC	Summarized transactions: 2	926.10
282	POLLARDWATER dba	Summarized transactions: 2	906.56
283	ELEVATE MARKETING SOLUTIONS LLC	Summarized transactions: 1	905.00
284	BATTERIES PLUS	Summarized transactions: 1	897.00
285	PUGLEASA COMPANY INC	Summarized transactions: 2	896.03
286	SEMA EQUIPMENT INC	Summarized transactions: 4	871.85
287	TABORDA SOLUTIONS INC	Summarized transactions: 1	857.74
288	CLARK CONCRETE INC	Summarized transactions: 2	855.00
289	MENARDS ROCHESTER SOUTH	Summarized transactions: 15	851.49
290	BARR ENGINEERING COMPANY (P)	Summarized transactions: 1	830.50
291	NUSS TRUCKS OF ROCHESTER INC	Summarized transactions: 2	829.14
292	A T & T	Summarized transactions: 1	803.67
293	MUELLER MATTHEW	Summarized transactions: 1	803.47
294	MAC'S PARK PLACE	Summarized transactions: 1	801.56
295	NICKELS SCOTT	Summarized transactions: 3	763.84
296	OPERATION TECHNOLOGY INC	Summarized transactions: 2	756.26
297	CINTAS CORP	Summarized transactions: 4	753.84
298	MISSISSIPPI WELDERS SUPPLY CO	Summarized transactions: 11	752.07
299	ASPLUNDH TREE EXPERT LLC (P)	Summarized transactions: 1	726.75

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300	BENSON ANTHONY	Summarized transactions: 1	726.20
301	COOK STEVEN J	Summarized transactions: 5	723.48
302	MODEM EXPRESS INC	Summarized transactions: 2	720.00
303	THE ENERGY AUTHORITY INC	Summarized transactions: 1	717.48
304	USA BLUE BOOK DBA	Summarized transactions: 6	696.85
305	CENTURYLINK	Summarized transactions: 2	690.70
306	IHEART MEDIA dba	Summarized transactions: 1	690.00
307	SMARTSHEET INC	Summarized transactions: 1	662.59
308	MRO SYSTEMS	Summarized transactions: 2	660.02
309	ATLAS COPCO COMPRESSORS LLC	Summarized transactions: 1	655.83
310	HACH COMPANY	Summarized transactions: 2	654.15
311	SCHUMACHER ELEVATOR COMPANY	Summarized transactions: 1	636.54
312	FEDEX SHIPPING	Summarized transactions: 11	629.49
313	MN MUNICIPAL UTILITIES ASSN C	Summarized transactions: 1	600.00
314	K A A L TV LLC	Summarized transactions: 1	600.00
315	MENARDS ROCHESTER NORTH	Summarized transactions: 7	597.04
316	CLAREY'S SAFETY EQUIPMENT dba	Summarized transactions: 2	596.40
317	POST BULLETIN CO	Summarized transactions: 2	589.56
318	MINNESOTA ENERGY RESOURCES CO	Summarized transactions: 3	550.42
319	SEEME PRODUCTIONS LLC	Summarized transactions: 1	550.00
320	HARRIS ROCHESTER INC	Summarized transactions: 1	550.00
321	HEATH JAMES	Summarized transactions: 2	538.30
322	PULVER MOTOR SERVICE	Summarized transactions: 1	529.03
323	ZEE MEDICAL SERVICE INC (P)	Summarized transactions: 5	528.17
324	EDINALARM INC	Summarized transactions: 2	526.63
325	CHS ROCHESTER	Summarized transactions: 4	511.50
326	NUVERA	Summarized transactions: 1	501.03
327	ENVIRONMENTAL SYSTEMS RESEARC	Summarized transactions: 2	486.06
328	LIEBENOW ANN	Summarized transactions: 2	478.56
329	ACTION INDUSTRIAL SUPPLY CO	Summarized transactions: 2	476.94
330	MN DEPT OF LABOR & INDUSTRY	Summarized transactions: 4	460.00
331	HYBRID MECHANICAL	Summarized transactions: 1	459.56
332	PROCESS MEASUREMENT CO	Summarized transactions: 2	451.81
333	NEW LINE MECHANICAL	Summarized transactions: 1	449.75
334	PEOPLES ENERGY COOPERATIVE	Summarized transactions: 2	444.56
335	ANDERSON JUDITH	Summarized transactions: 1	438.94
336	ARROW ACE HARDWARE (P)	Summarized transactions: 6	415.17
337	NAPA AUTO PARTS dba	Summarized transactions: 11	406.94
338	WATER SYSTEMS COMPANY	Summarized transactions: 10	405.44
339	ADVANCED BUSINESS SYSTEMS INC	Summarized transactions: 1	405.22
340	WARREN WILL	Summarized transactions: 2	392.74
341	BECKLEYS OFFICE PRODUCTS INC	Summarized transactions: 2	389.07
342	LEAGUE OF MN CITIES INS TRUST	Summarized transactions: 1	387.47
343	MIRATECH GROUP LLC	Summarized transactions: 2	382.25
344	REINDERS INC	Summarized transactions: 2	378.57
345	PROTECTIVE PRODUCTS CORP	Summarized transactions: 2	364.18
346	CERUTTI SCOTT	Summarized transactions: 1	360.70
347	WARNING LITES OF MN INC (P)	Summarized transactions: 1	360.00
348	NORTH STAR BEVERAGE SERVICE I	Summarized transactions: 1	356.25
349	BAIER GERALD	Summarized transactions: 1	350.00

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350	S P M INSTRUMENT	Summarized transactions: 1	350.00
351	DELL MARKETING LP	Summarized transactions: 1	348.82
352	ULINE	Summarized transactions: 6	343.06
353	ADVANTAGE DIST LLC (P)	Summarized transactions: 1	332.77
354	ANDERTON RANDY	Summarized transactions: 2	331.00
355	NALCO COMPANY	Summarized transactions: 4	329.50
356	CORE & MAIN LP (P)	Summarized transactions: 2	327.74
357	JOHNSON PRINTING CO INC	Summarized transactions: 1	317.95
358	PEN TEK CHARLES	Summarized transactions: 3	317.52
359	POWER MONITORS INC	Summarized transactions: 1	300.00
360	PHENOVA INC	Summarized transactions: 2	294.40
361	QUANDT CHAD	Summarized transactions: 1	292.32
362	AUTHORIZE.NET	Summarized transactions: 1	286.50
363	SUPERIOR COMPANIES OF MINNESO	Summarized transactions: 1	283.00
364	FASTENAL COMPANY	Summarized transactions: 5	282.71
365	SUTTON JEREMY	Summarized transactions: 3	276.86
366	AL'S SPECIALTY SERVICE INC	Summarized transactions: 1	267.19
367	HALL NICK	Summarized transactions: 2	267.16
368	MENARDS ROCHESTER NORTH	Summarized transactions: 5	263.06
369	HIGH FOREST BOBCAT SERVICE LL	Summarized transactions: 1	260.00
370	RONCO ENGINEERING SALES INC	Summarized transactions: 1	255.77
371	PW POWER SYSTEMS INC	Summarized transactions: 3	255.65
372	PEOPLES ENERGY COOPERATIVE	Summarized transactions: 2	254.15
373	COMMISSIONER OF TRANSPORTATIO	Summarized transactions: 1	250.00
374	VANCO SERVICES LLC	Summarized transactions: 1	248.96
375	SCHEEL LAWRENCE	Summarized transactions: 2	245.12
376	LARSON DRU	Summarized transactions: 1	245.00
377	NEWARK	Summarized transactions: 2	242.63
378	ALLIANCE EXPRESS CHICAGO INC	Summarized transactions: 2	242.15
379	RONCO ENGINEERING SALES INC	Summarized transactions: 4	225.52
380	THOMAS MAY	Summarized transactions: 1	223.28
381	JETTER CLEAN INC	Summarized transactions: 1	200.00
382	SAFELITE AUTO GLASS	Summarized transactions: 1	195.90
383	PAAPE ENERGY SERVICE INC	Summarized transactions: 1	195.00
384	CITY OF ROCHESTER	Summarized transactions: 1	195.00
385	KELLY BRIAN	Summarized transactions: 2	189.36
386	SHERWIN WILLIAMS CO	Summarized transactions: 1	183.60
387	McGRANN SHEA CARNIVAL STRAUGH	Summarized transactions: 1	180.00
388	CIVIL PROCESS SPECIALISTS	Summarized transactions: 1	170.00
389	GOPHER SEPTIC SERVICE INC	Summarized transactions: 1	170.00
390	MRO SYSTEMS LLC	Summarized transactions: 1	155.15
391	CLARK CHAD	Summarized transactions: 1	150.00
392	JOHNSON MARK T	Summarized transactions: 1	150.00
393	ST MARIE THOMAS	Summarized transactions: 1	150.00
394	KLUG JERROD	Summarized transactions: 1	150.00
395	MEINERS TYLER J	Summarized transactions: 1	150.00
396	REBATES	Summarized transactions: 6	150.00
397	SOUND AND MEDIA SOLUTIONS	Summarized transactions: 1	144.28
398	ACCORD ELECTRIC INC	Summarized transactions: 1	142.50
399	MINOGUE PETER	Summarized transactions: 2	135.00

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400	STATE OF MINNESOTA	Summarized transactions: 3	130.00
401	ALDEN POOL & MUNICIPAL SUPPLY	Summarized transactions: 2	130.00
402	MURCAL INC dba	Summarized transactions: 2	129.16
403	CURVATURE INC	Summarized transactions: 1	127.18
404	FRONTIER	Summarized transactions: 1	126.39
405	CHARTER COMMUNICATIONS HOLDIN	Summarized transactions: 1	122.88
406	STILLER NEIL	Summarized transactions: 2	122.28
407	FASTENAL COMPANY	Summarized transactions: 3	118.64
408	OSWEILER TODD	Summarized transactions: 2	115.20
409	MILESTONE MATERIALS	Summarized transactions: 1	115.08
410	INTERSTATE BATTERIES	Summarized transactions: 1	112.13
411	FITCH NICK	Summarized transactions: 2	106.52
412	BLOM BRYAN	Summarized transactions: 1	102.00
413	A T & T MOBILITY	Summarized transactions: 2	93.66
414	HY VEE	Summarized transactions: 1	92.77
415	JENNINGS, STROUSS & SALMON PL	Summarized transactions: 1	92.00
416	KOTSCHERVAR MARK	Summarized transactions: 1	90.00
417	MIDLAND PLASTICS INC	Summarized transactions: 1	88.71
418	SLEEPY EYE TELEPHONE CO	Summarized transactions: 1	84.76
419	VIKING ELECTRIC SUPPLY (P)	Summarized transactions: 2	83.49
420	RIESS DANIEL	Summarized transactions: 1	78.00
421	ANCOM COMMUNICATIONS INC	Summarized transactions: 1	77.00
422	GARCIA GRAPHICS INC	Summarized transactions: 1	75.00
423	MENARDS ROCHESTER SOUTH	Summarized transactions: 2	72.16
424	SANCO EQUIPMENT LLC	Summarized transactions: 1	70.72
425	CENTRAL FINANCE OLMSTED COUNT	Summarized transactions: 2	67.48
426	THOMAS TOOL & SUPPLY INC	Summarized transactions: 1	63.71
427	VALLI CHRISTOPHER	Summarized transactions: 1	60.00
428	CLEMENTS CHEVROLET CADILLAC S	Summarized transactions: 2	56.30
429	DAVIES PRINTING COMPANY INC	Summarized transactions: 2	53.44
430	INTERSTATE MOTOR TRUCKS INC	Summarized transactions: 3	52.88
431	HUMPHREY STEPHANIE	Summarized transactions: 3	52.74
432	POSSABILITIES OF SOUTHERN MN	Summarized transactions: 1	52.00
433	PROPERTY RECORDS OLMSTED COUN	Summarized transactions: 1	50.00
434	ROCH HUMAN RESOURCES ASSOCIAT	Summarized transactions: 1	50.00
435	AMWA	Summarized transactions: 1	50.00
436	NORTHERN / BLUETARP FINANCIAL	Summarized transactions: 1	49.99
437	STAR TRIBUNE	Summarized transactions: 1	49.27
438	POWERMATION DIVISON	Summarized transactions: 1	45.95
439	FIRST SUPPLY (P)	Summarized transactions: 2	45.18
440	NORTH AMERICAN ELECTRIC RELIA	Summarized transactions: 1	42.16
441	ST JOSEPH EQUIPMENT INC	Summarized transactions: 1	38.10
442	VIKING ELECTRIC SUPPLY INC	Summarized transactions: 1	38.02
443	LUPIENT BUICK GMC OF ROCHESTE	Summarized transactions: 1	37.68
444	NORTHERN / BLUETARP FINANCIAL	Summarized transactions: 1	35.48
445	WERNER ELECTRIC SUPPLY	Summarized transactions: 1	31.90
446	KAMAN INDUSTRIAL TECHNOLOGIES	Summarized transactions: 3	30.19
447	MINNESOTA ENERGY RESOURCES CO	Summarized transactions: 1	30.11
448	MARK C HAMILTON PAINTING	Summarized transactions: 1	30.00
449	DIEP ALAN	Summarized transactions: 1	30.00

Attachment: AP Board CrMo Nov (11419 : a/p board listing)

**ROCHESTER PUBLIC UTILITIES**  
**A/P Board Listing By Dollar Range**  
For 11/13/2019 To 12/12/2019  
**Consolidated & Summarized Below 1,000**

450	ARROW ACE HARDWARE (P)	Summarized transactions: 1	29.97
451	SOUTHERN MN AUTO SUPPLY INC	Summarized transactions: 2	24.88
452	BATTERIES PLUS	Summarized transactions: 1	21.35
453	BLEVINS JAN	Summarized transactions: 1	21.00
454	BUCHOLZ MICHAEL	Summarized transactions: 1	19.50
455	LAUGEN STEVE	Summarized transactions: 1	19.00
456	FEDEX SHIPPING	Summarized transactions: 2	8.89
457	DAKOTA SUPPLY GROUP	Summarized transactions: 1	4.17
458	CREDIT MANAGEMENT LP	Summarized transactions: 1	3.76
459			
460		<b>Price Range Total:</b>	233,916.88
461			
462			
463		<b>Grand Total:</b>	10,770,876.82

Attachment: AP Board CrMo Nov (11419 : a/p board listing)



## FOR BOARD ACTION

Agenda Item # (ID # 11400)

Meeting Date: 12/17/2019

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**SUBJECT: Commerical Customer Survey Results**

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**PREPARED BY: Krista Boston**

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ITEM DESCRIPTION:

Dan Quatrocelli, Senior Director of Research from GreatBlue Research, Inc., will join the board via webinar to present the results from the Commercial Focus Groups with our large and medium-sized commercial customers, and Rick Naymark, Vice President from Q Market Research will be in person to present the randomized phone survey with small commercial customers that took place in October and November of 2019.

UTILITY BOARD ACTION REQUESTED:

Information Only

## FOR BOARD ACTION

Agenda Item # (ID # 11373)

Meeting Date: 12/17/2019

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**SUBJECT: SCADA System Upgrade**

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**PREPARED BY: Andrew Bianco**

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ITEM DESCRIPTION:

This project is to upgrade the Open Systems International, Inc.(OSI) Supervisory Control and Data Acquisition (SCADA) software to the next version of the OSI software and replace the SCADA network/server/workstation equipment. This system is used to monitor and control water and electric infrastructure in the field. OSI will be configuring the hardware at their factory, programming firewall settings, and validating software/hardware performance. RPU cannot stay compliant with NERC CIP standard on the old version of the OSI software that uses Windows 2007 and Server R2 operating systems. RPU has until the end of 2020 to complete the project to stay compliant with NERC CIP standards. This project was approved in the RPU 2020 budget.

UTILITY BOARD ACTION REQUESTED:

Approval of a resolution to enter into a agreement with OSI in the amount of \$681,129.00, and authorize the Mayor and City Clerk to execute the agreement.



## STATEMENT OF WORK

### Statement of Work No. 1

This Statement of Work ("SOW") dated \_\_\_\_\_ ("Effective Date"), by and between Open Systems International, Inc. with offices at 4101 Arrowhead Drive, Medina, Minnesota 55340 ("OSI") and City of Rochester Acting on behalf of it's Public Utility Board, with offices at 4000 E. River Road, Rochester, MN 55906. ("Customer"), is subject to the terms and provisions of the Master Services Agreement effective 11/25/19, between Open Systems International, Inc. and Customer.

### Project Overview

The proposed project consists of an OSI **monarch**<sup>™</sup> software upgrade with an infrastructure and hardware migration. This project will be conducted in a single phase, minimizing project risk and delivery time, and providing for the most cost-effective solution to Rochester Public Utilities (RPU).

The intent of the project is to bring the system up to date to the latest release of the OSI software. The goal is, at a minimum, to retain all functionality present in the current RPU systems and take advantage of the enhancements and standard features available with new releases of the OSI software.

General responsibilities and an implementation plan are described below. These descriptions include project activities and responsibilities.

*This Statement of Work is purposed to complement its associated quotation, which includes additional information such as project milestones.*



## STATEMENT OF WORK

# 1. General Scope of Services

## 1.1 OSI General Responsibilities:

OSI will be responsible for the following implementation services:

- **Project Management, Preparation and Planning** – Including preparation planning, OSI will develop a project plan including an overall schedule, will manage OSI resources to ensure timelines and dates are met, provide overall leadership for OSI Upgrade activities. This may include defining project schedules, communication plans, identifying and creating risk lists, management of issues, and status reporting.
- **Design** - OSI engineers will hold internal design, planning and review meetings prior to onsite implementation. Design discussions shall include RPU. RPU will approve all design decisions prior to project execution. OSI will develop and document a design to include physical and logical design of system, system specifications, migration strategy and design, and configuration of all services and features. OSI will be responsible for conversion and testing of RPU's existing databases and displays to the most recent, certified monarch format.
- **Testing** - OSI will create test plans/documentation, submit them to RPU for approval, and conduct testing in accordance to mutually agreed upon procedures. OSI will test all applications during Factory Acceptance Testing (FAT) at OSI's facility with RPU present. OSI will perform Site Acceptance Testing (SAT) onsite with RPU present.
- **Deployment** - OSI will travel to site to perform system installation, configuration and testing.
  - **Training** - OSI will provide onsite operator training (onsite at RPU). This will be conducted in a hands-on fashion by the project engineer assigned to perform the software installation. Separately, **OSI University** training is available if desired. This is shown optionally on the associated quote.
  - **Knowledge Transfer** – OSI will provide RPU system administration staff with the knowledge required to maintain and troubleshoot the system deployment. This knowledge transfer will provide RPU with ability to manage and maintain the system on a “go forward” basis.
    - OSI will assist with cutover. OSI will provide post Implementation Support and Documentation.

## 1.2 RPU Responsibilities:

RPU acknowledges that its timely provision to OSI of facilities, equipment, assistance, cooperation, documents, reviews, complete and accurate information and data from RPU officers, agents, and employees, and suitably configured computer products (collectively, “cooperation”) is essential to the performance of any Services set forth in this SOW. RPU acknowledges that OSI's ability to perform the Services and any financial estimate or schedule or milestone



## STATEMENT OF WORK

commitments related thereto depends upon RPU's cooperation on a timely basis, the additional project scope specifications stated in the section below and RPU fulfillment of the following obligations.

The following are responsibilities and other obligations of the RPU team:

- For security reasons, ICCP VMs are recommended to be located on separate DMZ LANs inside the ESP. It is assumed RPU will take on the security risk of having the ICCP VMs located on the main SCADA LANs.
- Outside of standard FAT procedures, RPU will build new DMZ servers and provide them for additional FAT testing. Additionally, Tripwire Enterprise and Symantec Endpoint Protection will be installed, configured and tested in a combined RPU and OSI effort.
- If selected, OpenDMA Option in associated quotation assumes RPU's Outage Management System supports MultiSpeak 3.0 or 4.1, using the following methods (or a subset thereof):

### Request/Response Methods

PingURL

GetMethods

GetAllSCADAPoints

GetAllSCADAAnalog

GetAllSCADAStatus

GetSCADAAnalogBySCADAPointID

GetSCADAStatusBySCADAPointID

### Publish/Subscribe Methods

AnalogChangedNotificationByPointID

StatusChangedNotificationByPointID

SCADAAnalogChangedNotification

SCADAStatusChangedNotification

SCADAAnalogChangedNotificationByPointID

SCADAStatusChangedNotificationByPointID

- If selected, Option 6 in associated quotation assumes integration and testing activities with the 3rd party OMS will be a RPU task. OSI services are limited to delivery of the OpenDMA interface product, verification of the 3rd party OMS receiving points sent from SCADA, and performing training for RPU to map relevant SCADA points. Additional troubleshooting outside of the quoted installation services can be billed on a time and materials basis.
- RPU is responsible for providing and configuring iLO or iDRAC network.
- RPU will provide all third party hardware, software (such as backup/archival software), licensing and configuration not specifically mentioned in the associated quote.
- If required, quote assumes RPU will handle any custom display and database work, and will test and verify all external links and interfaces.
- RPU will provide high-speed remote access to server and console hardware if needed (VPN, Remote Desktop Connection, etc.). Dial-up modem connections are insufficient.



## STATEMENT OF WORK

- RPU will provide sufficient cabinet space and cabling for new hardware. If RPU is not able to provide this, additional cabinets and/or cables can be quoted separately.
- Any hardware purchased by RPU will be compliant with monarch™.NET minimum requirements as follows:

Server – New Hardware	
Xeon CPU:	Dual Eight-Core HT, 2.1GHz and above.
RAM:	32+GB
OS:	Windows Server 2019, RedHat Enterprise Linux 7

- Project scope changes instigated by RPU (e.g. hardware quoted above being procured by RPU, etc.) may impact the project schedule.
- RPU will conduct Point-to-Point testing as applicable.

### 1.3 Additional Project Scope Specifications

1. OSI acknowledges that its timely notification to RPU in the event office accommodations, facilities, equipment, assistance, cooperation, complete and accurate information and data from RPU officers, agents, and employees, and suitably configured computer products (collectively, “cooperation”) are not adequate, is essential to the performance of any Services set forth in this SOW.
2. OSI will not be responsible for RPU delays and the consequent costs incurred.
3. RPU will not be responsible for OSI delays and the consequent costs incurred.
4. The Services and resulting Deliverables may include advice and recommendations, but RPU agrees that all decisions in connection with the implementation of such advice and recommendations will be the responsibility of, and made by, RPU.
5. Outside of items shown in the associated quotation, OSI is not providing any third party software, tools or equipment or materials to RPU.
6. RPU is responsible to negotiate warranties for any third party software or other products it licenses or acquires.
7. OSI may rely upon any standard operating procedures or practices of RPU and any direction or regulatory or other guidance provided by RPU.
8. RPU is responsible for the identification and interpretation of, and ensuring compliance with, any laws, statutes, rules, regulations and standards applicable to its or its affiliates’ business or operations.
9. OSI is not providing any warranty regarding, and is not liable for, any third party or RPU software, documentation, equipment, tools or other products or materials (even if recommended by OSI).





## STATEMENT OF WORK

### 1.4 Mutual Responsibilities

In support of the Services provided hereunder, both OSI and RPU shall:

1. Assign a primary contact and point of authorization as the project manager. The single points of contact will be responsible for facilitating all communications between both parties and for issue resolution, activity scheduling, interview scheduling, and information collection and dissemination. The timeliness of communications and other activities will directly affect both parties' ability to meet agreed upon schedule deadlines.
2. Be responsible for the performance of its employees and agents, including any contribution they make to the Services (including Deliverables), and for the accuracy and completeness of all data, information and materials provided. Performance is dependent upon timely decisions and approvals in connection with the Services and OSI and RPU are entitled to rely on all decisions and approvals of one another.
3. Acknowledge that its failure or delay to cooperate or furnish items as contemplated under this SOW or in performing its other responsibilities or obligations under this SOW, or a delay caused by any third party vendor providing services or products that impact the Services, will be considered responsibility of the party impacting the Services and an excusable delay or failure of the impacted party to the extent the Services are impeded or delayed.
4. Have resources assigned to the project which must possess knowledge of existing OSI and RPU processes and have the ability and authority to champion those respective business process changes.
5. Ensure that the appropriate staff members attend and participate in the required interviews and reviews and are able to discuss the topics presented.
6. Conduct project review meetings at a mutually agreed upon time and location to discuss the project status, issues, new requirements and overall project satisfaction.
7. Support and provide representation at these meetings, which will cover performance status update, schedule update, pending changes, open issues and action items.
8. Support project issue and tracking resolution, by using the Issue Resolution Form to track and review issues.
9. Coordinate any change to this SOW (whether cost impacting or not) with RPU Project Sponsor, and process them using the Change Request Process.
10. Collaborate to adjust project schedules and re-deploy resources in an expeditious manner in the event of schedule delays that are beyond the control of either party.
11. Meet at the conclusion of this project to bring to closure the project and capture, discuss and resolve any project issues that may have arisen.
12. Keep their respective project managers apprised of business, organizational and technical issues that may have an impact on the performance and delivery of this project.

Attachment: OSI SOW FINAL (11373 : SCADA System Upgrade)



## STATEMENT OF WORK

## 2. System Upgrade Implementation

This section describes the proposed, high-level implementation plan and scope of services for all required system functionality. The required on-site and off-site engineering and implementation services proposed are also described. This project will be approached with a high level of quality control, planning, and testing.

A more detailed implementation plan will be created during the project, which will better define lower-level tasks and associated durations and dates.

### 2.1 Hardware/Software Upgrade Task List

Hold upgrade kick-off meeting to determine upgrade approach

Hardware/IT review of customer infrastructure transition

Order new hardware

Complete software matrix for OSI and third party software

Request and complete as-built list of deliverables as applicable

Determine existing deviations and outstanding support issues

Collect existing system data:

- Real-time database dumps, schemas and sizing information
- rc files
- Calcs
- Custom displays
- Host files
- Shell or batch files
- OpenHIS table schemas (including custom tables)
- License initializer strings

Create IT Plan, User Configuration, IP Hostnames, Open Ports

Determine and document product upgrade plans. This includes the following:

- Real-time database conversion plans



## STATEMENT OF WORK

- Merge rc file
- List customized OSI displays to be updated
- RDBMS data conversions
- Any new configuration files or settings
- Compile Calcs

### IT Implementation

- Receive and install new equipment/infrastructure
- Create VMs on customer-provided hardware
- Perform Operating System install and configuration on VMs

### Determine and document system upgrade plan. Include:

- Review existing deviations
- Script changes, especially `osi_autostart` and `osi_shutdown`
- Cutover plan
- Configuration freeze date(s)

### OSI products implementation

- Install and configure required products
  - Install CHRONUS on Corporate Historian VM
  - Decommission OpenSTLF product
- Perform applicable conversions and database implementation

### Notable architecture changes to be executed:

- ICCP and PDS moved inside ESP
- Separation of CHRONUS from DAC servers onto its own dedicated hardware
- Removal of Corporate Remote User servers

### Early deliver of PDS Server for initial testing and conversion activities

### Factory Acceptance Testing

- Pre-FAT Testing setup & documentation preparation



## STATEMENT OF WORK

- Conduct Pre-FAT Testing activities
- Prepare and submit to RPU FAT testing documentation

### Phase 1:

- 3rd Party Vulnerability Assessment (OSI will focus on items in violation of NERC-CIP approach)

### Phase 2:

- Conduct 1-Week Factory Acceptance Testing with RPU
  - Includes Active Directory Integration Testing
  - Includes Tripwire Testing

Record variances, issue resolution

Testing cleanup, packing and shipping

Site arrival and Site Acceptance Testing preparation; customer to assist with interfacing of external systems

Installation of replacement network and communications equipment

Site Acceptance Testing:

- Site Integration and Testing Preparation
- Prepare and submit SAT testing documentation to RPU
- Conduct 1-Week Site Acceptance Testing with RPU

Record variances, issue resolution

Site testing clean up and commissioning preparation

Conduct onsite operator training on upgraded features

Perform system cutover

Complete customer support documentation

Transition to customer support



## STATEMENT OF WORK

### 3.Change Management

To ensure the success of this engagement, it is critical that RPU and OSI have a clear understanding of project expectations. The parties will utilize the approach outlined below for managing the scope of the project.

RPU or OSI may propose changes to the Services under this SOW, including Deliverables, scope or any other aspect of the engagement. Changes may be appropriate based upon actual experience or as RPU better understands or redefines its requirements. In addition, changes may be necessary if either RPU or OSI do not comply with any of its responsibilities or other obligations under this SOW or in the event of any deviation from any assumption, constraint, dependency or project scope specification contained in this SOW. The change management process for this engagement consists of the following:

- **Change Initiation** – All proposed changes will be forwarded to, or originated by, the OSI project manager and documented. A copy of the proposed change request will be forwarded to the RPU project manager.
- **Change Validation** – Only when the change request is clearly understood can the project team evaluate the impact of the change and determine whether the change can be accommodated. Therefore, the proposed change will be examined and discussed with the RPU contact identified in this SOW.
- **Change Analysis and Impact Analysis** – OSI will prepare a change analysis and impact analysis using the Change Request form. The impact analysis includes a cost and schedule impact to the engagement, if applicable. This will be reviewed with RPU for approval.
- **Change Implementation** – If approved, the change will be noted as “Approved” and will be incorporated into the schedule and managed for progress. If the change is not approved, the change will be noted as “Rejected” and OSI will continue to perform without regard to the proposed change (to the extent practically possible).

Possible outcomes of a change request, as may be documented in the change analysis and/or impact analysis, include the following:

1. Can be accommodated within project resources and timelines;
2. Can be accommodated but will require an extension of the schedule;
3. Can be accommodated within the current schedule, but additional resources or budget will be required;
4. Can be accommodated but additional resources or budget and an extension of the schedule will be required;
5. Cannot be accommodated without a significant change to the project or it is not technically, economically or otherwise feasible.
6. OSI has no obligation with respect to any change requested by RPU until an appropriate written change order or other amendment to this SOW is approved and signed by RPU and OSI.



## STATEMENT OF WORK

### 3.1 Issue Resolution Process

All issues for this engagement will be tracked by OSI utilizing the following process:

- Either party may raise an issue
- All issues will be communicated to and tracked by both the RPU and OSI project managers
- The issues will be electronically tracked in an Issues Log

### 4.0 Pricing and Payment

See attached Quote Number 25579, ROCH2019-Q04-Rev4.

### 5.0 Special Terms

1. SNORT servers are not being replaced and are no longer used.
2. Quoted disk sizing for CHRONUS servers assumes archival of 5,200 monarch analog points and archival of all ROCH's monarch status points. Disk size also assumes a 50% change rate every 2 seconds with 5 years of historical data available online.
3. Critical variances are defined as variances causing significant impact to system operations.
4. For security reasons, ICCP VMs are recommended to be located on separate DMZ LANs inside the ESP. ROCH will take on the security risk of having the ICCP VMs located on the main SCADA LANs.
5. Upon execution of a ROCH-conducted vulnerability assessment, OSI responsibility for mitigation of vulnerabilities is limited to findings that are contrary to NERC CIP compliance.
6. Outside of standard FAT procedures, ROCH will build new DMZ servers and provide them for additional FAT testing. Additionally, Tripwire Enterprise and Symantec Endpoint Protection will be installed, configured, and tested in a combined ROCH and OSI effort.
7. For Option 5, ROCH's Outage Management System must support MultiSpeak 3.0 or 4.1, using the following methods (or a subset thereof):  
Request/Response Methods  
PingURL  
GetMethods  
GetAllSCADAPoints  
GetAllSCADAAnalog  
GetAllSCADAStatus  
GetSCADAAnalogBySCADAPointID  
GetSCADAStatusBySCADAPointID  
Publish/Subscribe Methods  
AnalogChangedNotificationByPointID  
StatusChangedNotificationByPointID  
SCADAAnalogChangedNotification  
SCADAStatusChangedNotification  
SCADAAnalogChangedNotificationByPointID  
SCADAStatusChangedNotificationByPointID
8. For Option 5, integration and testing activities with the third party OMS will be a ROCH task. OSI services are limited to delivery of the OpenDMA interface product, verification of the 3rd party OMS receiving points sent from SCADA, and performing training for ROCH to map relevant SCADA points. Additional troubleshooting outside of the quoted installation services can be billed on a Time and Materials basis.
9. ROCH is responsible for providing and configuring iLO or iDRAC network.
10. ROCH will provide all third-party hardware, software (such as backup/archival software), licensing, and configuration not specifically mentioned in this quote.
11. If required, ROCH will handle any custom display and database work, and will test and verify all external links and interfaces.
12. ROCH must provide high-speed remote access to server and console hardware, if needed (VPN, Remote Desktop Connection, etc.). Dial-up modem connections are insufficient.
13. All quoted hardware is provided with standard OEM warranties.
14. ROCH must provide sufficient cabinet space and cabling for new hardware. If ROCH is not able to provide this, additional cabinets and/or cables can be quoted separately.
15. Any hardware purchased by ROCH must be compliant with monarch.NET minimum requirements as follows:  
Server:  
- Xeon CPU: Dual Eight-Core HT, 2.1GHz and Above  
- RAM: 32+GB





## STATEMENT OF WORK

- OS: Windows Server 2016 or RedHat Enterprise Linux 7
- Workstation:
  - CPU: Single Quad-Core HT ~3.6GHz and Above
  - RAM: 16+GB
  - OS: Windows 10 Pro 64-Bit
  - Video Card: FirePro WX4100 4GB or Better
- 16. Project scope changes instigated by ROCH (e.g. hardware quoted above being procured by ROCH, etc.) may impact the project schedule.
- 17. Quote currently references Microsoft Office Standard (OLP), which does not include Microsoft Access. If Access is required, ROCH can purchase the appropriate licensing.

IT IS SO AGREED TO BY THE PARTIES by and through their duly authorized representatives.

### OPEN SYSTEMS INTERNATIONAL, INC.

BY: \_\_\_\_\_  
(Signature)

NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_

### ROCHESTER PUBLIC UTILITIES

BY: \_\_\_\_\_  
(Signature)

NAME: Mark Kotschevar

TITLE: General Manager

BY: \_\_\_\_\_  
Kim Norton, Mayor

ATTEST: \_\_\_\_\_  
Anissa Hollingshead, City Clerk

APPROVED  
AS TO FORM \_\_\_\_\_  
Jason Loos, City Attorney

Attachment: OSI SOW FINAL (11373 : SCADA System Upgrade)



## RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to approve an agreement with OSI and authorize the Mayor and the City Clerk to execute the agreement for a SCADA System Upgrade in the amount of \$681,129.00

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 17th day of December, 2019.

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President

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Secretary

## FOR BOARD ACTION

Agenda Item # (ID # 11387)

Meeting Date: 12/17/2019

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**SUBJECT: FBA: 2020 Authorized Depositories**

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**PREPARED BY: Peter Hogan**

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ITEM DESCRIPTION:

Each year the Board must pass a resolution authorizing the depositories for Utility monies. The Utility uses the same depositories as the City and follows the investment policies established by the City. The attached resolution shows the depositories to be used by RPU for investment activities for the calendar year 2020.

During 2017, RPU conducted a bidding process for investment of the Bond Debt Service Funds and the unspent proceeds of the Bonds issued on February 15, 2017. The successful bidder was Bayerische Landesbank. Bayerische Landesbank has been added to our authorized depositories resolution for 2020.

UTILITY BOARD ACTION REQUESTED:

The Board is requested to approve the attached resolution.



## RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, that the following banks, authorized to do business in Minnesota, are the designated depositories for the demand deposit accounts and temporary investment of funds of Rochester Public Utilities, City of Rochester, Minnesota, within the limits established by the City of Rochester, for the term commencing January 1, 2020 through the 31<sup>st</sup> day of December, 2020.

US Bank

Wells Fargo

Bayerische Landesbank

The above depositories, and any added during the term by the City Finance Director, shall pay interest at such rates or rates, per annum, as may be mutually agreed upon the Rochester Public Utilities and the respective depository at the time such deposits and investments are made.

The depository shall pay on demand all deposits subject to payment on demand, with accrued interest, and pay on demand all time deposits with accrued interest, at or after maturity.

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 17th day of December, 2019.

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President

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Secretary

## FOR BOARD ACTION

**Agenda Item #** (ID # 11403)

**Meeting Date:** 12/17/2019

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**SUBJECT:** Capacity Sale

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**PREPARED BY:** Jeremy Sutton

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**ITEM DESCRIPTION:**

GT-1 was slated to retire in 2020 as a result of the last resource plan from 2015.

Some significant industry trends along with internal evaluations have moved the position of retiring GT-1.

1. The biggest factor is the MISO interconnect. The value of generation interconnect became very evident during the Westside Energy Station interconnect process. Current rules allow for a replacement asset to use the MISO interconnect for up to three years after the date of retirement.
2. Technology, currently not price competitive, may fit well at the Cascade Creek generation site and become price competitive in out years. This capacity sale will allow this scenario to mature.
3. RPU staff commissioned a study to evaluate the condition of GT-1. The results of the assessment confirmed that a small portion of the proceeds could be used to shore up any deficiencies.
4. Lastly, the market appetite for longer-term capacity at small levels was present. Specifically, The Energy Authority (TEA) notified RPU of interest in capacity purchase.

**Contract Quantity**

**(MW per Month):** 26 MW per Month for Planning Years 2022-2023 through 2031-2032

**Contract**

**Price (\$/kW-Month):**

- \$3.50/kW-Month for Planning Year 2022-2023
- \$3.50/kW-Month for Planning Year 2023-2024
- \$3.50/kW-Month for Planning Year 2024-2025
- \$3.50/kW-Month for Planning Year 2025-2026
- \$3.50/kW-Month for Planning Year 2026-2027
- \$3.50/kW-Month for Planning Year 2027-2028
- \$3.50/kW-Month for Planning Year 2028-2029

## FOR BOARD ACTION

Agenda Item # (ID # 11403)

Meeting Date: 12/17/2019

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\$3.50/kW-Month for Planning Year 2029-2030

\$3.50/kW-Month for Planning Year 2030-2031

\$3.50/kW-Month for Planning Year 2031-2032

Total price \$3.50 X 26,000 kW X 12 month X 10 Years = \$10,920,000

This will not impact the daily operation of GT-1 or current generation levels. RPU will retain full control of energy marketing during the length of the contract.

UTILITY BOARD ACTION REQUESTED:

Approve the sale of 26 MW's of capacity for \$3.50/kW month for Planning years 2022-2023 through 2031-2032 between RPU and The Energy Authority and Missouri Basin Municipal Power Agency.

~~-RPU LETTERHEAD-~~

November [REDACTED], December 17, 2019

*PRIVILEGED AND CONFIDENTIAL*

The Energy Authority, Inc.  
 Mark T. Kinevan  
 VP, Energy Trading and COO  
 301 West Bay Street, Suite 2600  
 Jacksonville, Florida 32202

Missouri Basin Municipal Power Agency  
 d/b/a Missouri River Energy Services  
 Merlin Sawyer  
 Senior Vice President and CFO  
 3724 West Avera Drive  
 Sioux Falls, SD 57108

Re: *Master Power Purchase and Sale Agreement Confirmation Letter for Capacity Sale* dated November [REDACTED], 2019 (the “Confirmation”), between The Energy Authority, Inc. (“TEA”) and City of Rochester, acting by and through its Utility Board (“RPU”), executed under that certain Resource Management Agreement between TEA and RPU dated February 27, 2015, and the form of the Master Power Purchase and Sale Agreement, Version 2.1 (modified 4/25/00), incorporated by reference in, and made part of, the Confirmation (collectively, the “Master Agreement”).

Dear Mark and Merlin:

By this letter agreement (this “Agreement”), TEA, RPU and Missouri Basin Municipal Power Agency d/b/a Missouri River Energy Services (“MRES”) hereby agree as follows:

If, at any time after the date of this Agreement and until the expiration or termination of the above-referenced Confirmation in accordance with its terms, (1) TEA elects to, or is required to, permanently cease operations for any reason, (2) written notice is provided that MRES will no longer be or ceases to be a client of TEA, (3) the Credit Rating (as defined below) of Western Minnesota Municipal Power Agency (“WMMPA”), the financing arm of MRES, is downgraded below either (i) A- as assigned by Fitch Ratings, Ltd. (“Fitch”) or (ii) A3 as assigned by Moody’s Investors Service, Inc. (“Moody’s”), or (4) an Event of Default with respect to TEA has occurred and is continuing under the Master Agreement (any of the four preceding occurrences, a “Final Determination”), then: (a) written notice of such Final Determination shall be delivered by TEA to MRES with respect to a Final Determination referenced in subparagraph (1) above, by TEA or MRES to the other parties with respect to a Final Determination referenced in subparagraph (2) above or by RPU to MRES with respect to a Final Determination referenced in subparagraph (4) above, and (b) written notice of such Final Determination may be delivered by TEA to the other parties with respect to a Final Determination referenced in subparagraph (3) above (each a “Final Determination Notice”). With respect to a Final Determination referenced in subparagraph (4) above, the Final Determination Notice shall include a copy of the written notice delivered by RPU to TEA of an Event of Default under the Master Agreement. For purposes of this Agreement, “Credit Rating” means the lower of the ratings assigned by Fitch or Moody’s to the power supply revenue bonds issued by WMMPA.

Attachment: Letter Agmt (Novation) - TEA-MRES-RPU - Clean - 11.21.19 (11403 : Capacity Sale)



November \_\_, 2019  
Page 2

No later than ten (10) Business Days after receipt of any Final Determination Notice, TEA, RPU and MRES agree to enter into a novation agreement (the “Novation”), substantially in the form of **Attachment A** hereto (the “Novation Agreement”), pursuant to which TEA (as “Transferor”) shall transfer all of its rights and obligations under the Confirmation to MRES (as “Transferee”), with RPU as the “Remaining Party.” Upon the effective date of such Novation Agreement, the Confirmation shall be governed by the Transferee-Remaining Party Master Agreement (as defined in Attachment A) between MRES and RPU. RPU and MRES agree that if on the date of a Final Determination Notice no Transferee-Remaining Party Master Agreement exists between RPU and MRES governing transactions for the purchase and sale of power, they will use all reasonable efforts to promptly negotiate, execute and deliver such agreement in the form of an EEI Master Power Purchase & Sale Agreement or an ISDA Master Agreement with a Power Annex with such modifications as RPU and MRES will in good faith agree no later than the effective date of the Novation Agreement.

No later than ten (10) Business Days after the effective date of such Novation, RPU shall cause the *Guaranty Agreement* issued on November \_\_ 2019, to support TEA’s obligations to RPU under the Confirmation, to be returned to MRES, such Guaranty Agreement thereupon having no further force and effect.

TEA, RPU and MRES acknowledge and agree that (i) capitalized terms used in this Agreement and not otherwise defined herein shall have the meanings specified for such terms in the Master Agreement; (ii) this Agreement will be governed by and construed in accordance with the governing law set forth in the Master Agreement; (iii) this Agreement may only be amended in writing by authorized signatories of each of TEA, RPU and MRES; and (iv) in the event of an inconsistency or conflict between this Agreement and the Master Agreement with respect to the Confirmation, the provisions of this Agreement will control.

TEA, RPU and MRES hereby signify their agreement by signing below, and each represents and warrants to the other that the signatory below has been duly authorized to execute this Agreement.

Very truly yours,

\_\_\_\_\_

City of Rochester, acting by and through its Public Utility Board

Name: \_\_\_\_\_  
Mark Kotschevar

Title: \_\_\_\_\_  
General Manager, RPU

**City of Rochester**

By: \_\_\_\_\_  
Kim Norton, Mayor

By: \_\_\_\_\_  
Anissa Hollingshead, City Clerk

Approved  
As to Form: \_\_\_\_\_  
Jason Loos, City Attorney

Attachment: Letter Agmt (Novation) - TEA-MRES-RPU - Clean - 11.21.19 (11403 : Capacity Sale)

**Agreed and Accepted:**

The Energy Authority, Inc.

By: \_\_\_\_\_  
Name: Joanie C. Teofilo  
Title: President and CEO

Missouri Basin Municipal Power Agency d/b/a Missouri River Energy Services

By: \_\_\_\_\_  
Name: Merlin Sawyer  
Title: Senior Vice President and CFO

**ATTACHMENT A**  
**FORM OF**  
**NOVATION AGREEMENT**

dated as of \_\_\_\_\_ among:

The Energy Authority, Inc. (the "**Transferor**"), City of Rochester, acting by and through its Utility Board (the "**Remaining Party**")

and

Missouri Basin Municipal Power Agency d/b/a Missouri River Energy Services (the "**Transferee**").

The Transferor and the Remaining Party have entered into a transaction (the "**Existing Transaction**"), as evidenced by a confirmation (the "**Existing Confirmation**") identified in Annex I, subject to the Master Agreement.

The Remaining Party and the Transferee [are][will become] parties to a master agreement (the "**Transferee-Remaining Party Master Agreement**") [dated as of \_\_\_\_\_][prior to the Novation Date (as defined herein)], as the same may be amended, restated or superseded by the Remaining Party and Transferee after the date of the Transferee-Remaining Party Master Agreement].

The Transferee, Transferor and Remaining Party have agreed in the letter agreement dated November \_\_, 2019, to enter into a novation of the Existing Transaction and Existing Confirmation.

With effect from and including \_\_\_\_\_, \_\_\_\_\_ (the "**Novation Date**") the Transferor hereby transfers by novation to the Transferee, and the Transferee hereby accepts the transfer by novation of, all the rights, liabilities, duties and obligations of the Transferor under and in respect of the Existing Transaction, with the effect that the Remaining Party and the Transferee enter into a new transaction (the "**New Transaction**") between them under the Transferee-Remaining Party Master Agreement, having commercial terms identical to those of the Existing Transaction, as more particularly described below.

The Remaining Party hereby accepts the Transferee as its sole counterparty with respect to the New Transaction.

The Transferor and the Remaining Party wish to have released and discharged, as a result and to the extent of the transfer described above, its respective obligations under and in respect of the Existing Transaction.

Accordingly, the parties agree as follows:

**1. Transfer, Release, Discharge and Undertakings.**

With effect from and including the Novation Date and in consideration of the mutual representations, warranties and covenants contained in this Novation Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the parties:

- (a) the Remaining Party and the Transferor are each released and discharged from further obligations to each other with respect to the Existing Transaction and their respective rights against each other thereunder are cancelled; provided that such release and discharge shall not affect any rights, liabilities or obligations of the Remaining Party or the Transferor with respect to payments or other obligations due and payable for any performance under the Existing Transaction prior to the Novation Date or due to be performed on or prior to the Novation Date, and all such payments and obligations shall be paid or performed by the Remaining Party or the Transferor in accordance with the terms of the Existing Transaction;
- (b) in respect of the New Transaction, the Remaining Party and the Transferee each undertake liabilities and obligations towards the other and acquire rights against each other identical in their terms to the

Existing Transaction (and, for the avoidance of doubt, as if the Transferee were the Transferor and with the Remaining Party remaining the Remaining Party, save for any rights, liabilities or obligations of the Remaining Party or the Transferor with respect to payments or other obligations due and payable for any performance under the Existing Transaction prior to the Novation Date or due to be performed on or prior to the Novation Date); and

- (c) the New Transaction shall be governed by and form part of the Transferee-Remaining Party Master Agreement, as amended, restated or superseded, as of the Novation Date.

## **2. Representations and Warranties.**

Each of the Transferor and the Remaining Party represents and warrants to each other and to the Transferee that:

- (A) it has made no prior transfer of any interest or obligation in respect of any Existing Transaction; and
- (B) as of the Novation Date, all obligations of the Transferor and the Remaining Party under the Existing Transaction required to be performed on or before the Novation Date have been fulfilled.

## **3. Counterparts.**

This Novation Agreement (and each amendment, modification and waiver in respect of it) may be executed and delivered in counterparts (including by facsimile transmission or email of a PDF copy), each of which will be deemed an original.

## **4. Costs and Expenses.**

The parties will each pay their own costs and expenses (including legal fees) incurred in connection with this Novation Agreement and as a result of the negotiation, preparation and execution of this Novation Agreement.

## **5. Amendments.**

No amendment, modification or waiver in respect of this Novation Agreement will be effective unless in writing (including a writing evidenced by a facsimile transmission or email of a PDF copy) and executed by each of the parties or confirmed by an exchange of facsimile transmissions or electronic messages on an electronic messaging system.

## **6. Governing Law.**

This Novation Agreement will be governed by and construed in accordance with the laws of the State of South Dakota, without reference to the conflict of laws provisions thereof.

*[signature page of Novation Agreement follows]*

November \_\_, 2019  
Page 2

IN WITNESS WHEREOF the parties have executed this Novation Agreement on the respective dates specified below with effect from and including the Novation Date.

The Energy Authority, Inc.  
(Transferor)

City of Rochester, acting by and through its Utility Board  
(Remaining Party)

By: .....  
Name:  
Title:  
Date:

By: .....  
Name:  
Title:  
Date:

Missouri Basin Municipal Power Agency d/b/a Missouri River Energy Services  
(Transferee)

By: .....  
Name:  
Title:  
Date:

Attachment: Letter Agmt (Novation) - TEA-MRES-RPU - Clean - 11.21.19 (11403 : Capacity Sale)

**ANNEX I TO NOVATION AGREEMENT**Existing Confirmation/Existing Transaction:

*Master Power Purchase and Sale Agreement Confirmation Letter for Capacity Sale* dated November [REDACTED], 2019.

Attachment: Letter Agmt (Novation) - TEA-MRES-RPU - Clean - 11.21.19 (11403 : Capacity Sale)

~~November~~ December 17, 2019

The Energy Authority, Inc.  
 Mark T. Kinevan  
 VP, Energy Trading and COO  
 301 West Bay Street, Suite 2600  
 Jacksonville, Florida 32202

Re: Indemnity Letter for MRES Transaction (the “Indemnity Letter”)

Dear Mark:

This Indemnity Letter shall constitute our written direction to you under the Resource Management Agreement dated February 27, 2015 (the “RMA”) between the City of Rochester, acting by and through its Public Utility Board (“RPU”) and The Energy Authority, Inc. (“TEA”), to enter into that certain transaction (the “Transaction”) evidenced by the *Master Power Purchase and Sale Agreement Confirmation Letter for Capacity Sale* dated as of ~~November~~ December 17, 2019 (the “Confirmation Letter”), such Confirmation Letter executed by and between TEA and Missouri Basin Municipal Power Agency d/b/a Missouri River Energy Services (“MRES”) for the aggregate quantity, price and during the term described in the Confirmation Letter, which Confirmation Letter is made under the *Resource Management Agreement* between the Parties dated February 1, 2017, and the form of the *Master Power Purchase & Sale Agreement, Version 2.1 (modified 4/25/00)* incorporated by reference therein.

RPU hereby indemnifies and holds harmless TEA for any loss, cost or expense (including attorney’s fees) incurred by it by reason of the Transaction, except in the event such loss, cost or expense is caused by the ~~gross except for the~~ negligence or willful misconduct of TEA.

Except as otherwise provided above, RPU’s agreement to so indemnify and hold TEA harmless is further intended to benefit the Members of TEA such that such Members shall not incur any loss, cost or expense related to the Transaction by reason of payment by any of such Members under TEA’s guaranty facility provided by the Members or any similar credit facility. Such facility shall not be used for this Transaction.

RPU represents and warrants as follows:

- (a) It is a municipal corporation created under the laws of the State of Minnesota and existing under the intergovernmental cooperation statutes of the States of Iowa, Minnesota, North Dakota and South Dakota;
- (b) The execution, delivery and performance of this writing have been and remain duly authorized by all necessary governmental and board action and do not contravene any provision of RPU’s organizational or governing documents or any law, regulation or contractual restriction binding on it or its assets;



- (c) No authorization, approval, consent or order of, or registration or filing with, any court or other governmental body having jurisdiction over RPU is required on the part of RPU for the execution and delivery of this writing, other than those which have been obtained; and
- (d) This writing constitutes a valid, legally binding, and enforceable agreement of RPU, except as the enforceability of this writing may be limited by the effect of any applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally and by general principles of equity.

The indemnification obligations set forth in this Letter supplement the obligations set forth in Sections 8 and 9 of the RMA. In the event of an inconsistency or conflict between this Indemnity Letter and the RMA with respect to indemnification provisions for the Transaction, the indemnification provisions of this Indemnity Letter shall control with respect to the Transaction.

Very truly yours,

**City of Rochester, acting by and through its Public Utility Board**

By: \_\_\_\_\_

Name: Mark Kotschevar

Title: General Manager, RPU

**City of Rochester**

By: \_\_\_\_\_

Kim Norton, Mayor

By: \_\_\_\_\_

Anissa Hollingshead, City Clerk

Approved

As to Form: \_\_\_\_\_

Jason Loos, City Attorney

Attachment: Indemnity Letter - RPU to TEA (MRES Txn) - Clean - 11.21.19 (11403 : Capacity Sale)



Deal No. \_\_\_\_\_

Confirm No. \_\_\_\_\_

Trade Date: ~~November~~ **December 17**, 2019

Missouri River Energy Services

Attn: Confirmation Department

## MASTER POWER PURCHASE AND SALE AGREEMENT CONFIRMATION LETTER FOR CAPACITY SALE

This confirmation letter ("Confirmation") shall confirm the transaction agreed to on ~~November~~ **December 17**, 2019 ("Trade Date"), between **Missouri Basin Municipal Power Agency d/b/a Missouri River Energy Services** ("Buyer" or "MRES") and **The Energy Authority, Inc.** ("Seller" or "TEA"), MRES and TEA individually, a "Party" and collectively, the "Parties", regarding the sale/purchase of the Product under the following terms and conditions ("Transaction"):

**Seller:** TEA

**Buyer:** MRES

**Product:** Capacity (Firm)  
**Zone 1 - Zonal Resource Credits ("ZRCs")**, as defined in the MISO Documents.

For the avoidance of doubt, one ZRC shall represent one megawatt ("MW") of Unforced Capacity ("Capacity"), as defined in the MISO Documents.

"MISO Documents" means the MidContinent Independent System Operator, Inc.'s ("MISO") (i) Open Access Transmission, Energy and Operating Reserve Markets Tariff ("ASM Tariff") on file with the Federal Energy Regulatory Commission, as may be amended from time to time; and (ii) the MISO Business Practice Manuals, as the same may be amended from time to time. In the event of any inconsistency in the MISO Documents, the ASM Tariff shall prevail.

**Term:** June 1, 2022 through and including May 31, 2032 (each June-May period, a "Planning Year").

**Contract Quantity**  
**(MW per Month):** 26 MW per Month for Planning Year 2022-2023 through 2031-2032

**Contract**

**Price (\$/kW-Month):** \$3.50/kW-Month for Planning Year 2022-2023  
\$3.50/kW-Month for Planning Year 2023-2024  
\$3.50/kW-Month for Planning Year 2024-2025  
\$3.50/kW-Month for Planning Year 2025-2026  
\$3.50/kW-Month for Planning Year 2026-2027  
\$3.50/kW-Month for Planning Year 2027-2028  
\$3.50/kW-Month for Planning Year 2028-2029  
\$3.50/kW-Month for Planning Year 2029-2030  
\$3.50/kW-Month for Planning Year 2030-2031  
\$3.50/kW-Month for Planning Year 2031-2032

Attachment: Confirm (RPU Txn) - TEA-MRES - Clean - 11.25.19 (11403 : Capacity Sale)

**Delivery and Receipt:**

Seller shall electronically deliver or cause to be delivered the Contract Quantity to Buyer by submitting the appropriate transaction(s) in MISO's Module E capacity tracking system, or any successor system ("MECT"). Buyer shall confirm the appropriate transaction(s) submitted by Seller in the MECT. Seller shall electronically deliver or cause to be delivered to Buyer the Contract Quantity for all months in the applicable Planning Year (Seller shall effect "Annual Delivery") at least ten (10) Business Days prior to the date on which the Planning Resource Auction (as defined in the MISO Documents) offer window is closed for the Planning Year (the "Transfer Deadline").

**Payment Terms:**

The Parties agree that the payment schedule for the Contract Quantity designated and confirmed hereunder shall be governed by the terms and conditions of the RMA (as defined herein).

**Failure to Deliver and/or Receive:**

In the event that Seller fails to deliver all or a portion of the Contract Quantity for all months in a Planning Year, or Buyer fails to receive all or portion of the Contract Quantity for all months in a Planning Year, by the Transfer Deadline (such undelivered or unreceived Capacity, the "Deficient Capacity"), the following payment shall apply with respect to such Deficient Capacity ("Non-Performance Payment"):

The Contract Price *minus* the Replacement Price *times* 1000 *times* the Deficient Capacity.

With respect to both Parties, "Replacement Price" means, for each Planning Year, (i) the Local Resource Zone 1 Auction Clearing Price, stated in \$/kW-Month; or, (ii) if Seller/Buyer is unable to sell/purchase Capacity to replace the Deficient Capacity at the Local Resource Zone 1 Auction Clearing Price, the price, stated in \$/kW-Month, that Seller/Buyer, acting in a commercially reasonable manner, is able to ascertain from other *bona fide* third-party offers to buy/sell Local Resource Zone 1 ZRCs in an amount equal to the Deficient Capacity. Notwithstanding any other provision herein, neither Party shall be required to enter into a replacement transaction(s) in order to determine Replacement Price.

If the Non-Performance Payment is positive, Buyer shall pay Seller the Non-Performance Payment. If the Non-Performance Payment is negative, Seller shall pay Buyer the absolute value of the Non-Performance Payment.

The Parties acknowledge and agree that the remedies set forth herein regarding failures to deliver and receive shall supersede and replace the remedies set forth in the Master Agreement with respect to this Transaction only.

**MISO Rules:**

If, after the Trade Date, there occurs a change in any rule, requirement or term in any MISO Document ("MISO Rule"), and such change results in the elimination of, or otherwise has a material adverse effect on, a material right or obligation of a Party and is not otherwise accommodated under the terms of this Confirmation, then the Parties shall negotiate in good faith in an attempt to amend this

Transaction to accommodate such change in such MISO Rule(s). Any such amendment shall reflect, as closely as possible, the intent and substance of the economic bargain reached by the Parties prior to such change. The Parties acknowledge and agree that a change in the MISO Rules from an annual capacity construct to a seasonal capacity construct will not eliminate or have a material adverse effect on any material rights or obligations of the Parties under this Confirmation. For clarity, the sum of the Contract Quantities for any Planning Year as set forth above under Contract Quantity shall not be pro-rated or otherwise adjusted, and the Contract Price shall not be adjusted, upon implementation of a seasonal capacity construct.

The Parties acknowledge and agree that their respective obligations hereunder shall remain unaffected should the resource adequacy obligation imposed on load serving entities within the MISO footprint be terminated or suspended at any time after the Trade Date.

**Contract and  
Inconsistency:**

The Parties agree that this Confirmation is being made pursuant to the Resource Management Agreement (“RMA”) between the Parties dated February 1, 2017, and the form of the Master Power Purchase & Sale Agreement, Version 2.1 (modified 4/25/00) (the “Master Agreement”), which is incorporated by reference in, and made part of, this Confirmation as if set forth in full in this Confirmation. Terms used but not defined herein shall have the meanings ascribed to them in the Master Agreement or in the MISO Documents, as applicable. In the event of any inconsistency between the provisions of the Master Agreement and the RMA, the RMA will prevail. In the event of any inconsistency between the provisions of this Confirmation and the RMA or the Master Agreement, this Confirmation will prevail for the purpose of the relevant Transaction.

**Special Conditions:**

To the extent that credit support is needed with respect to TEA’s obligations under this Confirmation, such support shall be provided to Buyer by the **City of Rochester, acting by and through its Public Utility Board (“RPU”)**.

For the purpose of calculating Exposure, the Current Mark-to-Market Value for this Transaction is deemed to be zero. Solely for the purposes of calculating the Collateral Requirement due from Buyer to Seller under the Master Agreement, Seller's "Exposure" solely under this Transaction shall be deemed to be zero on all Calculation Dates. Solely for the purpose of calculating the Collateral Requirement due from Seller to Buyer under the Master Agreement, Buyer’s "Exposure" solely under this Transaction shall be deemed to be zero on all Calculation Dates.

*[Remainder of page intentionally left blank.]*

Attachment: Confirm (RPU Txn) - TEA-MRES - Clean - 11.25.19 (11403 : Capacity Sale)

Please acknowledge your acceptance of these terms and conditions by having the appropriate, authorized representative in your organization sign below and return this to TEA via facsimile to (904) 634-0425. If these terms are contrary to your understanding, please notify TEA immediately as failure to notify TEA within 2 Business Days constitutes your acceptance of the transaction as described above. Please note that verbal agreements regarding transactions are binding. The parties agree that telephonic conversations may be recorded and such recordings are proof of verbal agreements. The recordings are admissible as evidence in the event of a dispute.

**The Energy Authority, Inc.**

**Missouri Basin Municipal Power Agency d/b/a  
Missouri River Energy Services**

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: Vice President, Trading and COO

Title: \_\_\_\_\_

Phone No. (904) 360-1459

Phone No. \_\_\_\_\_

Fax: (904) 634-0425

Fax: \_\_\_\_\_

Email: [riskconfirms@teainc.org](mailto:riskconfirms@teainc.org)

Acknowledged and accepted as of the date first above written.

**City of Rochester, acting by and through its  
Public Utility Board**

Name: \_\_\_\_\_

Mark Kotschevar

Title: \_\_\_\_\_

General Manager, RPU

Phone No. \_\_\_\_\_

Fax: \_\_\_\_\_

**City of Rochester**

By: \_\_\_\_\_

Kim Norton, Mayor

By: \_\_\_\_\_

Anissa Hollingshead, City Clerk

Approved

As to Form: \_\_\_\_\_

Jason Loos, City Attorney

Attachment: Confirm (RPU Txn) - TEA-MRES - Clean - 11.25.19 (11403 : Capacity Sale)



Deal No. \_\_\_\_\_  
 Confirm No. \_\_\_\_\_  
 Trade Date: ~~November~~ **December 17**, 2019  
 City of Rochester  
 Attn: Confirmation Department

## MASTER POWER PURCHASE AND SALE AGREEMENT CONFIRMATION LETTER FOR CAPACITY SALE

This confirmation letter ("Confirmation") shall confirm the terms of the transaction agreed to on ~~November~~ **December 17, 2019** ("Trade Date"), between the **City of Rochester, acting by and through its Public Utility Board** ("Seller" or "RPU") and **The Energy Authority, Inc.** ("Buyer" or "TEA"), RPU and TEA individually, a "Party" and collectively, the "Parties", regarding the sale/purchase of the Product under the following terms and conditions ("Transaction"):

**Seller:** RPU

**Buyer:** TEA

**Product:** Capacity (Firm)  
 Zone1 - Zonal Resource Credits ("ZRCs"), as defined in the MISO Documents.

For the avoidance of doubt, one ZRC shall represent one megawatt ("MW") of Unforced Capacity ("Capacity"), as defined in the MISO Documents.

"MISO Documents" means the MidContinent Independent System Operator, Inc.'s ("MISO") (i) Open Access Transmission, Energy and Operating Reserve Markets Tariff ("ASM Tariff") on file with the Federal Energy Regulatory Commission, as may be amended from time to time; and (ii) the MISO Business Practice Manuals, as the same may be amended from time to time. In the event of any inconsistency in the MISO Documents, the ASM Tariff shall prevail.

**Term:** June 1, 2022 through and including May 31, 2032 (each June-May period, a "Planning Year").

**Contract Quantity**  
**(MW per Month):** 26 MW per Month for Planning Years 2022-2023 through 2031-2032

### Contract

**Price (\$/kW-Month):** \$3.50/kW-Month for Planning Year 2022-2023  
 \$3.50/kW-Month for Planning Year 2023-2024  
 \$3.50/kW-Month for Planning Year 2024-2025  
 \$3.50/kW-Month for Planning Year 2025-2026  
 \$3.50/kW-Month for Planning Year 2026-2027  
 \$3.50/kW-Month for Planning Year 2027-2028  
 \$3.50/kW-Month for Planning Year 2028-2029  
 \$3.50/kW-Month for Planning Year 2029-2030  
 \$3.50/kW-Month for Planning Year 2030-2031  
 \$3.50/kW-Month for Planning Year 2031-2032

Attachment: Confirm (MRES Txn) - TEA-RPU - Clean - 11.25.19 (11403 : Capacity Sale)

**Delivery and Receipt:**

Seller shall electronically deliver or cause to be delivered the Contract Quantity to Buyer by submitting the appropriate transaction(s) in MISO's Module E capacity tracking system, or any successor system ("MECT"). Buyer shall confirm the appropriate transaction(s) submitted by Seller in the MECT. Seller shall electronically deliver or cause to be delivered to Buyer the Contract Quantity for all months in the applicable Planning Year (Seller shall effect "Annual Delivery") at least ten (10) Business Days prior to the date on which the Planning Resource Auction (as defined in the MISO Documents) offer window is closed for the Planning Year (the "Transfer Deadline").

**Payment Terms:**

The Parties agree that the payment schedule for the Contract Quantity designated and confirmed hereunder shall be governed by the terms and conditions of the RMA (as defined herein).

**Failure to Deliver and/or Receive:**

In the event that Seller fails to deliver all or a portion of the Contract Quantity for all months in a Planning Year, or Buyer fails to receive all or a portion of the Contract Quantity for all months in a Planning Year, by the Transfer Deadline (such undelivered or unreceived Capacity, the "Deficient Capacity"), the following payment shall apply with respect to such Deficient Capacity ("Non-Performance Payment"):

The Contract Price *minus* the Replacement Price *times* 1,000 *times* the Deficient Capacity.

With respect to both Parties, "Replacement Price" means, for each Planning Year, (i) the Local Resource Zone 1 Auction Clearing Price, stated in \$/kW-Month; or, (ii) if Seller/Buyer is unable to sell/purchase Capacity to replace the Deficient Capacity at the Local Resource Zone 1 Auction Clearing Price, the price, stated in \$/kW-Month, that Seller/Buyer, acting in a commercially reasonable manner, is able to ascertain from other *bona fide* third-party offers to buy/sell Local Resource Zone 1 ZRCs in an amount equal to the Deficient Capacity. Notwithstanding any other provision herein, neither Party shall be required to enter into a replacement transaction(s) in order to determine Replacement Price.

If the Non-Performance Payment is positive, Buyer shall pay Seller the Non-Performance Payment. If the Non-Performance Payment is negative, Seller shall pay Buyer the absolute value of the Non-Performance Payment.

The Parties acknowledge and agree that the remedies set forth herein regarding failures to deliver and receive shall supersede and replace the remedies set forth in the Master Agreement with respect to this Transaction only.

**MISO Rules:**

If, after the Trade Date, there occurs a change in any rule, requirement or term in any MISO Document ("MISO Rule"), and such change results in the elimination of, or otherwise has a material adverse effect on, a material right or obligation of a Party and is not otherwise accommodated under the terms of this Confirmation, then the Parties shall negotiate in good faith in an attempt to amend this



Transaction to accommodate such change in such MISO Rule(s). Any such amendment shall reflect, as closely as possible, the intent and substance of the economic bargain reached by the Parties prior to such change. The Parties acknowledge and agree that a change in the MISO Rules from an annual capacity construct to a seasonal capacity construct will not eliminate or have a material adverse effect on any material rights or obligations of the Parties under this Confirmation. For clarity, the sum of the Contract Quantities for any Planning Year as set forth above under Contract Quantity shall not be pro-rated or otherwise adjusted, and the Contract Price shall not be adjusted, upon implementation of a seasonal capacity construct.

The Parties acknowledge and agree that their respective obligations hereunder shall remain unaffected should the resource adequacy obligation imposed on load serving entities within the MISO footprint be terminated or suspended at any time after the Trade Date.

**Contract and  
Inconsistency:**

The Parties agree that this Confirmation is being made pursuant to the Resource Management Agreement (“RMA”) between the Parties dated February 27, 2015, and the form of the Master Power Purchase & Sale Agreement, Version 2.1 (modified 4/25/00) (the “Master Agreement”), which is incorporated by reference in, and made part of, this Confirmation as if set forth in full in this Confirmation. Terms used but not defined herein shall have the meanings ascribed to them in the Master Agreement or in the MISO Documents, as applicable. In the event of any inconsistency between the provisions of the Master Agreement and the RMA, the RMA will prevail. In the event of any inconsistency between the provisions of this Confirmation and the RMA or the Master Agreement, this Confirmation will prevail for the purpose of the relevant Transaction.

**Special Conditions:**

To the extent that credit and payment obligations support is needed with respect to TEA’s obligations under this Confirmation, such support shall be provided to Seller by **Missouri Basin Municipal Power Agency d/b/a Missouri River Energy Services (“MRES”)**.

For the purpose of calculating Exposure, the Current Mark-to-Market Value for this Transaction is deemed to be zero. Solely for the purpose of calculating the Collateral Requirement due from Buyer to Seller under the Master Agreement, Seller's "Exposure" solely under this Transaction shall be deemed to be zero on all Calculation Dates. Solely for the purpose of calculating the Collateral Requirement due from Seller to Buyer under the Master Agreement, Buyer’s "Exposure" solely under this Transaction shall be deemed to be zero on all Calculation Dates.

*[Remainder of page intentionally left blank.]*

Attachment: Confirm (MRES Txn) - TEA-RPU - Clean - 11.25.19 (11403 : Capacity Sale)

Please acknowledge your acceptance of these terms and conditions by having the appropriate, authorized representative in your organization sign below and return this to TEA via facsimile to (904) 634-0425. If these terms are contrary to your understanding, please notify TEA immediately as failure to notify TEA within 2 Business Days constitutes your acceptance of the Transaction as described above. Please note that verbal agreements regarding transactions are binding. The Parties agree that telephonic conversations may be recorded and such recordings are proof of verbal agreements. The recordings are admissible as evidence in the event of a dispute.

**The Energy Authority, Inc.**
**City of Rochester, acting by and through its  
Public Utility Board**

Name: \_\_\_\_\_

Name: \_\_\_\_\_  
Mark Kotschevar

Title: Vice President, Trading and COO  
Phone No. (904) 360-1459  
Fax: (904) 634-0425  
Email: [riskconfirms@teainc.org](mailto:riskconfirms@teainc.org)

Title: General Manager, RPU  
Phone No.  
Fax:

**City of Rochester**

By: \_\_\_\_\_  
Kim Norton, Mayor

By: \_\_\_\_\_  
Anissa Hollingshead, City Clerk

Acknowledged and accepted as of the  
date first above written.

Approved  
As to Form: \_\_\_\_\_  
Jason Loos, City Attorney

**Missouri Basin Municipal Power  
Agency d/b/a Missouri River  
Energy Services**

Name: \_\_\_\_\_

Title: \_\_\_\_\_

\_\_\_\_\_  
Phone No.  
Fax:

Attachment: Confirm (MRES Txn) - TEA-RPU - Clean - 11.25.19 (11403 : Capacity Sale)



## RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to approve the sale of 26 MW's of capacity for \$3.50/kW month for planning years 2022-2023 through 2031-2032 between RPU and The Energy Authority and Missouri Basin Municipal Power Agency.

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 17th day of December, 2019.

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President

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Secretary

## FOR BOARD ACTION

Agenda Item # (ID # 11407)

Meeting Date: 12/17/2019

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**SUBJECT: Solar Purchase Power Agreement**

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**PREPARED BY: Mark Kotschevar**

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ITEM DESCRIPTION:

The Board approved a solar purchase power agreement with Rochester Solar, LLC, c/o Geronimo Energy at the November meeting. Subsequent to that approval and prior to Council approval, we received an updated offer from SolarStone Development, LLC (SolarStone) and EDF Renewables Distributed Solutions (EDFR), the second finalist in our RFP process. I requested the final Council approval of the agreement with Rochester Solar, LLC action item be pulled from the December 2, 2019 agenda, based on the verbal offer resulting in a material price difference worthy of further consideration. Since that time, we have been in discussions with both Geronimo and SolarStone/EDFR to arrive at an agreement that provides the best value for the residents of Rochester. Those discussions have resulted in staff recommending we move forward on finalizing a new agreement with SolarStone/EDFR which contemplates a PPA price of \$58.45/MWh. This is substantially better than the previously approved agreement with Rochester Solar, LLC at \$71.50/MWh. In order to safe harbor this project and take full advantage of the 30% investment tax credit, SolarStone is seeking Board approval, before the end of the year, of a term sheet which outlines the substantive terms and conditions of the proposal. They are also comfortable with only needing Board approval before year end in committing to the proposed pricing. SolarStone/EDFR, staff, and the City Attorney are currently finalizing the provisions of the term sheet and the final version will be available at the meeting. This term sheet will be used as the basis for drafting a more detailed purchased power agreement for Board and Council approval in January/February. Staff and a representative from SolarStone/EDFR will be ready to discuss the details of the project at the meeting

UTILITY BOARD ACTION REQUESTED:

Approve the term sheet for a 10MW solar installation and direct staff to prepare a purchase power agreement with SolarStone/EDFR for approval by the Board and City Council.



## RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to approve the Rochester Public Utilities Term Sheet with SolarStone Developmet. LLC and EDF Renewables Distributed Solutions.

BE IT FURTHER RESOLVED to prepare a final Purchase Power Agreement based on the term sheet to be approved in the future.

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 17th day of December, 2019.

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President

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Secretary

## FOR BOARD ACTION

Agenda Item # (ID # 11401)

Meeting Date: 12/17/2019

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**SUBJECT: Billing, Credit and Collections Policy**

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**PREPARED BY: Krista Boston**

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**ITEM DESCRIPTION:**

The Billing, Credit and Collections Policy is intended to protect the rights of all our customers. RPU is committed to customer service; however, our customers have the responsibility to pay for services received. The board recently received a letter from a commercial customer about the calculation of the deposits in accordance with the policy. Before the launch of Cayenta, the deposits were being calculated based on how the prior tool (SAP) functioned. With the launch of Cayenta, the policy calculations were aligned with the 2017 policy for the first time and - as a result - some residential deposits were quite large in the past month. All-electric heat apartments were impacted due to the cost of electric heat during the Polar Vortex cold months of 2019. The impacts of this new approach to calculating deposits were immediately seen day one when a customer was asked to put a deposit of \$960 down to move into a new apartment.

For example, one new customer would have had a deposit of \$490 as calculated in SAP (using a 12 month average of their bill) but in Cayenta, by using an average of the two highest months, the required deposit is \$905.

Staff pulled a few samples from apartment dwellings that could be impacted, and the increase in deposits ranged from 35% to a 143% increase, with one reaching a high of 253%. However, its important to note that most fell into the 50% range.

The deposit policy revisions of 2017 do address the financial risks to the utility, since deposits are required of people with lower credit scores. It also ensures that risk is not transferred between customer classes. But the outcome of the 2017 deposit policy revisions - as demonstrated in the new calculation - also has the potential to penalize one customer for a prior customer's energy use, especially if they were not thinking about conservation. It potentially puts disincentives in place for customers who need affordable housing to move into all-electric heat buildings. That means long-term it has the potential to be a negative incentive, impacting the electrification interests of the utility and city.

In addition, being that the policy was not fully implemented due to limitations with the software, deposits were being collected using the old calculation since 2008. Therefore, Customer Relations and Finance are recommending adopting language in the policy that reverts to the prior method of calculating the deposit.

The recommendation is to make a minor modification the existing policy to align with how deposits have been being calculated since 2008.

The attached deposit policy language in the Depostis section of the policy will revise the calculation approach from using the two highest month's bills from the previous 12 months to using a 12 month average:

## FOR BOARD ACTION

Agenda Item # (ID # 11401)

Meeting Date: 12/17/2019

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"The Deposit will be calculated using two times the average month's bill ~~the two highest month's bills~~ from the previous 12 months at the service address if this is representative of the anticipated future use.\*\* If the service has been vacant, usage from previous years may be used to calculate the Deposit amount. If a prior history is not available for the service, a Deposit will be based on anticipated use or use of a like type of Customer."

Staff recommends that the other elements of the policy remain the same for now. Cayenta offers a new view of the impact of the policy changes on the customers which has brought this issue to light. However, at this time, no additional changes are being recommended as the system becomes stable and more information is collected about RPU customer experience and impact.

### UTILITY BOARD ACTION REQUESTED:

Staff recommends the board approve the amended Billing, Credit and Collections policy.



## ROCHESTER PUBLIC UTILITIES BOARD POLICY STATEMENT

### **POLICY SUBJECT**

Billing, Credit, and Collections

### **POLICY OBJECTIVE**

To protect the rights of all our customers, the following policies have been established for the billing, credit and collection of reliable electric and water services provided by Rochester Public Utilities (RPU), as well as any billings on behalf of the City or any other City departments.

### **BILLING**

Monthly bills are issued for the following utility services; electric, water, and/or any billings on behalf of the City or other City Departments. Each utility meter is read on or near the same day each month so that approximately 28-30 days of usage is recorded. Bills are created, on average, within four (4) working days of the meter being read. The date the bill is created is known as the Billing Date. Customers have the option of receiving their bill via the US Postal service or electronically.

All utility charges for the services RPU provides are calculated in accordance with the *Rate Schedule* approved by the RPU Board of Directors and Rochester City Council. All utility charges for the services Rochester Public Works provides are calculated in accordance with City Ordinances that have been approved by the Rochester City Council. Additional charges such as the Disconnection or Meter Tampering fees are included in the *Miscellaneous Fees Schedule*.

### ***FINAL BILL***

It is the Customer's responsibility to notify RPU at least three business days prior to the date of final service. A forwarding address must be provided. On the first business day or after the date specified by the Customer, a reading will be made and a final bill will be calculated.

### ***MISCELLANEOUS BILL***

A Miscellaneous billing may include charges for materials, vendor-provided services, RPU labor and equipment, and related overhead charges for service work, customer contributions in aid of capital construction, and/or the costs to repair damage to utility property. Miscellaneous charges will be added to a Customer's active utility account and will follow the same collection procedures as a monthly utility bill. An account will be created for those Customers without a utility account and will fall under the same collection procedures.

## CREDIT AND COLLECTIONS

### *PAYMENT TERMS*

All billing statements will have a Due Date for payment approximately three weeks after the Billing Date. RPU allocates standard payments over all unpaid charges, paying the oldest charges first, and then in order of service; Water, Electric, Waste Water, Storm Water, Service Assured and any other miscellaneous fees. Assistance payments from third parties will be applied per the agreement with the third-party assistance provider.

### *LATE PAYMENT FEE\*\**

All billing statements are due and payable on or before the Due Date. Bills not paid by the Due Date are subject to a late payment fee equal to ten percent (10%) or \$10, whichever is greater, of the current month's billing amount and shall be added to the Customer's outstanding account balance. If the current month's billing amount is \$20 or less, a late payment fee will not be added. In the event of a billing error, late payment fees will be removed from the account as determined by RPU staff.

### *PAYMENT OPTIONS*

#### *Budget Payment Plan*

RPU offers a voluntary ***Budget Payment Plan*** as a convenience for qualifying Residential and Small General Service Customers. The Customer must have at least 12 months of utility bills at the service address and their account must be paid in full before signing up for this program. Upon annual reconciliation, credit balances or arrearage may be rolled over into the averaging amount for the upcoming year at the discretion of RPU staff.

If the Customer becomes delinquent on the ***Budget Payment Plan***, the account will automatically be removed from the ***Budget Payment Plan*** and returned to a regular payment status.\*\* Delinquencies may result in further collection action, if the account is not brought current.

The ***Budget Payment Plan*** is a pre-arranged payment schedule and therefore no other payment arrangements are available. Customers disconnected for non-payment are not eligible for the ***Budget Payment Plan***. Customers can become eligible to participate in the ***Budget Payment Plan*** program again after achieving an acceptable credit history as defined below.

#### *Automatic Bill Payments*

RPU will accept ***Automatic Bill Payments*** made directly from withdrawals from a Customer's checking or savings account or from a credit/debit card. These payments are withdrawn on the bill Due Date. The customer must fill out an *Authorization for Automatic Payment* form supplied by RPU Customer Relations staff or online at [www.rpu.org](http://www.rpu.org). The Customer will receive their monthly utility billing statement showing the payment amount to be withdrawn. The Customer may contact RPU's Customer Relations staff before the amount is withdrawn, if they do not agree with the billing or have questions.

If a Customer's payment is returned for insufficient funds or declined two times within 12 consecutive months, the Customer may be removed from the ***Automatic Bill Payments*** program. All conditions in the ***RETURNED PAYMENTS*** section will apply.

#### Payments on Disputed Amounts

Payments for disputed bills must be sent to or made at the RPU Service Center at 4000 East River Rd NE, Rochester, MN 55906. Payments received through the standard PO Box address that appears on the remittance stub may be returned to the Customer if payments and account balances per the remittance stub(s) do not match.

#### **DEPOSITS**

All Residential and Commercial Customers are required to pay a Deposit when initiating a new electric and/or water service(s) account. The Deposit requirement for Customers will only be waived, if;

- 1) the Customer's credit rating meets the established criteria or;
- 2) the Customer has an existing account with an acceptable credit history as defined below, or;
- 3) the Commercial Customer provides a guarantee. A non-revocable letter of credit can be provided if it is for 36 months and equal to the deposit amount.

The customer must provide and authorize the use of their full and legitimate identity information, including a Social Security Number for an individual, proprietorship, or partnership; or a Federal Employer Identification Number for all persons or entities applying for or guaranteeing payment, to facilitate a credit check. If the customer is unable or unwilling to provide this information, a deposit in accordance with this deposit policy will be required.

The Deposit will be calculated using ~~two times the average month's bill~~ ~~the two highest month's bills~~ from the previous 12 months at the service address if this is representative of the anticipated future use.\*\* If the service has been vacant, usage from previous years may be used to calculate the Deposit amount. If a prior history is not available for the service, a Deposit will be based on anticipated use or use of a like type of Customer.

The Deposit payment is due before the service connection date.\*\* Refusal or failure by a Customer to satisfy the Deposit requirement(s) will result in discontinuance of service until such time as the Deposit has been paid. When payment is received for the Deposit, a communication will be delivered to the Customer specifying the conditions of when the Deposit will be refunded.

Deposit requirements for previous or existing Customers;

- 1) if a Customer has a previous balance written off as uncollectible and requests new service, the uncollected amount and the Deposit is due before service is connected.
- 2) if a previous Customer, with no service currently, requests new service and they have two or more delinquent payments from their previous service within the most recent 24\*\* months of account history for a Residential Customer or the most recent 36\*\* months of account history for a Commercial Customer, a Deposit is due before service is connected.

- 3) if a person is transferring service from one place to another and a Deposit is required because of past payment history, the Deposit payment is due before the service connection date.

#### *ACCEPTABLE CREDIT HISTORY*

An acceptable credit history is defined as meeting all of the requirements defined below within the past 24\*\* months of account history for a Residential account and within the past 36\*\* months of account history for all other accounts:

- No non-pay disconnections
- No more than 1 delinquent notices
- No more than 1 late payments
- No returned checks or declined electronic payments because of insufficient funds or closed accounts
- No delinquent outstanding balance(s) from a prior account
- No bankruptcies within 7 years
- No uncollectible balances outstanding
- No unpaid miscellaneous billings

#### *BANKRUPTCY*

Customers who file for bankruptcy will be subject to the bankruptcy law, in effect, at the time of their filing. Customers filing for bankruptcy will be required to provide a Deposit in order to continue service.

#### *INTEREST*

Interest on the Deposit will be applied to the Customer's account as a credit on their monthly billing statement at least once each calendar year. The interest rate is calculated and published as provided in Minnesota Statutes, Section 325E.02.

#### *TRANSFERS*

Deposits are non-transferable from one applicant to another and are only payable to the original applicant.

#### *REFUNDS*

Residential Deposits will be applied as a credit to the Customer's account at the end of 24\*\* consecutive months, if an acceptable credit history has been established.

Commercial Deposits will be applied as a credit to the Customer's account at the end of 36\*\* consecutive months, if an acceptable credit history has been established.

For Customers without an active service, the Deposit and interest will be applied to their final bill. Remaining credit balances will be refunded within 45 days after the termination of service.

#### *RETURNED PAYMENTS*

Payments by check or ACH that are returned for non-sufficient funds (NSF), account closed or credit/debits that are declined, may result in the Customer's account becoming delinquent. The

Customer's account will be assessed a return fee, as established by the *Miscellaneous Fees Schedule*, and *Late Payment Fee*, if applicable.

The account will immediately be subject to the *Disconnection Procedure*. If the Customer has already been notified of a pending disconnection and their payment is returned by their bank, service will be disconnected without further notice.

A Customer with more than two (2) of any combination of the following: NSF or account closed checks, declined ACH payments, or declined credit/debit card payments; within a twelve (12) month period, will be required to make future payments in cash, money order, cashier's check, wire transfer or credit card until achieving an acceptable credit history as defined above.

#### ***OVERPAYMENT & UNDERPAYMENT***

In the event a Customer overpays their utility bill, and is not delinquent, the overpaid amount will remain on the account and be applied to the next bill. Overpayments caused by payments made via check or ACH may be subject to a waiting period before a refund is issued to ensure funds clear the Customer's bank.

For overpayments and underpayments as a result of a billing error, refer to *Adjustment of Electric and Water Bills Policy*.

Partial payments, although accepted, will not prevent disconnection of utility service(s) unless other payment arrangements are made with RPU staff.

### **DELINQUENT ACCOUNTS AND DISCONNECTION OF SERVICE**

#### ***PAST DUE ACCOUNTS***

Unpaid accounts shall be considered past due on the first calendar day following the Due Date.

#### ***COLLECTION OF PAST DUE ACCOUNTS***

When all administrative efforts at collecting a past due account have been exhausted, alternative collection methods may be used, including but not limited to legal action, utilizing collection agencies, and/or submitting a claim to the Local, State or Federal Revenue Recapture Programs.

RPU also reserves the right to assess delinquent electric, water, and/or any billings on behalf of the City or other City Department charges incurred by the property owner, against the property, with Olmsted County through approved legal process for assessment, according to all state and local laws.

#### ***DISCONNECTION OF SERVICE***

RPU shall attempt to collect delinquent accounts promptly. Where satisfactory arrangements for payment have not been made, and after notification requirements have been complied with, utility services will be disconnected.

Emergency Situations

Where it is necessary that the utility service be temporarily disconnected or connected to protect health, life or property, RPU will, at its discretion, take such action without charge or notice to the Customer.

**COLD WEATHER RULE**

From October 15 to April 15, RPU acknowledges and complies with the State of Minnesota Cold Weather Rule for Municipal Utilities under Minnesota Statutes, Section 216B.097.

**DECEASED CUSTOMER**

Upon death of a Customer, the service will be removed from that person's name as quickly as possible. As soon as the death of a Customer is known, RPU will send the family a letter giving them a thirty (30) day notice that the name needs to be changed on the account. In the event that service is not transferred within thirty (30) days, RPU reserves the right to discontinue service and apply the Deposit (if applicable) to all outstanding balances owed to RPU in the name of the deceased individual's account.

**DISPUTES AND APPEAL***DISPUTED PROCESS*

The Customer may dispute a bill that they feel is in error by calling or writing to RPU. We will investigate all disputes. We will not disconnect a service for non-payment of a disputed bill provided: (1) the Customer notifies us before the bill is delinquent and (2) the Customer pays all other undisputed charges when due.

*APPEAL PROCESS*

When a Customer is dissatisfied with action taken on his or her dispute, he or she has the right to appeal. A detailed written notice of the issue must be received by RPU within 30 days of the initial dispute. The appeal will be reviewed by RPU management to decide whether or not RPU policies and procedures have been administered properly on the Customer's behalf. Management will respond to the Customer with their findings and any further course of action, if needed.

**METER TAMPERING***TAMPERING/THEFT*

RPU follows Minnesota Statutes, Sections 325E.026 and 609.52 with regards to the unauthorized use of Utility meters and theft of service.

All connections to RPU's service equipment shall be made by RPU or RPU authorized personnel only. Unauthorized connections to or tampering with any RPU meter, associated equipment or meter seals, or indications or evidence thereof subjects the Customer to immediate discontinuance of service, prosecution under the laws of Minnesota, adjustment of prior bills for services rendered, and reimbursement to RPU for all legal and other expenses incurred on the account.

\*\* Effective when the new Customer and Billing system implementation is complete.

EFFECTIVE DATE OF POLICY:

July 24, 1990

DATE OF POLICY REVISION:  
~~2017~~

December 17, 2019~~July 25,~~

POLICY APPROVAL:

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Board President

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Date



## RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to approve the amended Billing, Credit and Collections Policy.

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 17th day of December, 2019.

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President

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Secretary



## FOR BOARD ACTION

Agenda Item # (ID # 11406)

Meeting Date: 12/17/2019

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**SUBJECT: RPU Index of Board Policies**

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**PREPARED BY: Christina Bailey**

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ITEM DESCRIPTION:

UTILITY BOARD ACTION REQUESTED:

ROCHESTER PUBLIC UTILITIES		
INDEX OF BOARD POLICIES		
	REVISION DATE	RESPONSIBLE BOARD COMMITTEE
<b>BOARD</b>		
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	3/27/2018	Policy
5. Board Procedures	3/27/2012	Policy
6. Delegation of Authority/Relationship with Management	7/24/2018	Policy
7. Member Attendance at Conferences and Meetings	12/18/2018	Policy
8. Board Member Expenses	12/18/2018	Policy
9. Conflict of Interest	11/26/1985	Delete
10. Alcohol and Illegal Drugs	7/28/1988	Delete
11. Worker Safety	3/27/2012	Policy
<b>CUSTOMER</b>		
12. Customer Relations	4/30/2019	Ops & Admin
13. Public Information and Outreach	4/30/2019	Communications
14. Application for Service	7/1/2016	Ops & Admin
15. Electric Utility Line Extension Policy	3/28/2017	Finance
16. Billing, Credit and Collections Policy	7/25/2017	Finance
17. Electric Service Availability	10/29/2019	Ops & Admin
18. Water and Electric Metering	6/26/2018	Ops & Admin
19. Electric & Water Bill Adjustment	3/10/1994	Finance
20. Rates	7/25/2017	Finance
21. Involuntary Disconnection	4/24/2018	Communications
<b>ADMINISTRATIVE</b>		
22. Acquisition and Disposal of Interest in Real Property	12/19/2017	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	6/25/2019	Communications
26. Utility Compliance	10/24/2017	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	9/24/2019	Communications
32. Undergrounding Policy (PENDING)	PENDING	Ops & Admin
Red - Currently being worked on		
Yellow - Will be scheduled for revision		