



MEETING AGENDA – MARCH 24, 2020

BOARD ROOM  
4000 EAST RIVER ROAD NE  
ROCHESTER, MN 55906

4:00 PM

**Due to the current ongoing pandemic, in-person access is closed and this meeting will be conducted via telephone conference call in accordance with Minnesota Statutes 13D.021. Some board members may participate by telephone and the audio recording of the meeting will be available after the meeting on the City's website.**

**Call to Order**

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

1. Public Utility Board - Regular Meeting - Feb 18, 2020 4:00 PM

- 4. Recognition: Cary Johnson and Bryan Blom**

- 5. Open Comment**

*(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.)*

**No in-person open comments will be heard. Comments may be submitted in writing or via email at [rpuboard@rpu.org](mailto:rpuboard@rpu.org).**

1. Open Comments FBA

- 6. Consideration Of Bids**

1. Demolition of SLP Unit #4 Stack  
Resolution: Demolition of SLP Unit #4 Stack
2. Vertical Rise Truck Lift  
Resolution: Vertical Rise Truck Lift
3. 2020 Manhole Rebuild  
Resolution: 2020 Mahole Rebuild

- 7. Regular Agenda**

1. Distributed Generation Annual Report  
Resolution: Distributed Generation Annual Report
2. Distributed Generation Tariff Schedule Update  
Resolution: Distributed Generation Tariff Schedule Update
3. Solar Purchase Power Agreement  
Resolution: Solar Purchase Power Agreement
4. Suspension of Disconnects  
Resolution: Suspension of Disconnects
- 8. Informational**
  - A. Review of Accounts Payable**
    1. A/P Board Listing
- 9. Board Liaison Reports**
  1. RPU Index of Board Policies
- 10. General Managers Report**
- 11. Division Reports & Metrics**
- 12. Other Business**
- 13. Adjourn**

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



## MEETING MINUTES – FEBRUARY 18, 2020

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	Absent	
Tim Haskin	Board Member	Present	
Melissa Graner Johnson	Board Vice President	Present	
Brian Morgan	Board President	Present	
Michael Wojcik	Board Member	Present	

**1. Approval of Agenda**

- Motion to:** approve the agenda as presented

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

**2. Safety Moment**

There was a brief discussion on snowmobile safety and adhering to speed limits.

**3. Approval of Minutes**

- Public Utility Board - Regular Meeting - Jan 28, 2020 4:00 PM
- Motion to:** approve the Minutes of January 28, 2020 as presented

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

**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.)*

Shawn Palmer, representing the 5th ward of the Rochester City Council, spoke about concerns with removing the Silver Lake Dam and making the lake smaller. He stated the dam is used for flood control and is an asset for the city.

Board Member Michael Wojcik said the proposed Silver Lake Dam project is one of four projects the City Council has designated in seeking bonding dollars from the state.

**4. Consideration Of Bids**

1. Northern Heights Standpipe Repair/Repainting

*Manager of Water Construction and Maintenance Cary Johnson presented a request to the Board for approval of the repair and repainting of the one-million-gallon Northern Heights Standpipe. Sealed bids for the project were opened on February 12, 2020, with seven bids received. M.K. Painting was the low bidder at \$380,000, to provide full interior and exterior finish repair and repainting including grinding/power tool cleaning and seam sealing/caulking. If welding is needed, an additional amount for hourly welding rates will be added to the contract amount. RPU's 2020 water maintenance and construction budget has \$400,000 allocated for this project. Work is to be completed by June 26, 2020. Mr. Johnson said the standpipe will be painted in the sahara color scheme.*

Resolution: Northern Heights Standpipe Repair/Repaint

*BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to accept the bid from M.K. Painting, Inc., for repair and repainting of the Northern Heights Standpipe in the amount of \$380,000.00.*

*Passed by the Public Utility Board of the City of Rochester, Minnesota, this 18th day of February, 2020.*

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

**5. Informational**

1. Review of Accounts Payable

*Board Member Michael Wojcik asked about the nature of a payment to Doble Engineering Company for a 2020 M4100 insulation analyzer. General Manager Mark Kotschevar said it is for testing substation transformers and the associated high voltage bushings. He also asked about the addition of a 2019 Mitsubishi Outlander plug-in hybrid vehicle to the RPU fleet. Director of Power Resources Jeremy Sutton replied this is the second Outlander being added as a pool vehicle.*

*Mr. Kotschevar stated that RPU may be adding more electric vehicles to its fleet in 2021, based on the city fleet study.*

2. Silver Lake Dam Modifications and Improvements

*Mike Nigbur, City of Rochester Park and Recreation Administrator, and Matt Crawford, Public Works Engineer, who have spearheaded the Silver Lake Dam modification project, provided an update to the Board on the proposed plans for Silver Lake Dam modification and improvement.*

*General Manager Mark Kotschevar said that RPU, as the operator of Silver Lake Dam on behalf of the City, was approached by project members to fund removal of the dam to avoid future maintenance costs.*

*The project, planned for 2021, has four components - the dredging of Silver Lake, modification of the North Shore Pedestrian Trail, modification of the North Broadway pedestrian bridge, and the removal of Silver Lake Dam.*

Minutes Acceptance: Minutes of Feb 18, 2020 4:00 PM (Approval of Minutes)

*Currently the project is in the design phase which is expected to be completed in the next two months, when it will go to the City Council for approval. Mr. Nigbur said the project, with an overall cost of \$12.6 million, has a \$5.3 million bonding request in to the state of Minnesota, and remaining funding will have to come locally. About \$4 million will come from the flood control program. Although funding was requested from the Minnesota DNR, it won't come this year, as the project is ranked number six on the governor's bonding budget. The goal is to have the project underway in 2021, said Mr. Nigbur, however the timeline will depend upon funding.*

*This project will require City Council approval, and will then return to the RPU Board to approve a level of funding for dam removal. RPU has calculated a contribution of \$1.24 million as the future avoided maintenance costs, said Mr. Kotschevar, but this amount can be refined by the Board.*

## **6. Board Liaison Reports**

The Board's new Undergrounding policy is currently being drafted by staff.

Next up for revision will be the Joint-Use of Fixed Facilities and Land Rights policy.

The Board's finance and audit committee met with RPU's financial auditor from Baker, Tilly, Virchow & Krause prior to the Board meeting, to answer audit questions.

## **7. General Managers Report**

General Manager Mark Kotschevar reported on updates to RPU's 10 MW solar project. Director of Power Resources Jeremy Sutton stated that staff is working on land negotiations and plans to bring a purchase power agreement to the Board for approval at the March Board meeting.

Mr. Sutton stated that staff is working on a time-of-use rate plan, and is currently setting expectations. Accounting and finance developed a preliminary rate with time periods and cost; metering is testing to confirm the capability of the meters and the various time periods; and marketing is working on plans for community education and outreach.

Mr. Kotschevar noted that due to the earlier meeting this month, the January Board financial reports were not available, but year-to-date data will be provided in the March Board packet.

Communications Coordinator Tony Benson shared some "RPU pat on the back" submissions received from RPU customers through the Plugged In newsletter that recognize excellent service provided by an RPU employee. Since August 2019 to January 2020, about 12 submissions were received. Those thank-you's that were received will also be shared at the RPU Employee Recognition Breakfast, said Mr. Kotschevar.

RPU staff is working on the color temperature to be used for the LED street lighting project and will be seeking City Council consensus at the February 24, 2020 City Council Study Session.

Mr. Kotschevar and Director of Compliance and Public Affairs Steve Nyhus will attend the American Public Power Association Legislative Rally on February 24-27, 2020.

## **8. Division Reports & Metrics**

## **9. Other Business**

Board Member Michael Wojcik asked about the current status of Smart Energy Water, a module of RPU's new customer information and billing system. Director of Customer Relations Krista

Boston stated that some issues remain with auto-pay, but overall the web application is stable. Director of Corporate Services Peter Hogan explained that credit card-paying customers were converted over to a new software system and were required to change their passwords; RPU contacted those customers and continues to monitor the situation.

Mr. Wojcik also asked for a quorum-check for next month, since he will be absent. President Morgan, Vice President Johnson and Mr. Haskin indicated they would all be present.

Mr. Wojcik asked that any bills for which RPU is asked to lobby at the state of Minnesota capital be brought before the Board first for discussion. Mr. Kotschevar said he could bring Minnesota Municipal Utilities Association (MMUA) position statements on various legislative items to the March Board meeting for review.

**10. 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>*

Submitted by:

\_\_\_\_\_  
Secretary

Approved by the Board

\_\_\_\_\_  
Board President

\_\_\_\_\_  
Date

Minutes Acceptance: Minutes of Feb 18, 2020 4:00 PM (Approval of Minutes)

## FOR BOARD ACTION

Agenda Item # (ID # 11791)

Meeting Date: 3/24/2020

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**SUBJECT: Open Comments FBA**

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**PREPARED BY: Christina Bailey**

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ITEM DESCRIPTION:

Attached are all the public comments RPU has received via email.

UTILITY BOARD ACTION REQUESTED:

None

**Bailey, Christina**

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From: Bailey, Christina  
 Sent: Thursday, March 19, 2020 11:07 AM  
 To: Bailey, Christina  
 Subject: FW: Suspend shut offs

From: Rick Morris <[rick.morris@sierraclub.org](mailto:rick.morris@sierraclub.org)>  
 Sent: Monday, March 16, 2020 2:38 PM  
 To: Norton, Kim <[KNorton@rochestermn.gov](mailto:KNorton@rochestermn.gov)>; Michael Wojcik <[votewojcik@gmail.com](mailto:votewojcik@gmail.com)>; Kotschevar, Mark <[MKotschevar@RPU.ORG](mailto:MKotschevar@RPU.ORG)>  
 Subject: Suspend shut offs

**EXTERNAL SENDER: Do not open links/attachments if uncertain about the sender**

Hi Kim, Michael, and Mark,

Can we consider suspending shut offs during the Covid-19 outbreak? A growing list of MN utilities have announced policies: Xcel, Centerpoint, Minnesota Power, etc.

Suspending shut offs during the outbreak, and then fast tracking a round up program would do a lot to help out our most vulnerable neighbors and take one stressor off of their lives.

Thank you! I hope each of you is doing well during this tough time. Let me know what you think, and if there's anything Sierra or I can do to lend assistance.

Rick

--  
 Rick Morris  
 Rochester Clean Energy Organizer  
 Sierra Club North Star Chapter  
[rick.morris@sierraclub.org](mailto:rick.morris@sierraclub.org)  
 mobile-908-578-5748

Attachment: FW Suspend shut offs (11791 : Open Comments FBA)



## FOR BOARD ACTION

Agenda Item # (ID # 11762)

Meeting Date: 3/24/2020

**SUBJECT: Demolition of SLP Unit #4 Stack**

**PREPARED BY: Mona Hoeft**

**ITEM DESCRIPTION:**

Sealed bids were opened on March 3, 2020 for the demolition of unit #4's stack at the Silver Lake Plant.

A breakdown of the bids is as follows:

Contractor	Bid Amount
Veit and Company, Inc.	\$ 454,279
Industrial Access, Inc.	\$1,225,000
Fraser Construction Company	\$1,584,115

Veit and Company is the lowest responsive bid and staff has no concerns with their ability to perform this work successfully. Most recently, Veit and Company completed the slide gate system at Lake Zumbro. The budgetary estimate for this project was \$450,000.

This project is funded by the revolving Decommissioning fund that was established in 2013 to fund decommissioning activities of the plant. The project is estimated to start in April with an expected completion date of October 15, 2020.

**UTILITY BOARD ACTION REQUESTED:**

Approve a resolution to enter into a contract with Veit and Company, Inc. in the amount of \$454,279 and authorize the Mayor and City Clerk to execute the agreement.



## RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to approve a contract for the demolition of SLP unit #4 stack with Veit & Company, Inc. in the amount of \$454,279 and authorize the Mayor and City Clerk to execute the agreement.

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 24th day of March, 2020.

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President

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Secretary

## FOR BOARD ACTION

Agenda Item # (ID # 11746)

Meeting Date: 3/24/2020

**SUBJECT: Vertical Rise Truck Lift**

**PREPARED BY: Mona Hoefl**

**ITEM DESCRIPTION:**

Sealed bids were received on March 5, 2020 for the purchase and installation of a new vertical rise truck lift in the fleet shop. The bids are as follows:

Proposer	Price	Model
Midwest Lift Works LLC	\$143,221.00	ECO-60-10 Stertil Koni
Pump & Meter	\$194,034.56	EFX 60 Rotary
High Forest	\$208,000.00	EFX 60 Rotary

The Rotary brand was used as the basis of design for bidding purposes and staff has vetted Midwest Lift Works' proposal to install a Stertil Koni brand which has been determined equal or better. Stertil Koni lifts are installed at Public Works and they provided a positive reference on both the model and the vendor's ability to perform. This installation will result in creating a safer work environment.

The 2020 budget included \$208,000 for this project.

This bid is a firm fixed price and the work is expected to be completed no later than July 31, 2020.

**UTILITY BOARD ACTION REQUESTED:**

Approve a resolution to accept the bid from Midwest Lift Works LLC, in an amount of \$143,221.



## RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to approve the purchase and installation of a vertical rise truck lift from Midwest Lift Works LLC in the amount of \$143,221.00.

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 24th day of March, 2020.

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President

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Secretary

## FOR BOARD ACTION

Agenda Item # (ID # 11728)

Meeting Date: 3/24/2020

**SUBJECT: 2020 Manhole Rebuild**

**PREPARED BY: Andrew Bianco**

**ITEM DESCRIPTION:**

With the development of a manhole replacement plan, the 2020 budget allocated funds for the replacement of deteriorated manholes that prioritizes five manholes for replacement yet this year. Sealed bids for the project were opened on March 17th, 2020. Along with the rebuilding costs of the manholes themselves, the solicitation included unit pricing for the street and sidewalk pavement portion of the project based on material estimates. It is expected that this work will be completed no later than November 30, 2020.

The evaluated bid summary is as follows:

Vendor	Evaluated Total
Mas Tec	\$273,757.00

Although we only received one bid from this solicitation, the bid was slightly under the budgeted amount of \$275,000.00. In addition the pricing in their bid is consistent with bid pricing we received last year for the same work. The lone bidder, Mas Tec North America, Inc., has worked on past projects for RPU so staff do not have any concerns about their ability to perform successfully. Unit based pricing (pavement and sidewalk material) have the potential of increasing the contract amount, therefore staff is seeking approval not to exceed a cost of \$275,000.00.

**UTILITY BOARD ACTION REQUESTED:**

Approve a resolution to accept the bid from Mas Tec North America, Inc., in an amount not to exceed \$275,000.00.



## RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to accept the bid from Mas Tec Inc., for the rebuild of Manholes for an amount not to exceed \$275,000.00.

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 24th day of March, 2020.

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President

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Secretary

## FOR BOARD ACTION

Agenda Item # (ID # 11778)

Meeting Date: 3/24/2020

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**SUBJECT: Distributed Generation Annual Report**

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**PREPARED BY: Dirk Bierbaum**

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ITEM DESCRIPTION:

RPU's board-adopted Distributed Generation Rules require annual reporting and approval.

Part E. REPORTING REQUIREMENTS

Annually the utility shall report to the governing body for its review and approval an annual report including information in subparts 1-3. The utility shall still comply with other federal and state reporting of distributed generation to federal and state agencies expressly required by statute.

Subpart 1. Summary of average retail utility energy rate. A summary of the qualifying facilities that are currently served under average retail utility energy rate.

Subp. 2. Other qualifying facilities. A summary of the qualifying facilities that are not currently served under average retail utility energy rate.

Subp. 3. Wheeling. A summary of the wheeling undertaken with respect to qualifying facilities.

The 2019 Distributed Generation Annual Report is attached.

UTILITY BOARD ACTION REQUESTED:

Approve the annual distributed generation report.

## 2019 RPU Distributed Energy Resource Report

### Summary of Average Retail Utility Rate (Net Metered)

#### Residential (Year End)

Customer Count	121
Total Nameplate Capacity	896 kW
Annual Net Export (kWh)	121,217 kWh

#### Commercial (Year End)

Customer Count	8
Total Nameplate Capacity	173 kW
Annual Net Export (kWh)	16,723 kWh

### Other Qualifying Facilities

#### Residential (Year End)

Customer Count	0
Total Nameplate Capacity	0 kW

#### Commercial (Year End)

Customer Count	10
Total Nameplate Capacity	1,285 kW

### Wheeling

There are no customers in this category.





## RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to approve the 2019 Distributed Generation Annual Report.

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 24th day of March, 2020.

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President

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Secretary

## FOR BOARD ACTION

Agenda Item # (ID # 11779)

Meeting Date: 3/24/2020

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**SUBJECT: Distributed Generation Tariff Schedule Update**

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**PREPARED BY: Dirk Bierbaum**

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ITEM DESCRIPTION:

The Distributed Generation Rules adopted by the RPU board require annual updating and approval of the distributed generation tariff schedules. All interconnection documents are available on RPU's website ([www.rpu.org](http://www.rpu.org)).

Schedule 1 and Schedule 4 contain updates and are attached.

Schedule 1 - Contains the average annual retail rate.

The average retail rate per kWh is used to credit Small Power Production customers for energy produced in the subsequent year. The average retail rate for 2019 will be used to credit the net metered customers when their kWh production exceeds their use for the month during the 12 months starting April 2020. The Average Retail Rate excludes customer charges. Update attached.

Schedule 4 - Contains average incremental energy costs and cost of new generation. Update attached.

Schedules 2 and 3 have no changes and are not attached.

Schedule 2 - Contains the standard contracts with applicable terms and conditions. No updates.

Schedule 3 - Contains the interconnection process and technical requirements. No updates.

UTILITY BOARD ACTION REQUESTED:

Approve the Distributed Generation Tariff Schedules.

ROCHESTER PUBLIC UTILITIES  
RULES COVERING COGENERATION  
AND SMALL POWER PRODUCTION

SCHEDULE 1

	2019	2018	
<b>RESIDENTIAL</b>			
Total revenues	\$ 53,611,934.84	\$ 53,451,091.91	
Less fixed revenues (customer charge)	\$11,879,968.39	\$ 11,600,571.68	
Net revenues	\$41,731,966.45	\$ 41,850,520.23	
kWh	353,018,240	362,233,522	
<b>Average retail energy rate</b>	<b>\$ 0.11821</b>	<b>\$ 0.11553</b>	2.32%
<b>COMMERCIAL</b>			
<b>SGS</b>			
Total revenues	\$ 19,088,930.60	\$ 19,243,940.03	
Less fixed revenues (customer charge)	\$ 2,237,090.04	\$ 2,149,931.26	
Net revenues	\$ 16,851,840.56	\$ 17,094,008.77	
kWh	140,913,889	144,802,173	
<b>Average retail energy rate</b>	<b>\$ 0.11959</b>	<b>\$ 0.11805</b>	2.71%
<b>MGS</b>			
Total revenues	\$ 41,864,813.87	\$ 42,804,362.07	
Less fixed revenues (customer charge)	-	-	
Net revenues	\$ 41,864,813.87	\$ 42,804,362.07	
kWh	368,534,664	382,765,063	
<b>Average retail energy rate</b>	<b>\$ 0.11360</b>	<b>\$ 0.11183</b>	1.90%
<b>LGS</b>			
Total revenues	\$ 14,183,853.56	\$ 17,793,553.05	
Less fixed revenues (customer charge)	-	-	
Net revenues	\$ 14,183,853.56	\$ 17,793,553.05	
kWh	138,609,838	173,405,661	
<b>Average retail energy rate</b>	<b>\$ 0.10233</b>	<b>\$ 0.10261</b>	-28%
<b>INDUSTRIAL</b>			
Total revenues	\$ 16,733,665.27	\$ 13,505,760.82	
Less fixed revenues (customer charge)	-	-	
Net revenues	\$ 16,733,665.27	\$ 13,505,760.82	
kWh	158,948,098	127,341,395	
<b>Average retail energy rate</b>	<b>\$ 0.10528</b>	<b>\$ 0.10606</b>	-74%

## SCHEDULE 4 – AVERAGE INCREMENTAL COST

Estimated Marginal Energy Costs (\$/MWh)						
		2020	2021	2022	2023	2024
Summer	On Peak	<b>24.68</b>	<b>23.23</b>	<b>23.44</b>	<b>23.47</b>	<b>23.74</b>
	Off Peak	16.34	15.65	15.89	16.47	16.79
	All Hours	20.17	19.14	19.36	19.69	19.99
Winter	On Peak	25.75	24.39	24.12	23.82	24.06
	Off Peak	18.64	17.38	17.80	18.77	19.09
	All Hours	21.91	20.61	20.71	21.09	21.38
Annual	On Peak	25.22	23.81	23.78	23.65	23.90
	Off Peak	17.49	16.52	16.84	17.62	17.94
	All Hours	21.04	19.87	20.03	20.39	20.68
Annual # hours on-peak:						

Description of season and on-peak and off-peak periods	
Summer:	April through September
Winter:	October through March
On-peak period:	6 am to 10 pm Monday through Friday except holiday (New Years, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, Christmas Day)
Off-peak period:	All other hours

**Estimated Marginal Energy Costs**

The estimated system average incremental energy costs are calculated by seasonal peak and off-peak periods for each of the next five years. For each seasonal period, system incremental energy costs are averaged during system daily peak hours, system daily off-peak hours, and all hours in the season. The energy costs are increased by a factor equal to 50 percent of the line losses.

The energy needs of RPU are served through its membership in Southern Minnesota Municipal Power Agency (SMMPA). SMMPA, in turn, is a member of the Midcontinent ISO (MISO). As a result, the municipal’s incremental energy cost is equivalent to the MISO hourly Locational Marginal Price (LMP). Actual hourly LMP will vary significantly based on several parameters such as weather, energy demand, and generation availability. The table above represents a forecast of the MISO hourly LMP values averaged over each specific time period at the MISO Minnesota Hub.

**Capacity Costs**

SMMPA, RPU’s wholesale supplier and RPU, have neither planned generating facility additions nor planned additional capacity purchases, other than from qualifying facilities, during the ensuing ten years, thus SMMPA and RPU are deemed to have no avoidable capacity costs.

Attachment: Schedule4\_IncrementalCost\_2020 (11779 : Distributed Generation Tariff Schedule Update)



## RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to approve the updated Schedules 1 and 4, to be attached to the previously approved Rules Covering Cogeneration and Small Power Production Facilities.

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 24th day of March, 2020.

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President

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Secretary

## FOR BOARD ACTION

Agenda Item # (ID # 11789)

Meeting Date: 3/24/2020

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**SUBJECT: Solar Purchase Power Agreement**

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**PREPARED BY: Jeremy Sutton**

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**ITEM DESCRIPTION:**

RPU published an RFP on August 2, 2019 for a 10-27 MW Solar project in the form of a purchase power agreement. The requirements were for a fixed price over 20 years, tied into the RPU distribution system, and desire for RPU to take full ownership in 2030. On September 24, 2020 the board directed Staff to further negotiations with SolarStone and Geronimo. RPU had originally been working with private party customers to develop a site that met all needs. It was determined that Geronimo best met those needs on price, performance, interconnection, and site control. As the project picture became clearer through the negotiations, the private parties' interest in the project fell off, leaving RPU with a decision to continue moving forward or to cancel the project. Internal estimates showed that RPU could move the project to the lower end of the RFP project size and still move forward. Pricing increases from Geronimo to drop to a 10 MW project had an estimated total project cost impact to RPU residential customers of \$0.47 a month on their RPU bill. The Board approved a purchase power agreement with Geronimo for a 10 MW project at \$71.50/MWh at the November 26, 2020 Board meeting to be forwarded on the City Council for final approval. SolarStone saw that RPU staff was going to move forward for Council approval and contacted RPU with a plan to honor their original 30 MW pricing at the 10MW project size for a substantial contract savings to RPU ratepayers. For this reason, staff pulled the agenda item from the December Council meeting for further investigation. Geronimo was given the opportunity to amend their original proposal but was unable to provide any better economics. Working through various options, sizes, partnership opportunities, interconnection, and land solutions, RPU staff now recommends a 10 MWac facility from SolarStone (EDF Renewable Distributed Solutions, Inc). The price per MWh is \$58.45 fixed for 20 years with options for RPU to purchase the project. The savings over 20 years from the Geronimo price to the SolarStone price is an estimated \$5 million to rate payers. RPU staff also recommends approval to negotiate with SolarStone for the purchase of 134.84 acres of land at a price of \$12,750 per acre for a total price of \$1,719,337.50. This is also a savings over previous land offerings in the \$3,000 to \$4,000 per acre range. This land acquisition will position RPU well for further development opportunities. The project, as a whole, is a building block for the 2030 resource plan and allows for further opportunities to meet Rochester's goals.

**UTILITY BOARD ACTION REQUESTED:**

Approve the Renewable Energy Purchase Agreement between the City of Rochester, acting by and through its Utility Board, and EDF Renewables Distributed Solutions, Inc., and delegating approval of final terms and conditions to the City Attorney and General Manager.

## FOR BOARD ACTION

**Agenda Item # (ID # 11789)**

**Meeting Date: 3/24/2020**

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Approve the Purchase of 134.84 acres at a price not to exceed \$1,719,337.50 plus applicable closing costs between the City of Rochester, acting by and through its Utility Board, and EDF Renewables Distributed Solutions, Inc., and delegating approval of final terms and conditions to the City Attorney and General Manager.

## Renewable Power Purchase Agreement

This Renewable Power Purchase Agreement (this “**Agreement**”) is entered into by the parties listed below (each a “**Party**” and collectively the “**Parties**”) as of the “**Effective Date**” noted below.

<b>Purchaser:</b>		<b>Seller:</b>	
<b>Name and Address</b>	City of Rochester, acting through its Public Utility Board 4000 East River Rd NE Rochester, MN 55906-2813	<b>Name and Address</b>	[ _____ ] c/o EDF Renewables Distributed Solutions, Inc. 5 Commerce Avenue West Lebanon, NH 03784 Attention: [Seller Contact]
<b>Phone</b>	507-280-1500	<b>Phone</b>	(____) ____ - _____
<b>Fax</b>	None	<b>Fax</b>	(____) ____ - _____
<b>E-mail</b>	jsutton@rpu.org	<b>E-mail</b>	_____ @ _____
<b>Premises Location:</b>	The “Premises” means approximately 134.85 acres of real property located in Rochester, Minnesota, and described on <u><b>Exhibit 4</b></u> .	<b>Effective Date:</b>	[ _____ ], 2020

This Agreement sets forth the terms and conditions of the purchase and sale of solar generated electric energy from the solar panel system described in **Exhibit 2** (the “**System**”).

The exhibits listed below are incorporated by reference and made part of this Agreement.

<u><b>Exhibit 1</b></u>	Basic Terms and Conditions and System Description
<u><b>Exhibit 2</b></u>	System Description
<u><b>Exhibit 3</b></u>	General Terms and Conditions
<u><b>Exhibit 4</b></u>	Premises description
<u><b>Exhibit 5</b></u>	Form of Premises Lease

**Purchaser: CITY OF ROCHESTER,**  
acting through its Public Utility Board

By: \_\_\_\_\_  
Mark Kotschevar, General Manager

**CITY OF ROCHESTER**

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

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

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

**Seller:** [ \_\_\_\_\_ ]

Signature: \_\_\_\_\_

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

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

Date: \_\_\_\_\_



**Exhibit 1**  
**Basic Terms and Conditions**

1. **Term:** Twenty (20) years, beginning on the Commercial Operation Date (“**Initial Term**”).
2. **Additional Terms:** Up to three (3) “Additional Terms” of five (5) years each, with the first Additional Term at Seller’s election, by delivery of a written notice at least 180 days prior to the last day of the Initial Term, and with any subsequent Additional Term being by mutual agreement of Purchaser and Seller.
3. **Environmental Incentives and Tax Credits:** Accrue to Seller.
4. **Environmental Attributes:** Accrue to Purchaser.
5. **Contract Price:**

Contract Year	Price for Electric Output \$/MWh
1	\$58.45
2	\$58.45
3	\$58.45
4	\$58.45
5	\$58.45
6	\$58.45
7	\$58.45
8	\$58.45
9	\$58.45
10	\$58.45
11	\$58.45
12	\$58.45
13	\$58.45
14	\$58.45
15	\$58.45
16	\$58.45
17	\$58.45
18	\$58.45
19	\$58.45
20	\$58.45

As reflected in the table above, the Contract Price will not be subject to a year-over-year standard percentage increase or escalator. To the extent the cost to the Seller to interconnect the System to the distribution system of the Utility (defined on Exhibit 2), including for network upgrades, interconnection facilities, and related interconnection work (to the extent charged to Seller, is more or less than \$1,532,000, the Contract Price for Electric Output (defined below) of the System will be increased or decreased accordingly and as mutually and reasonably agreed by Purchaser and Seller in writing on or prior to the Commercial Operation Date (defined below).

6. **Condition Satisfaction Date:** February 28, 2021.
7. **Commencement of Construction; Project:** Construction of the System is expected to begin on **May 15, 2021**. The design, procurement, financing, installation, commissioning, and start-up of the System is referred to as the “**Project**”.
8. **Commercial Operation; Outside Commercial Operation Date:** The System will achieve “**Commercial Operation**” and the “**Commercial Operation Date**” will occur on the date the installation of the System is substantially, mechanically complete, the System is interconnected to the distribution system of the Utility, and the System is capable of providing electric energy to the Delivery Point (defined on Exhibit 2). The “**Outside Commercial Operation Date**” means **December 31, 2021**, subject to extension to the extent the interconnection work by Purchaser is delayed for any reason, other than the Seller’s breach of this Agreement or Seller’s negligence or willful misconduct.

**9. Taxes.** The Contract Price is contingent on the following:

- a. No sales or use tax would be assessed or due on electricity or other Products sold or transferred pursuant to this Agreement.
- b. No sales or use tax would be assessed or due on equipment incorporated into the System.
- c. Minnesota production tax of \$1.20/MWh would be payable by Seller and is included in the Contract Price.
- d. No personal property taxes, real property taxes, or similar taxes or assessments will be payable by the Seller with respect to the System, the Project, the Premises, or any assets of the Project Company related to the Project.

Purchaser and Seller will use commercially reasonable efforts to minimize taxes and assessments applicable to the Project or payable by Seller for the System, the Project, the Premises, or any assets of the Project Company. To the extent any such taxes or assessments are payable with respect to the System, the Project, the Premises, or any assets of the Project Company, any such taxes or assessments would be passed through to Purchaser.

**10. Interconnection.** The System will interconnect with the Utility's distribution system at the point of interconnection adjacent to or on the Premises and mutually agreed by Purchaser and Seller ("**Point of Interconnection**"), located at//adjacent to the Premises. Seller will oversee and manage the work required to interconnect the System to the Utility's distribution system, subject to the following obligation. Interconnection costs payable by the Seller pursuant to any Interconnection Agreement with the Utility, to compensate the Utility for Utility-owned interconnection facilities or upgrades, to pay for interconnection costs to connect the Utility's distribution system to the Delivery Point are anticipated to equal up to \$1,532,000, with adjustments to the Contract Price to the extent that the actual cost to Seller for interconnection facilities are greater or less than such amount (see Section 5 above). Seller will pay up to \$25,000 for an impact study with respect to the System. Seller shall have no obligation to pay any transmission or uplift charges with respect to the delivery of Products produced by the System. Except for curtailments due to emergencies, Seller default, and force majeure events, there would be no un-compensated curtailment of the System.

**11. Premises.** The Premises means the parcels of real property located in Rochester, Minnesota and described on Exhibit 4. Purchaser will acquire the "Premises" for a price of \$12,750.00/acre, subject to Purchaser's real estate purchasing requirements and will lease the Premises or a mutually agreed portion thereof to the Seller for the Project for a lease fee of \$1/year during the Term (including the Initial Term and each Additional Term) and for a 120-day removal period thereafter. Such lease will be substantially in form and substance identical to the Premises Lease attached as Exhibit 5 ("**Premises Lease**")

**Exhibit 2**  
**System Description**

1. **System Location (“Premises”):** See **Exhibit 4**.
2. **System Size (AC MW):** [10.0] MW AC
3. **Expected First Year Energy Production (kWh):** No later than thirty (30) days after the Commercial Operation Date, Seller will deliver to Purchaser an estimate (“**Electric Output Estimate**”) based on a PVSystem model (or similar production model that is consistent with industry standards) of the expected Electric Output of the System for the first year of System operations following the Commercial Operation Date. For System operating years after the first operating year, the Electric Output Estimate would be reduced for equipment degradation.
4. **Expected Structure:** Ground-mounted, single-axis tracker, photovoltaic system
5. **Utility:** [Rochester Public Utilities]
6. **Delivery Point:** [Revenue grade meter (the “**System Meter**”) installed at the high side (Utility system side) of the System transformer].

**Exhibit 3**  
**Renewable Energy Purchase Agreement**  
**General Terms and Conditions**

1. **Definitions and Interpretation:** Unless otherwise defined or required by the context in which any term appears: (a) the singular includes the plural and vice versa; (b) the words “herein,” “hereof” and “hereunder” refer to this Agreement as a whole and not to any particular section or subsection of this Agreement; (c) references to any agreement, document or instrument mean such agreement, document or instrument as amended, modified, supplemented or replaced from time to time; and (d) the words “include,” “includes” and “including” mean include, includes and including “without limitation.” The captions or headings in this Agreement are strictly for convenience and shall not be considered in interpreting this Agreement.
2. **Purchase and Sale.**
- (a) **Transfer of System Electricity.** In consideration of the payment to Seller of the Contract Price (defined below), Purchaser shall purchase from Seller, and Seller shall sell to Purchaser, all of the electric energy generated by the System (“**Electric Output**”), and all Environmental Attributes (defined below) associated with such Electric Output (such Electric Output and Environmental Attributes, collectively, “**Products**”) during the Initial Term and any Additional Term (as defined in **Exhibit 1**, and collectively the “**Term**”). Electric energy generated by the System will be delivered to Purchaser at the delivery points identified on **Exhibit 2** (each, a “**Delivery Point**”). Purchaser shall take title to the Electric Output at the Delivery Point, and risk of loss will pass from Seller to Purchaser at the respective Delivery Point. Any purchase, sale and/or delivery of Electric Output prior to the Commercial Operation Date shall be treated as purchase, sale and/or delivery of limited amounts of test energy only and shall not indicate that the System has been put in commercial operation by the purchase, sale and/or delivery of such test energy.
- (b) **System Environmental Attributes.** Purchaser’s purchase of Products under this Agreement includes the purchase of Environmental Attributes with respect to the Electric Output produced and delivered by the System. At Purchaser’s reasonable request, during the Term, Seller shall cooperate with Purchaser in obtaining, securing and transferring all Environmental Attributes in a manner necessary to qualify for any such available Environmental Attributes. Seller shall not be obligated to incur any out-of-pocket costs or expenses in connection with such actions unless reimbursed by Purchaser. Seller shall cooperate with Purchaser, at Purchaser’s expense, to certify the System as a renewable energy resource under or any other renewable energy standard or environmental compliance program, Purchaser may register the System with MRETS and be responsible for all costs associated with such registration. Purchaser may report the Electric Output of the System to MRETS based on the readings of one or more meters installed as part of the System and located at each Delivery Point that shall meet the general commercial standards of the solar photovoltaic industry or the required standard of the Utility (each a “**System Meter**”).]
- (c) **Certification of the System.** Seller will provide reasonable cooperation to Purchaser during the Term with respect to certification of the System as a renewable energy resource under applicable state or regional regulatory requirements or any other renewable energy standard or environmental compliance program for which the System may qualify in order that Purchaser may sell Environmental Attributes, provided that such qualification and related compliance with such standard or program shall be Purchaser’s sole responsibility. **Definitions.** As used in this **Section 2** and the balance of this Agreement, the following capitalized terms have the following meanings:
- (i) “**Commercial Operation Date**” is defined in **Exhibit 1**.
- (ii) “**Environmental Attributes**” means any and all, credits, benefits, emissions reductions, offsets, capacity attributes and allowances, howsoever entitled, attributable to the System, the production of electrical energy from the System and its displacement of conventional energy generation, that are created or otherwise arise from the System’s generation of energy using a zero or lower emissions fuel in contrast to the generation of electricity using fossil fuels, including, but not limited to, tags, certificates or similar products or rights associated with such energy production as a “green” or “renewable” electric generation resource, including any and all environmental air quality credits, off-sets or other benefits related to the generation of energy at the System in a manner which reduces, displaces or offsets emissions resulting from fuel combustion at another location pursuant to Minnesota or any other federal, state or local legislation or regulation, and the aggregate amount of credits, offsets or other benefits related to Purchaser’s current green pricing program, any successor green pricing program or other environmental or renewable energy credit trading program derived from the use, purchase or distribution of renewable energy from the generation of energy at such System or any similar program pursuant to any federal, state or local legislation or regulation and any renewable energy certificates issued pursuant to any program, information system or tracking system associated with the renewable energy generated from such System,

- including any reporting rights related to these avoided emissions, such as Green Tag Reporting Rights. Environmental Attributes do not include Tax Credits (defined below), Environmental Incentives (defined below), production tax credits (PTCs) or any similar tax credits or benefits, or cash grants, production incentives or similar tax cash benefits resulting from the ownership of such System as a renewable energy production facility. Without limiting the generality of the foregoing, Environmental Attributes include carbon trading credits, renewable energy credits or certificates, emissions reduction credits, emissions allowances, green tags tradable renewable credits and Green-e® products.
- (iii) “**Green Tag Reporting Rights**” are the right of a party to report the ownership of accumulated Green Tags in compliance with federal or state law, if applicable, and to a federal or state agency or any other party, and include Green Tag Reporting Rights accruing under Section 1605(b) of The Energy Policy Act of 1992 and any present or future federal, state, or local law, regulation or bill, and international or foreign emissions trading program.
  - (iv) “**MRETS**” means the Midwest Renewable Energy Tracking System or its successor.
  - (v) “**MISO**” means the Midcontinent Independent System Operator, Inc., or its successors in responsibilities and functions.
  - (vi) “**TARIFF**” means the Open Access Transmission, Energy and Operating Reserve Markets Tariff of MISO, as revised from time to time
  - (vii) “**Products**” means the electric energy generated by the System at the Delivery Point and all related or resulting Environmental Attributes.

### 3. Environmental Incentives and Tax Credits.

- (a) **Ownership of Environmental Incentives and Tax Credits.** Unless otherwise specified on Exhibit 1 or Section 2 of this Agreement, Seller is the owner of all Environmental Incentives (defined below) and is entitled to the benefit of all Tax Credits (defined below), and the Products transferred or transferable to Purchaser under this Agreement do not include Environmental Incentives or the right to Tax Credits or any other attributes of ownership and operation of the System, all of which shall be retained by Seller. Seller’s obligations are conditioned upon the ability of the Seller to fully utilize all Environmental Incentives and Tax Credits available as of the Effective Date. Purchaser shall cooperate with Seller in obtaining, securing and transferring all Environmental Incentives and the benefit of all Tax Credits, including by using the electric energy generated by the System in a manner necessary to qualify for such available Environmental Incentives and Tax Credits. Purchaser shall not be obligated to incur any out-of-pocket costs or expenses in connection with such actions unless reimbursed by Seller. If any Environmental Incentives are paid directly to Purchaser, Purchaser shall immediately pay such amounts over to Seller. Seller shall have no responsibility for any press releases regarding Purchaser’s publication of any claims or statements with respect to use of solar or renewable energy with respect to the System or otherwise. Seller and Purchaser shall file tax returns and other tax-related information and documents consistent with this Section 3.
- (b) “**Environmental Incentives**” means any and all credits, rebates, subsidies, payments or other incentives that relate to self-generation of electricity, the use of technology incorporated into the System, environmental benefits of using the System, or other similar programs available from the Utility, any other regulated entity, the manufacturer of any part of the System or any Governmental Authority.
- (c) “**Governmental Authority**” means any national, state or local government (whether domestic or foreign), any political subdivision thereof or any other governmental, quasi-governmental, judicial, public or statutory instrumentality, authority, body, agency, bureau or entity (including the Federal Energy Regulatory Commission, MISO, or the Minnesota Public Utilities Commission), or any arbitrator with authority to bind a party at law.
- (d) “**Tax Credits**” means any and all (i) investment tax credits, including the federal investment tax credit equal to thirty percent (30%) of the System value as of the Effective Date; (ii) production tax credits, (iii) the Abatement, described on Exhibit 1, (iv) beneficial tax attributes applicable to the System or the owner of the System, including federal MACRS accelerated depreciation equal to eighty five percent (85%) of the System value, and (v) similar tax credits or grants, as well as under federal, state or local law relating to the construction, ownership or production of energy from the System.
- (e) “**Utility**” means the Utility identified on Exhibit 2.

### 4. Term and Termination.

(a) **Initial Term.** The initial term (“**Initial Term**”) of this Agreement shall commence on the Commercial Operation Date (as defined below) and continue for the length of time specified in **Exhibit 1**, unless earlier terminated as provided for in this Agreement. Seller shall deliver to Purchaser written notice identifying the “**Commercial Operation Date**,” which, as set forth on **Exhibit 1** shall be the date System is mechanically complete and capable of providing electric energy to the Delivery Point and that the System is interconnected with the distribution system of the Utility. Such notice shall be deemed effective unless Purchaser reasonably objects within five (5) days of the date of such notice. Upon Purchaser’s request, Seller will give Purchaser copies of certificates of completion or similar documentation from Seller’s contractor or other evidence of Commercial Operation, including pursuant to the interconnection agreement with the Utility. This Agreement is effective as of the Effective Date and Purchaser’s failure to enable Seller to provide the electric energy by not performing shall not excuse Purchaser’s obligations to make payments that otherwise would have been due under this Agreement.

(b) **Additional Terms.**

(i) Prior to the end of the Initial Term or of any applicable Additional Term, as defined below, if Purchaser has not exercised its option to purchase the System, Seller may give the Purchaser written notice of its desire to extend this Agreement on the terms and conditions set forth herein for an additional period of five years (an “**Additional Term**”). Such notice shall be given, if at all, not more than two hundred seventy (270) and not less than one hundred eighty (180) days before the last day of the Initial Term or the then current Additional Term, as applicable. If Seller provides notice of extension for an Additional Term, the Additional Term shall begin immediately upon the conclusion of the Initial Term or the then current Additional Term on the same terms and conditions as set forth in this Agreement. If the Seller does not provide notice of Seller’s request for an Additional Term as required by this provision prior to the 180<sup>th</sup> day before the end of the then-current term, this Agreement shall terminate at the end of the Initial Term (if the same has not been extended) or the then current Additional Term.

(ii) Prior to the end of any applicable Additional Term, as further defined below, if Purchaser has not exercised its option to purchase the System, either Party may give the other Party written notice of its desire to extend this Agreement on the terms and conditions set forth herein for an additional period of five years (also an “**Additional Term**”). Such notice shall be given, if at all, not more than two hundred seventy (270) and not less than one hundred eighty (180) days before the last day of the Initial Term or the then current Additional Term, as applicable. If a Party provides notice of extension for an Additional Term, the Seller and Purchaser shall negotiate in good faith as to whether an Additional Term shall begin immediately upon the conclusion of the Initial Term or the then current Additional Term on the same terms and conditions as set forth in this Agreement or other terms and conditions as mutually agreed. If a Party does not provide notice of its request for an Additional Term as required by this provision prior to the 180<sup>th</sup> day before the end of the then-current Additional Term, or if the Parties cannot agree on the terms applicable to a proposed Additional Term at least 60 days prior to the last day of the then-current Additional Term, this Agreement shall terminate at the end of the then current Additional Term.

5. **Billing and Payment.**

(a) **Monthly Charges.** Purchaser shall pay Seller monthly for the Products, including the Electric Output delivered to the Delivery Point, at the \$/MWh rate shown in **Exhibit 1** (the “**Contract Price**”). The monthly payment for such Products will be equal to the applicable \$/MWh rate multiplied by the number of MWh of Electric Output generated during the applicable month, as measured by the System Meters.

(b) **Monthly Invoices.** Seller shall invoice Purchaser monthly. Such monthly invoices shall state (i) the amount of Electric Output produced by the System and delivered to the Delivery Point, (ii) the rates applicable to, and charges incurred by, Purchaser under this Agreement, (iii) applicable taxes and charges payable by Purchaser for the month as provided in this Agreement, and (iv) the total amount due from Purchaser. The Contract Price includes ACH invoicing.

(c) **Taxes.** Purchaser shall either pay or reimburse Seller for any and all taxes assessed on the production, generation, sale, delivery or consumption of all Products produced by the System or the interconnection of the System to the Utility’s electric distribution system, including property taxes on the System; provided, however, Purchaser will not be required to pay or reimburse Seller for Minnesota production tax of \$1.20/MWh, which is included in the Contract Price, or any taxes during periods when Seller fails to deliver Electric Output to Purchaser for reasons other than Force Majeure (defined below) or Outbreak Event (defined below) or as a result of Purchaser’s acts or omissions. The Contract Price has been agreed on the basis that no personal property taxes, real property taxes, or similar taxes or assessments payable by the Seller with respect to the System, the Site, or any assets of the Seller related to the System. Purchaser and Seller will use commercially reasonable efforts to minimize taxes and assessments applicable to the



System or payable by Seller for the System. For purposes of this **Section 5(c)**, “Taxes” means any federal, state and local ad valorem, property, occupation, generation, privilege, sales, use, consumption, excise, transaction, and other taxes, regulatory fees, surcharges or other similar charges, but shall not include any income taxes or similar taxes imposed on Seller’s revenues due to the sale of energy under this Agreement, which shall be Seller’s responsibility. Further, the Contract Price assumes the availability and applicability of the Abatement described on **Exhibit 1**.

- (d) Payment Terms.** All amounts due under this Agreement shall be due and payable net thirty (30) days from receipt of invoice. Any undisputed portion of the invoice amount not paid within the thirty (30) day period shall accrue interest at the annual rate of one and one-half percent (1.5%) over the prime rate, as published in the Wall Street Journal (but not to exceed the maximum rate permitted by law).

## 6. **Conditions to Obligations.**

- (a) Conditions to Seller’s Obligations.** Seller’s obligations under this Agreement are conditioned on Seller having access to the Property and the Premises to conduct diligence thereof by **September 30, 2020** and on the completion of the following conditions to Seller’s reasonable satisfaction on or before the Condition Satisfaction Date (set forth on **Exhibit 1**):
- (i) Satisfactory completion of a physical inspection of the Premises and the Property, including, if applicable, geotechnical work, surveys, and real estate due diligence to confirm the suitability of the Premises for the System;
  - (ii) Purchaser and Seller shall have executed and delivered the Premises Lease for the Premises pursuant to which Seller shall have control over the Premises, and shall have and control all real property rights with respect to the Premises necessary to construct, install, operate, repair, replace, and remove the System at the Premises, including, without limitation, ingress and egress rights, utility interconnection rights, insolation rights, stormwater rights, right-of-way and curb-cut rights, and construction laydown rights;
  - (iii) Approval of (A) this Agreement and (B) the Construction Agreement (if any) for the System by Seller’s Financing Parties. “**Construction Agreement**” as used in this subsection means an agreement between Seller and any contractor or subcontractor to install the System;
  - (iv) Confirmation that the System will qualify for all Environmental Attributes that reasonably should be available to the System or its owner, and that Seller will obtain all applicable Environmental Incentives and Tax Credits;
  - (v) Confirmation that the Seller has secured, and that the System will be afforded, tax exemptions and beneficial tax treatment that reasonably should be available to the Seller or for the System, including assessments at a level that excludes the value of Tax Credits;
  - (vi) Receipt of all zoning, land use, building, right-of-way, and environmental permits, approvals, and consents (collectively, “**Permits**”) necessary or advisable in Seller’s reasonable discretion to install, construct, and operate the System on the Premises; and
  - (vii) Execution of all necessary agreements with the Utility for interconnection of the System to the Utility’s electric distribution system.
- (b) Failure of Conditions.** If any of the conditions listed in subsection (a) are not satisfied by the Condition Satisfaction Date, the Parties will attempt in good faith to negotiate new dates for the satisfaction of the failed conditions. If the Parties are unable to negotiate new dates then Seller may terminate this Agreement upon ten (10) days written notice to Purchaser without liability for costs or damages or triggering a default under this Agreement.
- (c) Commencement of Construction.** Seller’s obligation to commence construction and installation of the System is conditioned on Seller’s receipt of: (A) proof of insurance for all insurance required to be maintained by Purchaser under this Agreement, and (B) written confirmation from any person holding a mortgage, lien or other encumbrance over the Premises, as applicable, that such person will recognize Seller’s rights under this Agreement for as long Seller is not in default hereunder.

- (d) Conditions to Purchaser's Obligations.** If the Commercial Operation Date does not occur by the Outside Commercial Date (as the same may be extended pursuant to **Exhibit 1**), then Purchaser shall have the right to terminate this Agreement by delivering to Seller prior to achievement of Commercial Operation of the System and within 180 days after the Outside Commercial Operation Date a written termination notice.

## 7. Seller's Rights and Obligations.

- (a) Permits and Approvals.** Subject to **Section 6**, Seller shall be responsible for securing all Permits necessary to investigate, design, construct, interconnect, and operate the System. Purchaser shall cooperate with Seller's reasonable requests to assist Seller in obtaining Permits.
- (b) System Construction, Interconnection, Operation, Repair and Maintenance.** Subject to satisfaction or waiver of the conditions in **Section 6** and the other provisions of this Agreement, Seller shall construct and install the System. During the Term, Seller will operate and maintain the System. Seller shall be responsible to oversee the work of the Utility to interconnect the System to the Point of Interconnection (defined on **Exhibit 1**), and for the design, construction, and maintenance of the interconnection facilities and equipment from the Delivery Point to the Point of Interconnection. Purchaser shall be responsible for timely payment of all costs payable to interconnect the System to the Point of Interconnection and all fees and charges of the Utility with respect to the interconnection of the System to the Utility's electricity distribution system.
- (c) Non-Standard System Repair and Maintenance.** If Seller incurs incremental costs to construct, operate, or maintain the System due to the inaccuracy of any information provided by Purchaser and relied upon by Seller or the failure of Purchaser to comply with Purchaser's obligations under this Agreement, the pricing, schedule and other terms of this Agreement will be equitably adjusted to compensate for any work in excess of normally expected work required to be performed by Seller. In such event, the Parties will negotiate such equitable adjustment in good faith.
- (d) Breakdown Notice.** Seller shall notify Purchaser within twenty-four (24) hours following Seller's discovery of (i) any material malfunction in the operation of the System or (ii) an interruption in the supply of electrical energy from the System. Purchaser and Seller shall each designate personnel and establish procedures such that each Party may provide notice of such conditions requiring Seller's repair or alteration at all times, twenty-four (24) hours per day, including weekends and holidays. Purchaser shall notify Seller immediately upon the discovery of an emergency condition affecting the System.
- (e) Compensated Curtailment.** Purchaser shall pay and compensate Seller at the Contract Price for MWh that Seller demonstrates are not delivered to the Delivery Point due to any Purchaser-initiated or Utility-initiated curtailment of the System, other than any shutdown, suspension, or curtailment due to emergencies, Seller default, or force majeure events,
- (f) Suspension.** Notwithstanding anything to the contrary herein, Seller shall be entitled to suspend delivery of electricity from the System to any Delivery Point for the purpose of maintaining and repairing the System and such suspension of service shall not constitute a breach of this Agreement; provided, that Seller shall use commercially reasonable efforts to minimize any interruption in electricity service from the System.
- (g) Use of Contractors and Subcontractors.** Seller shall be permitted to use contractors and subcontractors to perform its obligations under this Agreement, provided however, that such contractors and subcontractors shall be duly licensed and shall provide any work in accordance with applicable industry standards. Notwithstanding the foregoing, Seller shall continue to be responsible for the quality of the work performed by its contractors and subcontractors. Contractors and subcontractors shall meet the Responsible Contractor requirement as outlined in Minnesota Statutes §16C.285, subdivision 3.
- (h) No Warranty.** NO WARRANTY OR REMEDY, WHETHER STATUTORY, WRITTEN, ORAL, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, OR WARRANTIES ARISING FROM COURSE OF DEALING OR USAGE OF TRADE SHALL APPLY. The remedies set forth in this Agreement shall be Purchaser's sole and exclusive remedies for any claim or liability arising out of or in connection with this Agreement, whether arising in contract, tort (including negligence), strict liability or otherwise.

## 8. Purchaser's Rights and Obligations.



- (a) System Meters.** Each System Meter used to determine the Electric Output made available to Purchaser by Seller under this Agreement and to monitor and coordinate operation of the System, shall be owned, installed, and maintained in accordance with the interconnection agreement for the System between Utility and Seller (the “**Interconnection Agreement**”) at no cost to Purchaser under this Agreement. Seller shall provide Purchaser access to all System Meters for all purposes necessary to perform under this Agreement with respect to each System, and shall provide Purchaser the reasonable opportunity to be present at any time any System Meter is to be inspected and tested or adjusted in accordance with the Interconnection Agreement. **Seller shall** install at least one System Meter at each Delivery Point for the System, which shall be capable of gathering real time telemetry data and transmitting on a periodic basis, not less than every fifteen minutes. Seller shall provide Purchaser with authorizations necessary to have access to the monitoring data.
- (b) Back-Up Meters.** Either Purchaser or Seller may elect to install and maintain, at the installing Party’s own expense, backup metering devices (each a “**Back-Up Meter**”) in addition to the System Meters, which installation and maintenance shall be performed in a manner acceptable to Seller and Purchaser. The installing Party, at its own expense, shall inspect and test each Back-Up Meter upon installation and at least annually thereafter. The installing Party shall provide the other Party with reasonable advance notice of, and permit a representative of such Party to witness and verify, such inspections and tests, provided, however, that such Party shall not unreasonably interfere with or disrupt the activities of the installing Party and shall comply with all applicable safety standards. Upon request, the installing Party shall perform additional inspections or tests of each Back-Up Meter and shall permit a qualified representative of the other Party to inspect or witness the testing of each Back-Up Meter, provided, however, that such other Party shall not unreasonably interfere with or disrupt the activities of the installing Party and shall comply with all applicable safety standards. The actual expense of any such requested additional inspection or testing shall be borne by the Party requesting the test, unless, upon such inspection or testing, a Back-Up Meter is found to register inaccurately by more than the allowable limits established in this Article, in which event the expense of the requested additional inspection or testing shall be borne by the installing Party. If requested in writing, the installing Party shall provide copies of any inspection or testing reports to the requesting Party.
- (c) Inaccurate Meters.** If any System Meters, or Back-Up Meter, are found to be defective or inaccurate, they shall be adjusted, repaired, replaced, and/or recalibrated as near as practicable to a condition of zero error by the Party owning such defective or inaccurate device and at that Party’s expense.
- (d) Meter Adjustment.** If any System Meter, or Back-Up Meter, fails to register, or if the measurement made by any System Meter, or Back-Up Meter, is found upon testing to be inaccurate by more than [five] percent (5.0%), an adjustment shall be made correcting all measurements by the inaccurate or defective System Meter, or Back-Up Meter, for both the amount of the inaccuracy and the period of the inaccuracy, in the following manner:
- (e) Measurements; Back-Up Meter and System Meter Discrepancies.** In the event that a System Meter is found to be defective or inaccurate, the Parties shall use the related Back-Up Meter, if installed, to determine the amount of such inaccuracy, provided, however, that the applicable Back-Up Meter has been tested and maintained in accordance with the provisions of this Article. As necessary, based on the placement of a System Meter and the related Back-Up Meter, metering data from the Back-Up Meter shall be adjusted for losses, if applicable. In the event that Seller did not install Back-Up metering, or Back-Up Meter is also found to be inaccurate by more than [five percent (5.0%)], the Parties shall estimate the amount of the necessary adjustment on the basis of deliveries of Electric Output from the applicable System and to the applicable Point of Delivery during periods of similar operating conditions when the System Meter was registering accurately. The adjustment shall be made for the period during which inaccurate measurements were made. In the event that the Parties cannot agree on the actual period during which the inaccurate measurements were made, the period during which the measurements are to be adjusted shall be the shorter of (i) the last one-half of the period from the last previous test of the relevant System to the System test that found the System Meter to be defective or inaccurate, or (ii) the one hundred eighty (180) Days immediately preceding the test that found the System Meter to be defective or inaccurate.
- (f) Payment Adjustment.** To the extent that the adjustment period covers a period of deliveries of Electric Output from the System for which payment has already been made by Purchaser, Purchaser shall use the corrected measurements as determined in accordance with this Article to re-compute the amount due for Electric Output from the System for the period of the inaccuracy and shall subtract the previous payments by Purchaser to Seller for this period from such re-computed amount. If the difference is a positive number, the difference shall be paid by Purchaser to Seller; if the difference is a negative number, that difference shall be paid by Seller to Purchaser, or if the Parties agree, may take the form of an offset to payments due Seller by Purchaser. Payment of such difference by the owing Party shall be made not later than thirty (30) Days after the owing Party receives notice of the amount due, unless otherwise agreed by the Parties.

## 9. Change in Law.

- (a) “**Change in Law**” means (i) the enactment, adoption, promulgation, modification or repeal after the Effective Date of any applicable law or regulation; (ii) the imposition of any material conditions on the issuance or renewal of any applicable permit after the Effective Date of this Agreement (notwithstanding the general requirements contained in any applicable Permit at the time of application or issue to comply with future laws, ordinances, codes, rules, regulations or similar legislation), (iii) a change in any utility rate schedule or tariff approved by any Governmental Authority, including the Tariff, or (iv) revocation of any Tax Credit, which establishes requirements or revokes beneficial laws or rules affecting owning, supplying, constructing, installing, operating, or maintaining the System, or other performance of the Seller’s obligations hereunder or which has a material adverse effect on the cost to Seller of performing such obligations.
- (b) If any Change in Law occurs that has a material adverse effect on the cost to Seller of performing its obligations under this Agreement, then the Parties shall, within thirty (30) days following receipt by Purchaser from Seller of notice of such Change in Law, meet and attempt in good faith to negotiate amendments to this Agreement as are reasonably necessary to preserve the economic value of this Agreement to both Parties. If the Parties are unable to agree upon such amendments within such thirty (30) day period, then Seller shall have the right to terminate this Agreement without further liability to either Party except with respect to payment of amounts accrued prior to termination.

## 10. Default, Remedies and Damages.

(a) **Default.** Any Party that fails to perform its responsibilities as listed below or experiences any of the circumstances listed below shall be deemed to be the “**Defaulting Party**,” the other Party shall be deemed to be the “**Non-Defaulting Party**”, and each event of default shall be a “**Default Event**”:

- (i) failure of a Party to pay any amount due and payable under this Agreement, other than an amount that is subject to a good faith dispute, within ten (10) days following receipt of written notice from the Non-Defaulting Party of such failure to pay (“**Payment Default**”);
- (ii) failure of a Party to substantially perform any other material obligation under this Agreement within thirty (30) days following receipt of written notice from the Non-Defaulting Party demanding such cure; provided, that such thirty (30) day cure period shall be extended (but not beyond ninety (90) days) if and to the extent reasonably necessary to cure the Default Event, if (A) the Defaulting Party initiates such cure within the thirty (30) day period and continues such cure to completion and (B) there is no material adverse effect on the Non-Defaulting Party resulting from the failure to cure the Default Event;
- (iii) if any representation or warranty of a Party proves at any time to have been incorrect in any material respect when made and is material to the transactions contemplated hereby, if the effect of such incorrectness is not cured within thirty (30) days following receipt of written notice from the Non-Defaulting Party demanding such cure;
- (iv) Seller loses its rights to occupy the Premises;
- (v) a Party becomes insolvent or is a party to a bankruptcy, reorganization, insolvency, liquidation, receivership, dissolution, winding-up or relief of debtors, or any general assignment for the benefit of creditors or other similar arrangement or any event occurs or proceedings are taken in any jurisdiction with respect to the Party which has a similar effect, and, if any such bankruptcy or other proceedings were initiated by a third party, if such proceedings have not been dismissed within sixty (60) days following receipt of a written notice from the Non-Defaulting Party demanding such cure; or
- (vi) Purchaser prevents Seller from installing the System or otherwise failing to perform in a way that prevents the delivery of electric energy from the System. Such Default Event shall not excuse Purchaser’s obligations to make payments that otherwise would have been due under this Agreement.

### (b) Remedies.

- (i) Remedies for Payment Default. If a Payment Default occurs, the Non-Defaulting Party may suspend performance of its obligations under this Agreement. Further, the Non-Defaulting Party may (A) at any time

during the continuation of the Default Event, terminate this Agreement upon five (5) days prior written notice to the Defaulting Party, and (B) pursue any remedy under this Agreement, at law or in equity, including an action for damages.

- (ii) Remedies for Failure to accept Electric Output. In the event that Purchaser fails to purchase and accept delivery of the Electric Output from the System, except to the extent that Purchaser is entitled as specifically provided herein to not accept such Electric Output, the ownership of any System attributes then owned by Purchaser shall transfer from Purchaser to Seller, and Seller shall have the right to seek damages measured by the positive difference, if any, between: (A) the amount Seller would otherwise have been paid under this Agreement for such Electric Output, the unrealized value of Environmental Attributes, and the value of Environmental Incentives and Tax Credits related to the Electric Output Purchaser fails to acquire, to the extent unavailable due to Purchaser's failure to purchase Electric Output, (2) the payments received by Seller in the event Seller is able to sell any such Electric Output to a third party including the value of Environmental Attributes.
- (iii) Remedies for Other Defaults. On the occurrence of a Default Event other than a Payment Default, the Non-Defaulting Party may (A) at any time during the continuation of the Default Event, terminate this Agreement or suspend its performance of its obligations under this Agreement, upon five (5) days prior written notice to the Defaulting Party, and (B) pursue any remedy under this Agreement, at law or in equity, including an action for damages. Nothing herein shall limit either Party's right to collect damages upon the occurrence of a breach or a default by the other Party that does not become a Default Event.
- (iv) Damages Upon Termination by Default. Upon a termination of this Agreement by the Non-Defaulting Party as a result of a Default Event by the Defaulting Party, the Defaulting Party shall pay a Termination Payment to the Non-Defaulting Party determined as follows (the "**Termination Payment**"):
  - A. Purchaser. If Purchaser is the Defaulting Party and Seller terminates this Agreement, the Termination Payment to Seller shall be equal to the sum of (1) reasonable compensation, on a net after tax basis assuming a tax rate of **thirty and eight one hundredths percent (30.8%)** (reflecting a federal corporate income tax rate of 21% and a state rate of 9.8%) for the loss or recapture of (a) Tax Credits, including the investment tax credit equal to thirty percent (30%) of the System value and MACRS accelerated depreciation equal to eighty five percent (85%) of the System value, (b) loss of any Environmental Attributes or Environmental Incentives that accrue or are otherwise assigned to Seller pursuant to the terms of this Agreement (Seller shall furnish Purchaser with a detailed calculation of such compensation if such a claim is made), (c) other financing and associated costs not included in (a), (b) and (c), (2) the net present value (using a discount rate reasonably agreed by Purchaser and Seller as of the date of determination of net present value, which shall take into account Seller's cost of capital as of the determination date) of the projected payments over the Term post-termination, had the Term remained effective for the full Initial Term, (3) the costs to remove the System from the Premises; (4) costs associated with early termination of the site security agreement for the Premises, and (5) any and all other amounts previously accrued under this Agreement and then owed by Purchaser to Seller. The Parties agree that actual damages to Seller in the event this Agreement terminates prior to the expiration of the Term as the result of a Default Event by Purchaser would be difficult to ascertain, and the applicable Termination Payment is a reasonable approximation of the damages suffered by Seller as a result of early termination of this Agreement. The Termination Payment shall not be less than zero.
  - B. Seller. If Seller is the Defaulting Party and Purchaser terminates this Agreement, the Termination Payment to Purchaser shall be equal to the sum of (1) the net present value (using a discount rate reasonably agreed by Purchaser and Seller as of the date of determination of net present value, which shall take into account Purchaser's cost of capital as of the determination date) of the excess, if any, of the reasonably expected cost of electric energy from the Utility over the Contract Price for the reasonably expected production of the System (based on the Electric Output Estimate, subject to annual degradation) for the remainder of the Initial Term or the then current Additional Term, as applicable; (2) all costs reasonably incurred by Purchaser in re-converting its electric supply to service from the Utility; (3) any removal costs incurred by Purchaser, and (4) any and all other amounts

previously accrued under this Agreement and then owed by Seller to Purchaser. The Termination Payment shall not be less than zero.

(2) Obligations Following Termination. The Non-Defaulting Party shall take all commercially reasonable efforts to mitigate its damages as the result of a Default Event.

(c) Limitations; Damages. The rights and obligations of the Parties pursuant to this Article 10 are subject to the limitations set forth in this Agreement, including pursuant to Section 14(c).

## 11. Representations, Warranties and Covenants.

(a) General Representations and Warranties. Each Party represents and warrants to the other the following as of the Effective Date:

- (i) Such Party is duly organized, validly existing and in good standing under the laws of the jurisdiction of its formation; the execution, delivery and performance by such Party of this Agreement have been duly authorized by all necessary corporate, partnership or limited liability company action, as applicable, and do not and shall not violate any law; and this Agreement is valid obligation of such Party, enforceable against such Party in accordance with its terms (except as may be limited by applicable bankruptcy, insolvency, reorganization, moratorium and other similar laws now or hereafter in effect relating to creditors' rights generally).
- (ii) Such Party has obtained all licenses, authorizations, consents and approvals required by any Governmental Authority or other third party and necessary for such Party to own its assets, carry on its business and to execute and deliver this Agreement; and such Party is in compliance with all laws that relate to this Agreement in all material respects.

(b) Purchaser's Representations, Warranties and Covenants. Purchaser represents and warrants to Seller the following as of the Effective Date and covenants that throughout the Term:

- (i) Other Agreements. Neither the execution and delivery of this Agreement by Purchaser nor the performance by Purchaser of any of its obligations under this Agreement conflicts with or will result in a breach or default under any agreement or obligation to which Purchaser is a party or by which Purchaser or the System is bound.
- (ii) Accuracy of Information. All information provided by Purchaser to Seller, as it pertains to the Purchaser's estimated electricity requirements, is accurate in all material respects.
- (iii) Purchaser Status. Purchaser is a public utility and is subject to regulation as a public utility.
- (iv) Hazardous Substances. There are no Hazardous Substances at, on, above, below or near the Premises.

## 12. System and System Damage and Insurance.

(a) System and System Damage. If the **System** becomes damaged or destroyed other than by Purchaser's gross negligence or willful misconduct, Seller shall promptly repair and restore the System to its pre-existing condition; provided, however, that if more than fifty percent (50%) of the System is destroyed during the last five (5) years of the Initial Term or during any Additional Term, Seller shall not be required to restore the System, but may instead terminate this Agreement, unless Purchaser agrees (A) to pay for the cost of such restoration of the System or (B) to purchase the System "AS-IS" at Fair Market Value of the System

(b) Insurance Coverage. At all times during the Term, Seller shall maintain (A) property insurance on the System for the replacement cost thereof, (B) commercial general liability insurance with coverage of at least \$1,000,000 per occurrence and \$2,000,000 annual aggregate, (C) employer's liability insurance with coverage of at least \$1,000,000 and (iv) workers' compensation insurance as required by law.

(c) Policy Provisions. All insurance policies provided hereunder shall (i) contain a provision whereby the insurer agrees to give the party not providing the insurance (A) not less than ten (10) days written notice before the insurance is cancelled, or terminated as a result of non-payment of premiums, or (B) not less than thirty (30) days written notice

before the insurance is otherwise cancelled or terminated, (ii) be written on an occurrence basis, and (iii) be maintained with companies either rated no less than A-VII as to Policy Holder's Rating in the current edition of A.M. Best's Insurance Guide or otherwise reasonably acceptable to the other party.

- (d) **Certificates.** At Purchaser's request, Seller shall deliver to Purchaser a certificate of insurance evidencing the above required coverage.
- (e) **Deductibles.** Unless and to the extent that a claim is covered by an indemnity set forth in this Agreement, each Party shall be responsible for the payment of its own deductibles.

### 13. **Ownership; Option to Purchase.**

- (a) **Ownership of System.** Throughout the Term (except as otherwise permitted in **Section 16**), Seller shall be the legal and beneficial owner of the System at all times, and all Environmental Attributes (unless otherwise expressly specified herein), and the System shall remain the personal property of Seller and shall not attach to or be deemed a part of, or fixture to the Premises. Each of the Seller and Purchaser agree that the Seller (or the designated assignee of Seller permitted under **Section 16**) is the tax owner of the System and all tax filings and reports will be filed in a manner consistent with this Agreement. The System shall at all times retain the legal status of personal property as defined under Article 9 of the Uniform Commercial Code.
- (b) **Option to Purchase.** On any Exercise Date (defined below), so long as Purchaser is not then in default under this Agreement, Purchaser may purchase the System from Seller for a purchase price equal to the Fair Market Value of the System. Purchaser must provide a written notice to Seller of its intent to purchase at least ninety (90) days and not more than one hundred eighty (180) days prior to the applicable Exercise Date, and the purchase shall be completed on the applicable Exercise Date for which an exercise notice is delivered; provided, however, that, upon delivery of a written purchase termination notice to Seller, Purchaser shall have the authority to terminate any purchase pursuant to exercise of any purchase option to the extent that the purchase is not approved pursuant to any required Purchaser approval process. Any such purchase shall be on an as-is, where-is basis, and Seller shall not provide any warranty or other guarantee regarding the performance of the System, provided, however, that Seller shall assign to Purchaser any manufacturers warranties that are in effect as of the purchase, and which are assignable pursuant to their terms. Notwithstanding the foregoing, if Purchaser cannot secure any required approval to consummate the purchase of the System pursuant to Purchaser's exercise of an option to purchase, Purchaser shall forfeit any future, unexercised option to purchase hereunder.
- (c) **Determination of Fair Market Value.** "Fair Market Value" means, in Seller's reasonable determination as of the applicable Exercise Date, the greater of: (i) the amount that would be paid in an arm's length, free market transaction, for cash, between an informed, willing seller and an informed willing buyer, neither of whom is under compulsion to complete the transaction, taking into account, among other things, the age, condition and performance of the System and advances in solar technology, provided that installed equipment shall be valued on an installed basis, shall not be valued as scrap if it is functioning and in good condition and costs of removal from a current location shall not be a deduction from the valuation, and (ii) the present value (using an annual discount rate of 6.4% ) of (x) "System Revenues" less "System Operating Expenses" arising from the operation of the System for the remainder of the useful life of the System (which shall not be less than 35 years from Commercial Operation), plus (y) any value realizable during the measurement period of Environmental Attributes, Environmental Incentives, and Tax Credits with respect to the System, where:
- (1) The determination of "System Revenues" will be based on the following:
    - A. The System's production of Electric Output will be based on a yield (expressed as kWh/kW (DC)) according to the final System design and Estimated Electric Output, adjusted by an annual equipment degradation rate of no more than 0.25% per year.
    - B. During the Term, the \$/MWh revenue rate will be at the Contract Price.
    - C. After the Term, the \$/MWh revenue rate will use the monthly "On Peak" rates as set forth in ABB's "Midwest Fall 2019 Reference Case – Base" price curve at the "MISO-MND" settlement point, adjusted by an annual inflation rate of 2.4% (which may be increased based on the prevailing market inflation rate over the measurement period).
  - (2) The determination of "System Operating Expenses" will be based on the following: System operating expenses would include only System operations and maintenance costs, insurance, \$1.00 annual lease fee, and the \$1.20/MWh Minnesota production tax, subject to a limit of a \$/kW (DC)/Yr cost of \$9.40, escalated at no more than 1.0% per year, from the Commercial Operation Date.



Without limiting Purchaser's rights pursuant to subsection (b) to terminate any purchase option transaction due to inability to secure required approvals, if Purchaser does not agree with the Seller's determination of Fair Market Value, Purchaser shall have the right to terminate the purchase option transaction effective upon delivery of a written termination notice to Seller.

- (d)** If, for any reason, other than a Seller Default Event, Purchaser fails to consummate the acquisition of the System pursuant to exercise of any purchase option right by the thirtieth (30<sup>th</sup>) day after the applicable Exercise Date, then the Purchaser's right to purchase the System as of such Exercise Date pursuant to exercise of the purchase option shall lapse and be of no further force or effect.
- (e)** "Exercise Date" means any one of the following: (i) the eighth anniversary of the Commercial Operation Date; (ii) December 31, 2030; or (iii) December 31, 2033.
- (f)** Upon purchase of the System, Purchaser will assume complete responsibility for the operation and maintenance of the System and liability for the performance of the System, and Seller shall have no further liabilities or obligations hereunder.

#### 14. **Indemnification and Limitations of Liability.**

- (a)** **General.** Each Party (the "**Indemnifying Party**") shall defend, indemnify and hold harmless the other Party and the directors, officers, shareholders, partners, members, agents and employees of such other Party, and the respective affiliates of each thereof (collectively, the "**Indemnified Parties**"), from and against all loss, damage, expense, liability and other claims, including court costs and reasonable attorneys' fees (collectively, "**Liabilities**") resulting from any third party actions relating to the breach of any representation or warranty set forth in **Section 11** and from injury to or death of persons, and damage to or loss of property to the extent caused by or arising out of the negligent acts or omissions of, or the willful misconduct of, the Indemnifying Party (or its contractors, agents or employees) in connection with this Agreement; provided, however, that nothing herein shall require the Indemnifying Party to indemnify the Indemnified Party for any Liabilities to the extent caused by or arising out of the negligent acts or omissions of, or the willful misconduct of, the Indemnified Party.
- (b)** **Notice and Participation in Third Party Claims.** The Indemnified Party shall give the Indemnifying Party written notice with respect to any Liability asserted by a third party (a "**Claim**"), as soon as possible upon the receipt of information of any possible Claim or of the commencement of such Claim. The Indemnifying Party may assume the defense of any Claim, at its sole cost and expense, with counsel designated by the Indemnifying Party and reasonably satisfactory to the Indemnified Party. The Indemnified Party may, however, select separate counsel if both Parties are defendants in the Claim and such defense or other form of participation is not reasonably available to the Indemnifying Party. The Indemnifying Party shall pay the reasonable attorneys' fees incurred by such separate counsel until such time as the need for separate counsel expires. The Indemnified Party may also, at the sole cost and expense of the Indemnifying Party, assume the defense of any Claim if the Indemnifying Party fails to assume the defense of the Claim within a reasonable time. Neither Party shall settle any Claim covered by this **Section 14(b)** unless it has obtained the prior written consent of the other Party, which consent shall not be unreasonably withheld or delayed. The Indemnifying Party shall have no liability under this **Section 14(b)** for any Claim for which such notice is not provided if that the failure to give notice prejudices the Indemnifying Party.
- (c)** **Limitations on Liability.**
- (i) **No Consequential Damages.** Except with respect to indemnification for third party claims pursuant to this **Section 14** and damages that result from the fraud or willful misconduct of a Party, neither Party nor its directors, officers, shareholders, partners, members, agents, employees, subcontractors, or suppliers shall be liable for any indirect, special, incidental, exemplary, or consequential loss or damage of any nature arising out of their performance or non-performance hereunder even if advised of such. The Parties agree that (1) in the event that Seller is required to recapture any Tax Credits or other tax benefits as a result of a breach of this Agreement by Purchaser, such recaptured amount shall be deemed to be direct and not indirect or consequential damages, and (2) in the event that Seller owns the Environmental Incentives or any Environmental Attributes produced by the System, and a breach of this Agreement by Purchaser causes Seller to lose the benefit of sales of such Environmental Incentives or Environmental Attributes to third parties, the amount of such lost sales shall be direct and not indirect or consequential damages.
- (ii) **Actual Damages.** Except with respect to indemnification for third party claims pursuant to **Section 14** and damages that result from the willful misconduct of Seller, Seller's aggregate liability under this Agreement

arising out of or in connection with the performance or non-performance of this Agreement shall not exceed the total payments made (or, as applicable, projected to be made) by Purchaser under this Agreement. The provisions of this **Section 14(c)(ii)** shall apply whether such liability arises in contract, tort (including negligence), strict liability or otherwise.

- (iii) **Survival of Claims.** Any action against either Party must be brought within one (1) year after the cause of action accrues and, in any event no more than two (2) years after termination of this Agreement for any reason.

## 15. **Force Majeure; COVID-19.**

- (a)** “**Force Majeure**” means any event or circumstances beyond the reasonable control of and without the fault or negligence of the Party claiming Force Majeure. It shall include, without limitation, failure or interruption of the production, delivery or acceptance of electricity due to: an act of god; war (declared or undeclared); sabotage; riot; insurrection; civil unrest or disturbance; military or guerilla action; terrorism; economic sanction or embargo;; explosion; fire; earthquake; abnormal weather condition or actions of the elements; hurricane; flood; lightning; wind; drought; the binding order of any Governmental Authority (provided that such order has been resisted in good faith by all reasonable legal means); the failure to act on the part of any Governmental Authority (provided that such action has been timely requested and diligently pursued); unavailability of electricity from the utility grid, equipment, supplies or products (but not to the extent that any such availability of any of the foregoing results from the failure of the Party claiming Force Majeure to have exercised reasonable diligence), curtailment of System production by any Governmental Authority or the Utility outside of the control of the Party claiming Force Majeure; and failure of equipment not utilized by or under the control of the Party claiming Force Majeure.
- (b)** Except as otherwise expressly provided to the contrary in this Agreement, if either Party is rendered wholly or partly unable to timely perform its obligations under this Agreement because of a Force Majeure event, that Party shall be excused from the performance affected by the Force Majeure event (but only to the extent so affected) and the time for performing such excused obligations shall be extended as reasonably necessary; provided, that: (i) the Party affected by such Force Majeure event, as soon as reasonably practicable after obtaining knowledge of the occurrence of the claimed Force Majeure event, gives the other Party prompt oral notice, followed by a written notice reasonably describing the event; (ii) the suspension of or extension of time for performance is of no greater scope and of no longer duration than is required by the Force Majeure event; and (iii) the Party affected by such Force Majeure event uses all reasonable efforts to mitigate or remedy its inability to perform as soon as reasonably possible. The Term shall be extended day for day for each day performance is suspended due to a Force Majeure event.
- (c)** Notwithstanding anything herein to the contrary, the obligation to make any payment due under this Agreement shall not be excused by a Force Majeure event that solely impacts Purchaser’s ability to make payment.
- (d)** If a Force Majeure event continues for a period of one hundred eighty (180) or more consecutive days within a twelve (12) month period and prevents a material part of the performance by a Party hereunder, then at any time during the continuation of the Force Majeure event, the Party not claiming the Force Majeure shall have the right to terminate this Agreement without fault or further liability to either Party (except for amounts accrued but unpaid through the termination date).
- (e)** As of the Effective Date, to the best knowledge of each Party, such Party can perform its obligations under this Agreement in accordance with its terms, notwithstanding the worldwide COVID-19 outbreak (“**Outbreak**”) that has occurred and is continuing as of the Effective Date. However, the impact of the Outbreak is evolving. If, after the Effective Date, either Party is rendered wholly or in part unable to perform its obligations hereunder because of an effect of the Outbreak that was not known on the Effective Date (“**Outbreak Event**”), such Party shall be excused from the performance affected by the Outbreak Event, provided that:
- (i) the Party affected by the Outbreak Event, shall, within five (5) days after becoming aware of the adverse performance impact of the Outbreak Event, give the other Party written notice describing the particulars of the adverse performance impact; and
  - (ii) the suspension of performance shall be of no greater scope and of no longer duration than is required to remedy the adverse effect of the Outbreak Event; and
  - (iii) the affected Party shall use diligent efforts to remedy its inability to perform.

- (f) The Parties acknowledge and agree that multiple Outbreak Events affecting the Parties' performance under this Agreement may arise. No obligations of either Party that are not affected by any, particular Outbreak Event or that arise after the cessation of such Outbreak Event shall be excused by such Outbreak Event.
- (g) If an Outbreak Event prevents a Party from substantially performing its obligations hereunder for a period exceeding one hundred-eighty (180) consecutive days (even if the affected Party takes all reasonable steps to remedy the effects of the Outbreak Event with all reasonable dispatch), then the Party not affected by the Outbreak Event, with respect to its obligations hereunder, may terminate this Agreement by giving ten (10) days prior notice to the other Party. Upon such termination, neither Party will have any liability to the other with respect to the period following the effective date of such termination; provided, however, that this Agreement will remain in effect to the extent necessary to facilitate the settlement of all liabilities and obligations arising hereunder before the effective date of such termination.

## 16. Assignment and Financing.

- (a) **Assignment.** This Agreement may not be assigned in whole or in part by either Party without the prior written consent of the other Party, which consent shall not be unreasonably withheld or delayed. Notwithstanding the foregoing, Seller may, without the prior written consent of Purchaser, (i) assign, mortgage, pledge or otherwise collaterally assign its interests in this Agreement and the System to any Financing Party, (ii) directly or indirectly assign this Agreement and the System to an affiliate or subsidiary of Seller, (iii) assign this Agreement and the System to any entity through which Seller is obtaining financing or capital for the System and (iv) assign this Agreement and the System to any person succeeding to all or substantially all of the assets of Seller (provided that Seller shall be released from liability hereunder as a result of any of the foregoing permitted assignments only upon assumption of Seller's obligations hereunder by the assignee). In the event of any such assignment, the Seller shall be released from all its liabilities and other obligations under this Agreement. However, any assignment of Seller's right and/or obligations under this Agreement, shall not result in any change to Purchaser's rights and obligations under this Agreement. Purchaser's consent to any other assignment shall not be unreasonably withheld if Purchaser has been provided with reasonable proof that the proposed assignee (x) has comparable experience in operating and maintaining photovoltaic solar systems comparable to the System and providing services comparable to those contemplated by this Agreement and (y) has the financial capability to maintain the System and provide the services contemplated by this Agreement in the manner required by this Agreement. This Agreement shall be binding on and inure to the benefit of the successors and permitted assignees.
- (b) **Financing.** The Parties acknowledge that Seller may obtain construction and long-term financing or other credit support from one or more Financing Parties. "Financing Parties" means person or persons providing construction or permanent financing to Seller in connection with construction, ownership, operation and maintenance of the System, or if applicable, means, if applicable, any person to whom Seller has transferred the ownership interest in the System, subject to a leaseback of the System from such person. Both Parties agree in good faith to consider and to negotiate changes or additions to this Agreement that may be reasonably requested by the Financing Parties; provided, that such changes do not alter the fundamental economic terms of this Agreement. In connection with an assignment pursuant to Section 16(a)(i)-(iv), Purchaser agrees to execute any consent, estoppel or acknowledgement in form and substance reasonably acceptable to such Financing Parties.
- (c) **Successor Servicing.** The Parties further acknowledge that in connection with any construction or long-term financing or other credit support provided to Seller or its affiliates by Financing Parties, that such Financing Parties may require that Seller or its affiliates appoint a third party to act as backup or successor provider of operation and maintenance services with respect to the System and/or administrative services with respect to this Agreement (the "Successor Provider"). Purchaser agrees to accept performance from any Successor Provider so appointed so long as such Successor Provider performs in accordance with the terms of this Agreement.

## 17. Confidentiality and Publicity.

- (a) **Confidentiality.** Each party agrees to keep the other party's Confidential Information, as defined below, strictly confidential, and not to appropriate the other party's Confidential Information for its own use or disclose the other party's Confidential Information to anyone other than its employees on a need-to-know basis, and only then if such persons agree to maintain its confidentiality. "Confidential Information" means information not generally known to outside persons, which is proprietary to the party, including trade secret information about processes, methods, products, systems, pricing, technology, prototypes, plans, drawings, designs, configurations, models, samples, blueprints, know-how, business plans, financing, agents, suppliers and customers. All such information about a party will be presumed to be Confidential Information, regardless of whether it is so marked or identified.



Notwithstanding the foregoing, the following will not be considered Confidential Information: (a) any information that a party can demonstrate was in its legitimate possession prior to the time of disclosure by the other party; (b) any information that was in the public domain prior to disclosure by a party to the other party, or that comes into the public domain through no fault of the other party; (c) any information which is disclosed to a party by a third party who has legitimate possession thereof and the right to make such disclosure; and (d) any information that a party is required to disclose by a court, government body or state law.

- (b)** Purchaser is required to disclose certain data under the Minnesota Government Data Practices Act (MDPA). If the Purchaser receives a MDPA request for data that is in Purchaser's possession and Purchaser determines, at its sole discretion, the data should be released pursuant to the MDPA, it shall notify Seller. Seller shall have three business days to approve the release of information or to assert the information should not be released. If Seller determines the information should not be released, Seller shall be liable for all expenses, including attorney's fees, in asserting this position. Further, Seller shall indemnify the Purchaser for any expenses incurred by the Purchaser related to the release of information.

- 18. Goodwill and Publicity.** The Parties shall coordinate and cooperate with each other when making public announcements related to the execution and existence of this Agreement. Neither Party shall make any press release or public announcement of the specific terms of this Agreement (except for filings or other statements or releases as may be required by applicable law) without the specific prior written consent of the other Party. Without limiting the generality of the foregoing, all public statements must accurately reflect the rights and obligations of the Parties under this Agreement, including the ownership of Environmental Attributes and Environmental Incentives and any related reporting rights. Each Party shall be permitted to refer to the other Party by name with respect to the System and the existence of this Agreement (though not its details) in any marketing literature, web sites, articles, press releases or any other document or communication published in electronic or paper form by or for such Party, provided that the Party that uses such references for marketing purposes shall provide to the other Party a copy of all marketing materials that include such references or a link to the web site or web page that includes such references. Following any such notice or provision of electronic link, if either Party objects to any particular use of its trademarks or names by the other Party, the other Party shall immediately modify or cease the use as reasonably requested by the objecting Party.

**19. Miscellaneous Provisions**

- (a) Choice of Law.** The formation, interpretation and performance of this Agreement between the Parties hereto shall be governed by and construed in accordance with the laws of the State of Minnesota, excluding any of its conflicts of laws provisions that would require the application of the laws of another jurisdiction.
- (b) Venue.** The Parties hereto agree that all actions or proceedings arising in connection with this Agreement shall be tried and litigated only in the state or federal courts located in the State of Minnesota. The Parties, to the extent they may legally do so, waive any right each may have to assert the doctrine of forum non conveniens or to object to venue to the extent any proceeding is brought in accordance with this section. The Parties acknowledge and agree that the terms and conditions of this Agreement have been freely, fairly, and thoroughly negotiated..
- (c) Notices.** All notices under this Agreement shall be in writing and shall be by personal delivery, electronic mail, overnight courier, or regular, certified, or registered mail, return receipt requested, and deemed received upon personal delivery, acknowledgment of receipt of electronic transmission, the promised delivery date after deposit with overnight courier, or five (5) days after deposit in the mail. Notices shall be sent to the person identified in this Agreement at the addresses set forth in this Agreement or such other address as either party may specify in writing. Each party shall deem a document emailed or electronically sent in PDF form to it as an original document.
- (d) Survival.** Provisions of this Agreement that should reasonably be considered to survive termination of this Agreement shall survive. For the avoidance of doubt, surviving provisions shall include, without limitation, **Section 4** (Representations and Warranties), **Section 7((h))** (No Warranty), **Section 12((b))** (Insurance Coverage), **Section 14** (Indemnification and Limits of Liability), **Section 17** (Confidentiality and Publicity), **Section 19((a))** (Choice of Law), **Section 19 ((b))** (Venue), **Section 19((c))** (Notices), **Section 19 ((g))** (Comparative Negligence), **Section 19((h))** (Non-Dedication of Facilities), **Section 19((j))** (Service Contract), **Section 19((k))** (No Partnership) **Section 19((l))** (Full Agreement, Modification, Invalidity, Counterparts, Captions) and **Section 19((n))** (No Third Party Beneficiaries).
- (e) Further Assurances.** Each of the Parties hereto agree to provide such information, execute and deliver any instruments and documents and to take such other actions as may be necessary or reasonably requested by the other Party which are not inconsistent with the provisions of this Agreement and which do not involve the assumptions of

obligations other than those provided for in this Agreement, to give full effect to this Agreement and to carry out the intent of this Agreement.

- (f) **Right of Waiver.** Each Party, in its sole discretion, shall have the right to waive, defer or reduce any of the requirements to which the other Party is subject under this Agreement at any time (other than with respect to and/or relating to the obligation to make any payment due under this Agreement); provided, however that neither Party shall be deemed to have waived, deferred or reduced any such requirements unless such action is in writing and signed by the waiving Party. No waiver will be implied by any usage of trade, course of dealing or course of performance. A Party's exercise of any rights hereunder shall apply only to such requirements and on such occasions as such Party may specify and shall in no event relieve the other Party of any requirements or other obligations not so specified. No failure of either Party to enforce any term of this Agreement will be deemed to be a waiver. No exercise of any right or remedy under this Agreement by Purchaser or Seller shall constitute a waiver of any other right or remedy contained or provided by law. Any delay or failure of a Party to exercise, or any partial exercise of, its rights and remedies under this Agreement shall not operate to limit or otherwise affect such rights or remedies. Any waiver of performance under this Agreement shall be limited to the specific performance waived and shall not, unless otherwise expressly stated in writing, constitute a continuous waiver or a waiver of future performance.
- (g) **Comparative Negligence.** It is the intent of the Parties that where negligence is determined to have been joint, contributory or concurrent, each Party shall bear the proportionate cost of any Liability.
- (h) **Non-Dedication of Facilities.** Nothing herein shall be construed as the dedication by either Party of its facilities or equipment to the public or any part thereof. Purchaser shall not knowingly take any action that would subject the Seller or the Seller's facilities or equipment, including the System, to the jurisdiction of any Governmental Authority as a public utility or similar entity. Purchaser shall not assert in any proceeding before a court or regulatory body that the Seller is a public utility by virtue of Seller's performance under this Agreement. If Seller is reasonably likely to become subject to regulation as a public utility, then the Parties shall use all reasonable efforts to restructure their relationship under this Agreement in a manner that preserves their relative economic interests while ensuring that Seller does not become subject to any such regulation. If the Parties are unable to agree upon such restructuring, Seller shall have the right to terminate this Agreement without further liability.
- (i) **Estoppel.** Either Party hereto, without charge, at any time and from time to time, within five (5) business days after receipt of a written request by the other party hereto, shall deliver a written instrument, duly executed, certifying to such requesting party, or any other person specified by such requesting Party: (i) that this Agreement is unmodified and in full force and effect, or if there has been any modification, that the same is in full force and effect as so modified, and identifying any such modification; (ii) whether or not to the knowledge of any such party there are then existing any offsets or defenses in favor of such party against enforcement of any of the terms, covenants and conditions of this Agreement and, if so, specifying the same and also whether or not to the knowledge of such party the other party has observed and performed all of the terms, covenants and conditions on its part to be observed and performed, and if not, specifying the same; and (iii) such other information as may be reasonably requested by the requesting Party. Any written instrument given hereunder may be relied upon by the recipient of such instrument, except to the extent the recipient has actual knowledge of facts contained in the certificate.
- (j) **Service Contract.** The Parties intend this Agreement to be a "service contract" within the meaning of Section 7701(e)(3) of the Internal Revenue Code of 1986. Purchaser will not take the position on any tax return or in any other filings suggesting that it is anything other than a purchase of electricity from the System.
- (k) **No Partnership.** No provision of this Agreement shall be construed or represented as creating a partnership, trust, joint venture, fiduciary or any similar relationship between the Parties. No Party is authorized to act on behalf of the other Party, and neither shall be considered the agent of the other.
- (l) **Full Agreement, Modification, Invalidity, Counterparts, Captions.** This Agreement, together with any Exhibits, completely and exclusively states the agreement of the Parties regarding its subject matter and supersedes all prior proposals, agreements, or other communications between the Parties, oral or written, regarding its subject matter. This Agreement may be modified only by a writing signed by both Parties. If any provision of this Agreement is found unenforceable or invalid, such unenforceability or invalidity shall not render this Agreement unenforceable or invalid as a whole. In such event, such provision shall be changed and interpreted so as to best accomplish the objectives of such unenforceable or invalid provision within the limits of applicable law. This Agreement may be executed in any number of separate counterparts and each counterpart shall be considered an original and together shall comprise the same Agreement. The captions or headings in this Agreement are strictly for convenience and shall not be considered in interpreting this Agreement.

- (m) Forward Contract.** The transaction contemplated under this Agreement constitutes a “forward contract” within the meaning of the United States Bankruptcy Code, and the Parties further acknowledge and agree that each Party is a “forward contract merchant” within the meaning of the United States Bankruptcy Code.
- (n) No Third-Party Beneficiaries.** Except for assignees, Financing Parties permitted under **Section 16**, this Agreement and all rights hereunder are intended for the sole benefit of the Parties hereto and shall not imply or create any rights on the part of, or obligations to, any other Person.

**Exhibit 4**  
**DESCRIPTION OF THE PREMISES**

**Property ID: RP74.19.43.071508**

Property Description:  
SECT-19 TWP-107 RANGE-014  
CITY LANDS 107-14-19  
.52 AC

**Property ID: RP74.19.42.073609**

Property Description:  
SECT-19 TWP-107 RANGE-014  
2.04 AC  
TH PT NW1/4 SE1/4 SEC 19 DES

**Property ID: RP74.19.31.073607**

Property Description:  
SECT-19 TWP-107 RANGE-014  
4.50 AC  
N500FT E391.92FT NE1/4 SW1/4

**Property ID: RP74.19.42.073610**

Property Description:  
SECT-19 TWP-107 RANGE-014  
7.48 AC  
TH PT W1/2 SE1/4 SEC 19 DES AS

**Property ID: RP74.19.42.071507**

Property Description:  
SECT-19 TWP-107 RANGE-014  
64.48 AC  
THE W1/2 SE1/4 SEC 19 LESS TH

**Property ID: RP74.19.34.073606**

Property Description:  
SECT-19 TWP-107 RANGE-014  
55.83 AC  
E1/2 SW1/4 LESS N933.25FT

Attachment: MN - RPU - PPA - PPA (2020 03 20) EDF (11789 : Solar Purchase Power Agreement)

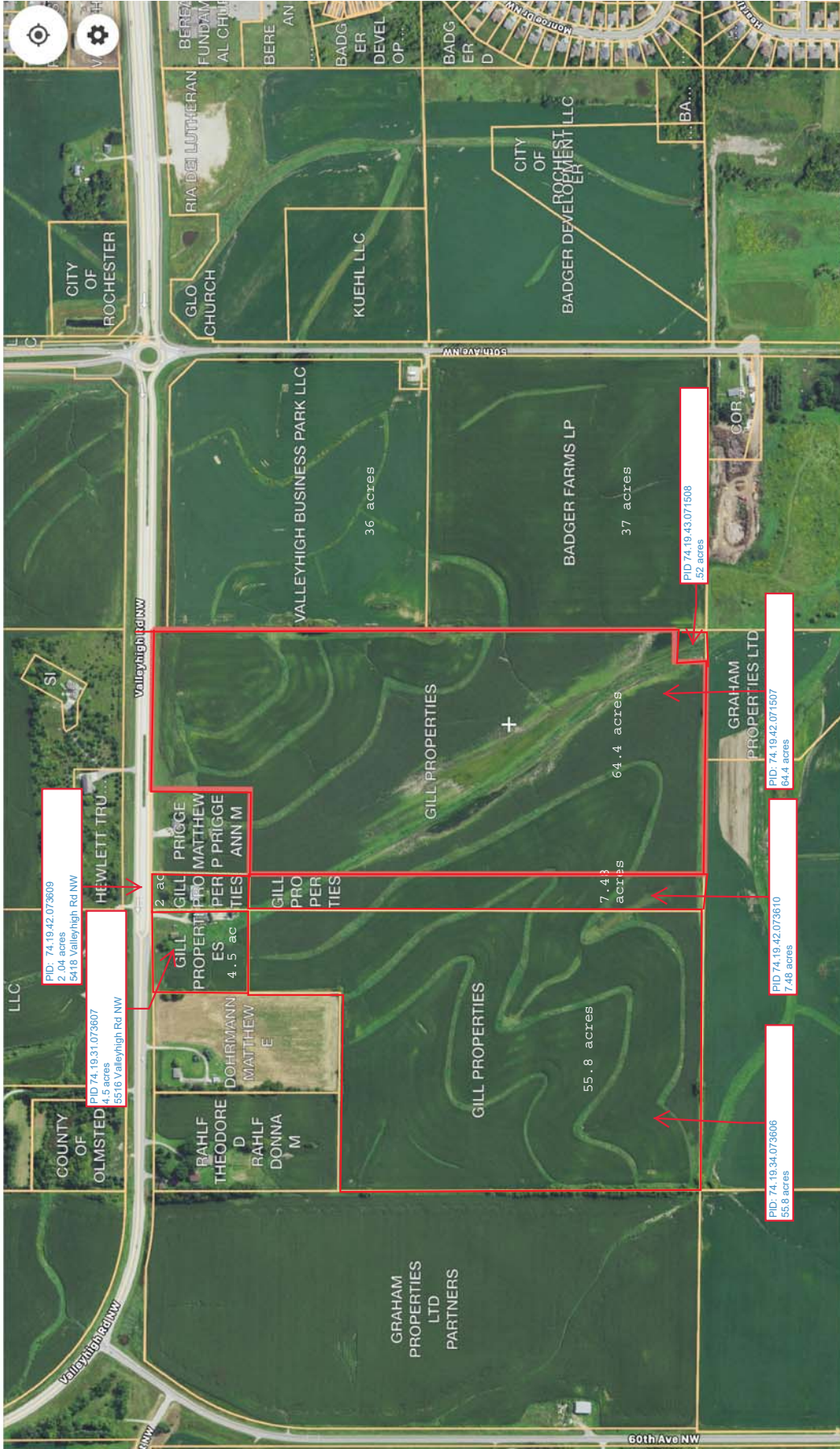
**Exhibit 5  
PREMISES LEASE**

See attached.

Attachment: MN - RPU - PPA - PPA (2020 03 20) EDF (11789 : Solar Purchase Power Agreement)



Q Address, Owner, or APN



**Owner**  
GILL PROPERTIES

**Address**

**Parcel ID**  
071507



## RESOLUTION

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

Approve the Renewable Energy Purchase Agreement between the City of Rochester, acting by and through its Utility Board, and EDF Renewables Distributed Solutions, Inc and delegating approval of final terms and conditions to the City Attorney and General Manager.

Approve the purchase of 134.84 acres at price not to exceed \$1,719,337.50 plus applicable closing costs between the City of Rochester, acting by and through its Utility Board, and EDF Renewables Distributed Solutions, Inc and delegating approval of final terms and conditions to the City Attorney and General Manager.

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 24th day of March, 2020.

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President

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Secretary

## FOR BOARD ACTION

Agenda Item # (ID # 11786)

Meeting Date: 3/24/2020

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**SUBJECT: Suspension of Disconnects**

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**PREPARED BY: Mark Kotschevar**

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ITEM DESCRIPTION:

In light of the ongoing COVID-19 pandemic and the need to maintain critical utility services for the health and safety of our residents, staff is proposing the RPU Board approve the attached resolution that will suspend all residential and commercial disconnects for non payment until the Governor's peacetime state of emergency is lifted. I am also asking the Board to consider authorizing the General Manager, or designee, to make temporary revisions to the Board's Billing, Credit, and Collections Policy and the Involuntary Disconnection Policy to provide flexibility when working with customers.

UTILITY BOARD ACTION REQUESTED:

Approve the attached resolution





## RESOLUTION

WHEREAS, on March 13, 2020 Governor Walz declared a peacetime state of emergency due to the COVID-19 pandemic; and,

WHEREAS, electricity and running water are necessary to help prevent the transmission of COVID-19; and,

WHEREAS, RPU is committed to doing its part to flatten the COVID-19 transmission curve; and

NOW, THEREFORE, BE IT RESOLVED by the Utility Board of the City of Rochester that beginning immediately, and continuing until the end of the peacetime state of emergency declared on March 13, 2020, RPU shall suspend all residential and commercial electricity and water shut-offs and authorize the General Manager, or designee, to make temporary revisions to the Board's Involuntary Disconnection Policy and the Billing, Credit and Collections Policy.

PASSED AND ADOPTED BY THE UTILITY BOARD OF THE CITY OF

ROCHESTER, MINNESOTA, THIS 24th DAY OF MARCH, 2020.

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President

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Secretary

## FOR BOARD ACTION

Agenda Item # (ID # 11784)

Meeting Date: 3/24/2020

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**SUBJECT: A/P Board Listing**

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**PREPARED BY: Christina Bailey**

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ITEM DESCRIPTION:

UTILITY BOARD ACTION REQUESTED:

**ROCHESTER PUBLIC UTILITIES**  
**A/P Board Listing By Dollar Range**  
For 02/12/2020 To 03/13/2020  
**Consolidated & Summarized Below 1,000**

**Greater than 50,000 :**

1			
2			
3	SOUTHERN MN MUNICIPAL POWER A	February SMMPA Bill	6,684,354.77
4	MN DEPT OF REVENUE	January Sales and Use Tax	675,089.33
5	CONSTELLATION NEWENERGY-GAS D	January Gas SLP	248,269.07
6	BENIKE CONSTRUCTION (P)	Mechanical Systems Upgrade	188,815.04
7	STUART C IRBY CO INC	12797FT-Wire, CU, 15kV, 500 MCM CMPT, FL	137,388.59
8	N HARRIS COMPUTER CORP	4/1/20-3/31/21 Cayenta Renewal	132,591.68
9	DAKOTA SUPPLY GROUP	360EA-Luminaire, Residential, LED, PC, 1	68,485.50
10	DAKOTA SUPPLY GROUP	450EA-Luminaire, Commercial, LED, PC, 12	54,345.94
11	TELVENT USA LLC	2020 ArcFM Support/Maintenance	53,215.31
12	WRIGHT TREE SERVICE INC	Hourly Tree Removal 2019-2020~	51,986.51
13			

**Price Range Total:** 8,294,541.74

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

14			
15			
16			
17			
18	MN DEPT OF NATURAL RESOURCES	2019 DNR Water Use Fees	46,297.16
19	CONSTELLATION NEWENERGY-GAS D	January Gas WES	43,612.10
20	RESCO	140EA-Luminaire, 268W LED, PC 120-277V	36,620.72
21	PEOPLES ENERGY COOPERATIVE (P)	February Compensable	32,645.87
22	CENTRAL MINNESOTA MUNICIPAL P	January Capacity/CMP	31,900.00
23	CENTRAL MINNESOTA MUNICIPAL P	February Capacity/CMP	31,900.00
24	FRANKLIN ENERGY SERVICES LLC	2020 DSM / CIP Services-Q1	31,362.50
25	DOXIM UTILITEC LLC	Feb Bill Print/Mail Services & Postage	27,218.71
26	BAKER TILLY VIRCHOW KRAUSE LL	2018-2020 Audit Fees	26,830.00
27	HYBRID MECHANICAL	Cascade Creek Fuel Tank Demo	26,670.00
28	CENTURYLINK (P)	2018-20 Monthly Telecommunications	23,722.02
29	THE ENERGY AUTHORITY INC	February TEA Resource Fee	23,193.87
30	NARDINI FIRE EQUIPMENT CO INC	Fire Suppression System Upgrade	21,739.80
31	BARON USA LLC	25%DP-Issue PO/Design Rev-LTC Oil Maint Trlr	20,179.38
32	MAYO FOUNDATION	CIP-Lighting (C&I)-Incentives/Rebates	18,900.00
33	MAYO FOUNDATION	CIP-VSDs-Incnetivs/Rebates	18,642.85
34	WESCO DISTRIBUTION INC	46EA-Elbow, 15kv, 600A, 350-750 CU/AL	18,354.00
35	SMART ENERGY SYSTEMS LLC	2018-21 Smart customer subscription	17,901.56
36	DELL MARKETING LP	16EA-Computer, Dell Precision 5820	17,515.28
37	DAKOTA SUPPLY GROUP	90EA-Luminaire, Residential, LED, PC, 12	17,121.38
38	NOVASPECT INC	Delta V SLP Boiler Upgrade	14,721.00
39	VISION COMPANIES LLC (P)	Planning Offsite & Lead Journey Prog/Expense	13,875.00
40	BLUESPIRE STRATEGIC MARKETING	2020-23 RPU Plugged In Contract	13,865.00
41	RESCO	200EA-Mast Arm, Residential LED, Extension	13,765.50
42	W & A COLD STORAGE LLC	CIP-Lighting (C&I)-Incentives/Rebates	13,573.50
43	VISION COMPANIES LLC (P)	Strategy/CultureDev-LJ100,200,LJLeads Prog	13,462.50
44	CONSTELLATION NEWENERGY-GAS D	January Gas CC	13,423.38
45	DELL MARKETING LP	12EA-Monitor, 30"	12,599.88
46	WHITLOCK CONSULTING GROUP LLC	Project Asst with Cayenta Implementation	12,294.71
47	ALIENVault INC	2020 USM-Threat Intelligence Subscription	11,598.73
48	WARTSILA NORTH AMERICA	5EA-Main starting valve repair kit	11,194.55
49	WESCO DISTRIBUTION INC	30000FT-Conduit, 1.25", Tri-color	11,040.00
50	CHS ROCHESTER	February Fuel-Electric & Water	10,736.77

Attachment: AP Board CrMo (11784 : A/P Board Listing)

**ROCHESTER PUBLIC UTILITIES**  
**A/P Board Listing By Dollar Range**  
For 02/12/2020 To 03/13/2020  
**Consolidated & Summarized Below 1,000**

51	NALCO COMPANY LLC	2DRM-Nalco, 7293, Resin-Rinse (DEMIN)	10,219.94
52	PARSONS ELECTRIC LLC	Fiber splice - Essex Park Wellhouse	9,800.00
53	STUART C IRBY CO INC	2EA-Trans, PM, 3ph, 45kVA,13.8/8,208/120	9,538.00
54	CENTER FOR ENERGY AND ENVIRON	Multi-family Program w/MERC	8,475.91
55	BURNS & MCDONNELL INC (P)	Routing Validation &Risk Assesment Study	8,359.93
56	PARSONS ELECTRIC LLC	Fiber work Prospect Plant	8,339.00
57	DAKOTA SUPPLY GROUP	35EA-Luminaire, Commercial, LED, PC, 120	7,910.00
58	MIDCONTINENT ISO INC	February MISO Fees	7,450.55
59	TWIN CITY SECURITY INC	2020 Security Services	7,350.18
60	PARSONS ELECTRIC LLC	Fiber Work Crosstown Substation	7,318.00
61	STUART C IRBY CO INC	5EA-Trans, PM, 1ph, 50kVA, 13.8/8, 240	7,190.00
62	HARRIS ROCHESTER INC	Bitzer Compressor Replacement	7,050.00
63	AUTUMN HEIGHTS OF ROCHESTER	CIP-LED Light Fixtures-Incnstivs/Rebts	6,986.00
64	NOVASPECT INC	Handheld Communicator w/Accessories	6,972.00
65	POWER PRODUCTS & SERVICES	Air Register Drives 1, 2 & 3, JD	6,945.22
66	MAYO FOUNDATION	CIP-Custom (C&I)-Incentives/Rebates	6,880.05
67	DOWCO VALVE COMPANY INC	Pilot valve repair	6,846.41
68	WELLS FARGO BANK ACCT ANALYSI	February Bank Fees	6,827.70
69	WUNDERLICH-MALEC ENGINEERING	Back Up Boiler Engineering Services	6,797.50
70	A B M EQUIPMENT & SUPPLY INC	Air Compressor	6,778.00
71	D P C INDUSTRIES INC	February-Carus 8500;Hydrofluoro Acid; Chlorine	6,701.10
72	STUART C IRBY CO INC	5EA-Trans, PM, 1ph, 37.5kVA,13.8/8,240	6,525.00
73	MINNESOTA ENERGY RESOURCES CO	January Gas SLP	6,460.89
74	CITY OF ROCHESTER	Q1 Attorney Services	6,250.00
75	STUART C IRBY CO INC	4EA-Luminaire, 58W LED, Green	6,220.13
76	STUART C IRBY CO INC	1EA-Trans, PM, 3ph, 150kVA, 13.8/8, 208	6,160.00
77	ROCH GOLF & COUNTRY CLUB	2020 Comm Cst & Trade Ally Event	5,808.77
78	USIC LOCATING SERVICES INC	January & February Locating Services	5,659.14
79	JOHNSON PRINTING CO INC	Postage for RPU Connect letter	5,651.36
80	MINNESOTA ENERGY RESOURCES CO	January Gas WES	5,410.47
81	ULTEIG ENGINEERS INC	Transmission Relay Coordination Study	5,193.00
82	BADGER METER INC (P)	120EA-Meter, Bare 5/8x3/4" Badger Disc	5,181.60
83	NALCO COMPANY LLC	1DRM-Nalco, PC-191T.12 Antiscale (DEMIN)	5,091.84
84	VERIZON WIRELESS	2020 Cell & Ipad Monthly Service	5,032.91
85	KARST & VON OISTE LLP AS TRUS	Settlement-Karst & Von Oiste	5,000.00
86			
87		<b>Price Range Total:</b>	938,858.32
88			
89	<b><u>1,000 to 5,000 :</u></b>		
90			
91	CRESCENT ELECTRIC SUPPLY CO	140EA-Cable Support Arm, 14.0"	4,801.99
92	STUART C IRBY CO INC	1EA-Trans, PM, 3ph, 45kVA,13.8/8,208/120	4,769.00
93	PARSONS ELECTRIC LLC	Supply and Install Communication Cabinet	4,552.00
94	HARRIS ROCHESTER INC	Westside HVAC Repair	4,380.00
95	CRESCENT ELECTRIC SUPPLY CO	80EA-Cable Support Bracket, 36"	4,312.00
96	MINNESOTA ENERGY RESOURCES CO	February Gas-SC	4,118.28
97	NEOFUNDS BY NEOPOST dba	Postage	4,000.00
98	MSIR 2 LLC	CIP-Lighting (C&I)-Incentives/Rebates	3,984.00
99	J HARLEN CO INC	3EA-Tester, Secondary service condutor	3,840.00
100	CITY OF ROCHESTER	January 2020 Salt	3,636.00

Attachment: AP Board CrMo (11784 : A/P Board Listing)

**ROCHESTER PUBLIC UTILITIES**  
**A/P Board Listing By Dollar Range**  
For 02/12/2020 To 03/13/2020  
**Consolidated & Summarized Below 1,000**

101	TRANSMISSION ACCESS POLICY ST	2020 TAPS Membership	3,500.00
102	SHI INTERNATIONAL CORP (P)	2020 Veritas Essential Support	3,445.76
103	STUART C IRBY CO INC	2EA-Luminaire, 91W LED, Green	3,409.31
104	ELECTRO INDUSTRIES/GAUGE TECH	2EA-Meter, 9S SHARK270	3,387.94
105	ROCH AREA CHAMBER OF COMMERCE	2020 Economic Summit Silver Sponsor	3,300.00
106	CONSOLIDATED COMMUNICATIONS d	2018-20 Network and Co-location Services	3,235.96
107	MN DEPT OF PUBLIC SAFETY	SARA Fee for Wellhouses & SC	3,100.00
108	STUART C IRBY CO INC	6EA-Metal Sec. Encl, 1ph, 30" x 30" x 18	3,030.00
109	CITY OF ROCHESTER	CIP-Lighting (C&I)-Incentives/Rebates	3,026.00
110	SOMA CONSTRUCTION INC	Crushed Concrete for Break Backfill	2,882.29
111	CRESCENT ELECTRIC SUPPLY CO	8000FT-Wire, Copper, 600V, 12-2 Solid w/	2,765.07
112	LIFELINE INCORPORATED	2EA-Zol AED Plus	2,700.00
113	RESCO	14EA-Switch, Ft, 10 Potentials	2,548.00
114	BARR ENGINEERING COMPANY (P)	Hydro Isolation Gate Redesign	2,535.00
115	ADVANCED DISPOSAL SVC SOLID W	2020 Waste removal SC	2,523.06
116	ROCH AREA CHAMBER OF COMMERCE	2020 Community Matters Series Sponsor	2,500.00
117	HATHAWAY TREE SERVICE INC	Brush Dump	2,440.00
118	BORDER STATES ELECTRIC SUPPLY	24EA-Saw, FG Square Pole 1.250" x 6', 41	2,378.52
119	DADE MOELLER & ASSOCIATES INC	2020 Lab Assessment-Every 2 Years	2,313.00
120	BAXTER'S BUDS LLC	CIP-Lighting (C&I)-Incentives/Rebates	2,265.20
121	FASTENAL COMPANY	10EA-Barrier, Magnetic, Wall Mount, 30'	2,234.76
122	UNIVERSAL MARINE & RV	Repair Body Damage - 2018 RAM	2,203.72
123	BOWMANS SAFE & LOCK SHOP LTD	Installed Window in Door-Labor & Mtls	2,149.26
124	ATLAS COPCO COMPRESSORS LLC	2EA-Sensor, Dewpoint Exchange, WS Sir Dr	2,137.50
125	BORENE LAW FIRM P.A.	Immigration Matters	2,129.20
126	OPEN ACCESS TECHNOLOGY	February webCompliance Service	2,008.50
127	NORTH AMERICAN SWITCHGEAR INC	Breaker Repair on 2000 Amp Breaker	2,000.00
128	GREAT RIVER ENERGY	CapX Vision Team	1,995.32
129	W & A COLD STORAGE LLC	CIP-Custom (C&I)-Incentives/Rebates	1,990.53
130	HALO BRANDED SOLUTIONS	35 - RPU Sweatshirts for '20 Home Show	1,918.99
131	VERIZON CONNECT NWF INC	February 2020 GPS Fleet Tracking	1,857.10
132	K A A L TV LLC	Feb Advertising 02/05-02/17/20	1,750.00
133	TONNA MECHANICAL INC	CIP-Lighting (C&I)-Incentives/Rebates	1,685.00
134	MIRATECH GROUP LLC	5EA-Pulsation dampener 0.13 L, WS, UIS	1,682.00
135	ELITE CARD PAYMENT CENTER	Cable Distance Meter	1,647.35
136	WINKELS ELECTRIC INC	Repair Overhead Electric Service Damage	1,646.61
137	WESCO DISTRIBUTION INC	6EA-Shearbolt Holding Tool, size 2	1,568.43
138	ONLINE INFORMATION SERVICES I	February Utility Exchange Report	1,562.42
139	SOUTHGATE ASSOCIATES	CIP-Lighting (C&I)-Incentives/Rebates	1,544.10
140	ELITE CARD PAYMENT CENTER	2EA-Cable Distance Meter	1,541.38
141	GRAINGER INC	Safety Gate for SLP	1,534.51
142	STUART C IRBY CO INC	6EA-Switch, Air, 2 Arm, 1ph, 600A, NLB	1,470.00
143	DUNCAN WEINBERG GENZER & PEMB	NERC Internal Compliance Plan	1,470.00
144	NEW LINE MECHANICAL	Header Replacement	1,469.53
145	CDW GOVERNMENT INC	3EA-Power distribution unit	1,469.10
146	AUTUMN HEIGHTS OF ROCHESTER	CIP-Refrigerators-Incentives/Rebates	1,400.00
147	ELITE CARD PAYMENT CENTER	Travel,AESP,DLarson,Registration,CA	1,395.00
148	SCHMITZ WILLIAM	Travel,Doble Conference,Orlando,FL, Lodg	1,372.53
149	MASON TED	Travel, Doble Conf, Orlando,FL, Lodging	1,371.28
150	COOKE ROBERT	Travel,NSC Symposium,Florida, Lodging	1,355.88

Attachment: AP Board CrMo (11784 : A/P Board Listing)

ROCHESTER PUBLIC UTILITIES
A/P Board Listing By Dollar Range
For 02/12/2020 To 03/13/2020
Consolidated & Summarized Below 1,000

Table with 3 columns: Item Number, Description, and Amount. Includes items like BORDER STATES ELECTRIC SUPPLY, POWER DELIVERY PROGRAM INC, WARTSILA NORTH AMERICA, etc. Total amount for 0 to 1,000 range is 183,373.13.

Attachment: AP Board CrMo (11784 : A/P Board Listing)



**ROCHESTER PUBLIC UTILITIES**  
**A/P Board Listing By Dollar Range**  
For 02/12/2020 To 03/13/2020  
**Consolidated & Summarized Below 1,000**

201	HARRIS ROCHESTER INC	Summarized transactions: 7	1,777.18
202	MINNESOTA ENERGY RESOURCES CO	Summarized transactions: 5	1,739.35
203	NAPA AUTO PARTS dba	Summarized transactions: 19	1,564.43
204	ZEE MEDICAL SERVICE INC (P)	Summarized transactions: 6	1,539.56
205	A T & T	Summarized transactions: 2	1,496.53
206	CRESCENT ELECTRIC SUPPLY CO	Summarized transactions: 20	1,392.37
207	MCMASTER CARR SUPPLY COMPANY	Summarized transactions: 23	1,324.11
208	A B M EQUIPMENT & SUPPLY INC	Summarized transactions: 6	1,271.91
209	NETWORK SERVICES COMPANY	Summarized transactions: 10	1,262.51
210	ADVANCED DISPOSAL SVC SOLID W	Summarized transactions: 4	1,248.04
211	SCHMITZ WILLIAM	Summarized transactions: 6	1,241.05
212	U S A SAFETY SUPPLY	Summarized transactions: 10	1,237.74
213	CENTURLINK (P)	Summarized transactions: 5	1,221.34
214	INSTRUMENTS & TECHNOLOGY INC	Summarized transactions: 5	1,173.49
215	MASON TED	Summarized transactions: 7	1,140.32
216	VIKING ELECTRIC SUPPLY INC	Summarized transactions: 10	1,114.63
217	A & A ELECT & UNDERGROUND CON	Summarized transactions: 2	1,095.00
218	ZIEGLER INC	Summarized transactions: 2	1,082.54
219	WARTSILA NORTH AMERICA	Summarized transactions: 3	1,065.25
220	EPLUS TECHNOLOGY INC	Summarized transactions: 4	1,031.69
221	FASTENAL COMPANY	Summarized transactions: 8	1,030.92
222	CDW GOVERNMENT INC	Summarized transactions: 3	1,029.55
223	INNOVATIVE OFFICE SOLUTIONS L	Summarized transactions: 10	1,028.86
224	CITY OF ROCHESTER	Summarized transactions: 2	1,012.21
225	SANDERS GREG	Summarized transactions: 5	999.14
226	HALO BRANDED SOLUTIONS	Summarized transactions: 5	996.87
227	CINTAS CORP	Summarized transactions: 5	969.02
228	MIDCONTINENT ISO INC	Summarized transactions: 1	959.65
229	VERIZON WIRELESS	Summarized transactions: 1	949.99
230	QUALITY OVERHEAD DOOR INC	Summarized transactions: 3	945.88
231	COOKE ROBERT	Summarized transactions: 4	934.07
232	DELL MARKETING LP	Summarized transactions: 1	866.24
233	MAILE ENTERPRISES INC	Summarized transactions: 3	844.53
234	JOHN HENRY FOSTER MN INC (P)	Summarized transactions: 5	838.55
235	GRAYBAR ELECTRIC COMPANY INC	Summarized transactions: 1	835.00
236	ELITE CARD PAYMENT CENTER	Summarized transactions: 2	823.80
237	DAKOTA SUPPLY GROUP	Summarized transactions: 4	815.74
238	KOTSCHVAR MARK	Summarized transactions: 6	810.47
239	BARR ENGINEERING COMPANY (P)	Summarized transactions: 1	810.00
240	PEOPLES ENERGY COOPERATIVE	Summarized transactions: 3	809.52
241	MENARDS ROCHESTER NORTH	Summarized transactions: 12	809.35
242	WSB & ASSOCIATES	Summarized transactions: 1	800.00
243	ROCHESTER DRAIN RITE	Summarized transactions: 1	795.00
244	CITY OF ROCHESTER	Summarized transactions: 5	777.54
245	ADVANTAGE DIST LLC (P)	Summarized transactions: 1	760.63
246	SCHMIDT GOODMAN OFFICE PRODUC	Summarized transactions: 1	751.63
247	THE ENERGY AUTHORITY INC	Summarized transactions: 1	735.42
248	MODEM EXPRESS INC	Summarized transactions: 2	720.00
249	GLOBAL INDUSTRIAL (P)	Summarized transactions: 7	691.21
250	SMART ENERGY SYSTEMS LLC	Summarized transactions: 2	650.84

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**ROCHESTER PUBLIC UTILITIES**  
**A/P Board Listing By Dollar Range**  
For 02/12/2020 To 03/13/2020  
**Consolidated & Summarized Below 1,000**

251	SCHUMACHER ELEVATOR COMPANY	Summarized transactions: 1	636.54
252	KENDELL DOORS & HARDWARE INC	Summarized transactions: 1	632.70
253	MALLOY ELECTRIC dba	Summarized transactions: 3	632.56
254	THOMAS TOOL & SUPPLY INC	Summarized transactions: 4	629.46
255	CLEMENTS CHEVROLET CADILLAC S	Summarized transactions: 2	623.93
256	PAAPE ENERGY SERVICE INC	Summarized transactions: 1	612.00
257	CORPORATE WEB SERVICES INC	Summarized transactions: 2	610.34
258	BLUESPIRE STRATEGIC MARKETING	Summarized transactions: 1	604.87
259	NORTH AMERICAN SWITCHGEAR INC	Summarized transactions: 1	597.77
260	ROCHESTER SWEEPING SERVICE LL	Summarized transactions: 2	595.00
261	BOB THE BUG MAN LLC	Summarized transactions: 1	577.12
262	ROCH COMMUNITY & TECHNICAL CO	Summarized transactions: 1	565.00
263	ADAMSON MOTORS INC	Summarized transactions: 1	563.87
264	SCHEEL LAWRENCE	Summarized transactions: 3	562.18
265	JOHNSON PRINTING CO INC	Summarized transactions: 3	561.09
266	TRUCKIN' AMERICA	Summarized transactions: 2	557.49
267	KENNEDY & GRAVEN CHARTERED	Summarized transactions: 1	552.00
268	BENSON ANTHONY	Summarized transactions: 3	530.06
269	LEAGUE OF MN CITIES INS TRUST	Summarized transactions: 1	530.00
270	J HARLEN CO INC	Summarized transactions: 3	528.52
271	ATLAS COPCO COMPRESSORS LLC	Summarized transactions: 2	526.50
272	NUVERA	Summarized transactions: 1	510.32
273	HOGAN PETER	Summarized transactions: 4	504.74
274	FASTENAL COMPANY	Summarized transactions: 10	501.42
275	EARTHVEST	Summarized transactions: 1	500.00
276	NOVASPECT INC	Summarized transactions: 2	497.70
277	ULINE	Summarized transactions: 6	496.03
278	SCHWEITZER ENGINEERING LAB IN	Summarized transactions: 6	486.30
279	REBATES	Summarized transactions: 18	475.00
280	MISSISSIPPI WELDERS SUPPLY CO	Summarized transactions: 4	455.71
281	FAST PHONE REPAIR LLC	Summarized transactions: 1	450.00
282	ROCH SAND & GRAVEL INC	Summarized transactions: 1	448.20
283	PARSONS ELECTRIC LLC	Summarized transactions: 2	440.50
284	PEOPLES ENERGY COOPERATIVE	Summarized transactions: 2	440.25
285	MCMASTER CARR SUPPLY COMPANY	Summarized transactions: 7	404.30
286	TELEDYNE MONITOR LABS INC	Summarized transactions: 2	402.47
287	RIESS BRIANA	Summarized transactions: 2	400.70
288	ARJAY AUTOMATION INC	Summarized transactions: 2	397.04
289	TOKAY SOFTWARE dba	Summarized transactions: 2	390.17
290	INGERSOLL RAND COMPANY	Summarized transactions: 3	369.01
291	DELTA STAR INC (P)	Summarized transactions: 2	361.50
292	SOUTHERN MN MUNICIPAL POWER A	Summarized transactions: 2	354.13
293	BURNDY LLC	Summarized transactions: 2	347.34
294	GOODIN COMPANY	Summarized transactions: 4	336.78
295	POMPS TIRE SERVICE INC	Summarized transactions: 2	320.97
296	GOPHER STATE ONE CALL	Summarized transactions: 2	318.60
297	MN DEPT OF NATURAL RESOURCES	Summarized transactions: 2	298.24
298	ADVANCE AUTO PARTS	Summarized transactions: 14	291.14
299	WERNER ELECTRIC SUPPLY	Summarized transactions: 18	282.31
300	MENARDS ROCHESTER NORTH	Summarized transactions: 6	267.39

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**ROCHESTER PUBLIC UTILITIES**  
**A/P Board Listing By Dollar Range**  
For 02/12/2020 To 03/13/2020  
**Consolidated & Summarized Below 1,000**

301	RONCO ENGINEERING SALES INC	Summarized transactions: 2	261.78
302	AMERICAN PAYROLL INSTITUTE IN	Summarized transactions: 1	258.00
303	FIRST SUPPLY (P)	Summarized transactions: 4	256.96
304	WARNING LITES OF MN INC (P)	Summarized transactions: 1	256.50
305	USA BLUE BOOK DBA	Summarized transactions: 6	255.25
306	PROPERTY RECORDS OLMSTED COUN	Summarized transactions: 4	255.00
307	NORTHERN / BLUETARP FINANCIAL	Summarized transactions: 3	254.56
308	SHI INTERNATIONAL CORP (P)	Summarized transactions: 1	246.67
309	LITTLE DAVID	Summarized transactions: 3	228.64
310	LIFELINE INCORPORATED	Summarized transactions: 2	227.84
311	MSC INDUSTRIAL SUPPLY CO INC	Summarized transactions: 1	220.97
312	VANCO SERVICES LLC	Summarized transactions: 1	208.50
313	ACCORD ELECTRIC INC	Summarized transactions: 1	203.06
314	ROCH AREA BUILDERS INC	Summarized transactions: 2	202.37
315	MENARDS ROCHESTER SOUTH	Summarized transactions: 4	200.35
316	SOLAR CONNECTION INC	Summarized transactions: 1	200.00
317	TUPPER MATTHEW	Summarized transactions: 2	196.64
318	RIESS DANIEL	Summarized transactions: 1	189.00
319	ALL SEASONS POWER & SPORT INC	Summarized transactions: 1	173.07
320	AMARIL UNIFORM COMPANY	Summarized transactions: 2	170.02
321	GOODIN COMPANY	Summarized transactions: 1	164.94
322	BADGER METER INC (P)	Summarized transactions: 3	164.94
323	MN AMER WATER WORKS ASSN	Summarized transactions: 1	160.00
324	ALTEC INDUSTRIES INC	Summarized transactions: 3	157.04
325	MISSISSIPPI WELDERS SUPPLY CO	Summarized transactions: 2	154.50
326	SOUTHERN MN AUTO SUPPLY INC	Summarized transactions: 1	154.00
327	T E C INDUSTRIAL INC	Summarized transactions: 5	153.88
328	BOHM JOLENE	Summarized transactions: 1	150.00
329	MN DEPT OF HEALTH - ENVIRO HE	Summarized transactions: 1	150.00
330	WATER SYSTEMS COMPANY	Summarized transactions: 2	149.10
331	SOUND AND MEDIA SOLUTIONS	Summarized transactions: 1	144.28
332	GLOBAL EQUIPMENT COMPANY	Summarized transactions: 5	142.80
333	PW POWER SYSTEMS INC	Summarized transactions: 5	139.20
334	INSTITUTE FOR ENVIRONMENTAL	Summarized transactions: 1	138.00
335	TALLMAN EQUIPMENT CO INC	Summarized transactions: 3	135.84
336	MN DEPT OF LABOR & INDUSTRY	Summarized transactions: 1	128.00
337	CHARTER COMMUNICATIONS	Summarized transactions: 1	122.82
338	FRONTIER	Summarized transactions: 1	122.76
339	BOWMANS SAFE & LOCK SHOP LTD	Summarized transactions: 2	114.13
340	ALS LABORATORY GROUP TRIBOLOG	Summarized transactions: 1	107.50
341	McGRANN SHEA CARNIVAL STRAUGH	Summarized transactions: 1	106.56
342	BROBST BEN	Summarized transactions: 1	103.50
343	FORUM COMMUNICATIONS COMPANY	Summarized transactions: 1	103.24
344	BARRY SCREEN PRINT CO dba	Summarized transactions: 3	103.14
345	FEDEX SHIPPING	Summarized transactions: 1	98.94
346	CENTER FOR ENERGY AND ENVIRON	Summarized transactions: 1	89.78
347	REMOTE SOLUTIONS LLC	Summarized transactions: 2	85.58
348	C & N UPHOLSTERY	Summarized transactions: 1	85.00
349	SLEEPY EYE TELEPHONE CO	Summarized transactions: 1	84.76
350	KAMAN INDUSTRIAL TECHNOLOGIES	Summarized transactions: 3	81.72

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**ROCHESTER PUBLIC UTILITIES**  
**A/P Board Listing By Dollar Range**  
**For 02/12/2020 To 03/13/2020**  
**Consolidated & Summarized Below 1,000**

351	RDO EQUIPMENT COMPANY (P)	Summarized transactions: 1	79.64
352	O'REILLY AUTO PARTS	Summarized transactions: 3	77.34
353	VIKING AUTOMATIC SPRINKLER IN	Summarized transactions: 1	76.88
354	VIKING ELECTRIC SUPPLY (P)	Summarized transactions: 1	75.64
355	RONCO ENGINEERING SALES INC	Summarized transactions: 2	65.90
356	ELECTRO INDUSTRIES/GAUGE TECH	Summarized transactions: 1	64.12
357	DOXIM UTILITEC LLC	Summarized transactions: 4	63.14
358	SEMA EQUIPMENT INC	Summarized transactions: 1	56.37
359	VERIFIED CREDENTIALS INC	Summarized transactions: 1	56.00
360	MIRATECH GROUP LLC	Summarized transactions: 2	49.98
361	VEIT ENVIRONMENTAL INC	Summarized transactions: 1	49.16
362	A T & T MOBILITY	Summarized transactions: 1	46.83
363	SUTTON JEREMY	Summarized transactions: 1	44.77
364	THOMAS TOOL & SUPPLY INC	Summarized transactions: 2	42.67
365	NORTH AMERICAN ELECTRIC RELIA	Summarized transactions: 1	42.16
366	FASTENAL COMPANY (P)	Summarized transactions: 1	42.03
367	GARCIA GRAPHICS INC	Summarized transactions: 1	40.62
368	HANSON PATRICIA S	Summarized transactions: 1	40.60
369	CENTRAL FINANCE OLMSTED COUNT	Summarized transactions: 1	33.74
370	ARNOLDS SUPPLY & KLEENIT CO (	Summarized transactions: 1	31.85
371	MENARDS ROCHESTER SOUTH	Summarized transactions: 1	30.82
372	OWATONNA PUBLIC UTILITIES	Summarized transactions: 1	30.26
373	POWERMATION DIVISON	Summarized transactions: 1	29.86
374	N HARRIS COMPUTER CORP	Summarized transactions: 1	28.54
375	SHERWIN WILLIAMS CO	Summarized transactions: 1	28.36
376	MISTER CARWASH	Summarized transactions: 3	28.02
377	POWER PRODUCTS & SERVICES	Summarized transactions: 1	27.04
378	MN DEPT OF PUBLIC SAFETY	Summarized transactions: 1	25.00
379	NORTHERN / BLUETARP FINANCIAL	Summarized transactions: 1	24.99
380	MINNESOTA ENERGY RESOURCES CO	Summarized transactions: 1	24.43
381	LENN JON	Summarized transactions: 1	23.00
382	BLEVINS JAN	Summarized transactions: 1	21.00
383	TOTAL RESTAURANT SUPPLY	Summarized transactions: 2	14.45
384	ARROW ACE HARDWARE (P)	Summarized transactions: 1	6.65
385	FAY LYNNETTE	Summarized transactions: 1	6.00
386	CHS ROCHESTER	Summarized transactions: 1	3.75
387			
388		<b>Price Range Total:</b>	185,334.68
389			
390		<b>Grand Total:</b>	9,602,107.87

Attachment: AP Board CrMo (11784 : A/P Board Listing)

## FOR BOARD ACTION

Agenda Item # (ID # 11785)

Meeting Date: 3/24/2020

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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	12/17/2019	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	1/28/2020	Finance
24. Water Utility Cash Reserve Policy	1/28/2020	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		