



MEETING AGENDA – AUGUST 25, 2020

COMMUNITY ROOM  
4000 EAST RIVER ROAD NE  
ROCHESTER, MN 55906

4:00 PM

**This meeting will be conducted pursuant to Minnesota Statutes Section 13D.021 and members may appear electronically. Public Access will be restricted to comply with state health guidance during the pandemic. Current room layout allows for approximately 10 individuals to attend. The meeting will be live-streamed on the following web address: <https://youtu.be/DD1h89VmL-E>. In addition, a recording 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**

**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.)*

1. Public Comments received via email

**4. Consideration Of Bids**

1. LED Residential Luminaries  
Resolution: LED Residential Luminaries
2. LED Commercial Luminaries  
Resolution: LED Commercial Luminaries
3. Photo Cells  
Resolution: Photo Cells
4. Mast Arms  
Resolution: Mast Arms

**5. Regular Agenda**

1. SMMPA Power Purchase Agreement Relating to Qualifying Facilities  
Resolution: SMMPA Power Purchase Agreement Amendment Relating to Qualifying Facilities

**6. Informational**

1. Review of Accounts Payable
2. Preliminary 2021 Water and Electric Utility Budgets
3. Electric Utility Undergrounding Policy

**7. Board Liaison Reports**

1. RPU Index of Board Policies

**8. General Managers Report**

**9. Division Reports & Metrics**

**10. Other Business**

**11. Adjourn**

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

## FOR BOARD ACTION

Agenda Item # (ID # 12319)

Meeting Date: 8/25/2020

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**SUBJECT: Public Comments received via email**

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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:** Ray <rschmitz22@charter.net>  
**Sent:** Tuesday, July 28, 2020 11:14 AM  
**To:** RPU Board Mailbox  
**Subject:** Public comment

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

The renewal of the Mayo steam contract until 2030 raises questions! I recognize that the steam is used very efficiently and that natural gas is used as a fuel source! My question goes to the efficiency of the steam generation! What updates have been made to assure that the steam is produced as efficiently as possible? Are further upgrades planned?  
Thank you!  
Ray Schmitz

Sent from my iPad

Attachment: Public comment-Ray Schmitz (12319 : Public Comments received via email)

Bailey, Christina

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From: Micah Johnson <the.micah.johnson@gmail.com>  
 Sent: Monday, August 10, 2020 10:32 AM  
 To: RPU Board Mailbox  
 Cc: Kotschevar, Mark  
 Subject: Re: On bill energy efficiency financing

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

RPU folks,

I appreciate you taking the time to address my earlier question and I appreciate the staff report at the last board meeting. However, I notice that Minneapolis, who has access to all the programs mentioned in the staff report and presumably more, is pushing for on-bill financing for efficiency improvements:

<https://energynews.us/2020/08/10/midwest/minneapolis-seeks-inclusive-financing-for-energy-efficiency-improvements/>

It makes me wonder, if Minneapolis has access to all these programs that were mentioned in the staff report, why do they see the need to have on bill financing? While I'm no expert on this, I think the answer lies with loan structures and renters. Most of the programs out there are still a loan structure and still subject to minimum credit score and other requirements. Those are unusable to someone trying to rebuild after a divorce-caused bankruptcy, or someone working hard to make a new life after being released from prison. Also, those programs don't help renters, while on-bill financing does.

One of the things that jumped out at me in the article linked above is that there is a third party vendor already offering this service to utilities, which would presumably make it easy to set up. Also, it's interesting that the company "has more than 5,000 customers participating in similar programs and has yet to see a disconnection because of nonpayment."

I don't mean to belabor this point that you've already addressed, but I can't help thinking that if the answer were simply let's use existing programs to do this, then Minneapolis (and a wide variety of other places, I can send you dozens of articles on this if you want) wouldn't be pushing to create something better. The people working on this in Minneapolis are experts on what programs are already out there to help low income folks, yet they are willing to go through the work of pressing state regulators and including it in a rate case. Those of you who know that process know that it's a heavy lift.

One other thing, could you do your best to make links to the online board meetings correct and available? They have been hard to find because the links are not correct on the meeting minutes and there is no link on the RPU website.

Best,  
 micah

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"We have socialism for the rich and the harshest kind of capitalism for the rest"

Robert Reich, economist, Chancellor's Professor of Public Policy at the University of California at Berkeley

On Fri, May 29, 2020 at 11:21 AM Micah Johnson <[the.micah.johnson@gmail.com](mailto:the.micah.johnson@gmail.com)> wrote:  
 RPU board,

Attachment: Public comment-Micah Johnson (12319 : Public Comments received via email)

I see another Midwestern utility using on-bill energy efficiency financing:

<https://energynews.us/2020/05/29/midwest/missouri-utilities-moving-ahead-with-on-bill-energy-efficiency-financing/>

I think this could be a very effective program for RPU to consider, especially if targeted to low income folks. I've heard a lot of talk about protecting the low income community while we consider rate changes and here's a perfect way to do that. It's also a great way to get efficiency into the stubborn rental market where building owners want to put in the cheapest (least efficient) stuff because renters pay the utility bill.

Some time ago, I remember someone (probably Dirk or Wally) mentioning that RPU already does on-bill efficiency financing for commercial customers. That's good news as the means and mechanism already exists for RPU to do this, so one would think it will be easy to implement.

A quick disclaimer: I am not advocating for using this mechanism for solar. I'm thinking LEDs, attic insulation, HVAC, and things like that.

Best regards,  
micah

Attachment: Public comment-Micah Johnson (12319 : Public Comments received via email)

## FOR BOARD ACTION

Agenda Item # (ID # 12310)

Meeting Date: 8/25/2020

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**SUBJECT: LED Residential Luminaries**

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**PREPARED BY: Mona Hoeft**

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**ITEM DESCRIPTION:**

Sealed bids for the LED Streetlight Replacement Project were opened on August 11th. In addition to residential and commercial luminaires, the bid package also included accessory items such as mast arms and photo cells, each written under separate FBA's beginning with this residential luminaire request.

Earlier this year, the engineering department evaluated 14 different luminaires for residential applications. The four highest evaluated luminaires were used in this solicitation. The evaluation included technical requirements, a photometric calculation and an installation review. RPU installed samples of all of the luminaires in two areas of the city with city staff providing their opinion of the light quality, ease of installation and luminaire robustness. These resulting bids were then evaluated to determine the total cost of ownership and ranked as follows:

Vendor	Brand	Bid Amount
Excellence Opto, Inc. (EOI) c/o Evans, Lipka & Associates	EOI	\$248,270
Stuart C. Irby	AEL	\$281,600
Border States Electric	AEL	\$287,958
Wesco	AEL	\$311,762
Wesco - reject	CREE - 3L	\$317,130
Wesco	CREE - 5L	\$335,170
Elk River Winlectric	LUMAC	\$290,290
Graybar Electric O.	LUMAC	\$299,200
Border States Electric	LUMAC	\$332,794

Staff has estimated that 4,400 luminaires will be needed to complete the project and is choosing two different manufacturers of luminaires to reduce the risk of supply chain or quality issues. As a result, this request seeks to award a contract to EOI c/o Evans, Lipka & Associates (\$112.85/ea) and Stuart C. Irby (\$128/ea). It is RPU's intent to issue purchase releases in phases based on the installation schedule. The term of agreement is twelve months with prices remaining firm for the entire term. There is an option to extend, subject to a mutually agreeable price adjustment.

Wesco submitted a bid for the CREE 3L which was not one of the selected models resulting in an action to reject that bid as unresponsive.

## FOR BOARD ACTION

Agenda Item # (ID # 12310)

Meeting Date: 8/25/2020

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The LED Streetlight Replacement Project was approved by the City Council and includes replacement of the City's high pressure sodium (HPS) roadway luminaires with LED luminaires. The project is being funded by Public Works.

UTILITY BOARD ACTION REQUESTED:

Approve a resolution to accept bids from Excellence Opto, Inc. in an amount not to exceed \$248,270 and Stuart C. Irby in an amount not to exceed \$281,600, plus applicable taxes and reject Wesco's bid for model number CREE 3L as unresponsive.



## RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to accept bids from Excellence Opto, Inc. in an amount not to exceed \$248,270 and Stuart C. Irby in an amount not to exceed \$281,600, plus applicable taxes, to purchase residential luminaries for LED Streetlight Replacement Project, and reject Wesco's bid for model number CREE 3L as unresponsive.

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 25th day of August, 2020.

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President

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Secretary

## FOR BOARD ACTION

Agenda Item # (ID # 12296)

Meeting Date: 8/25/2020

**SUBJECT: LED Commercial Luminaries**

**PREPARED BY: Mona Hoeft**

**ITEM DESCRIPTION:**

Sealed bids for the LED Streetlight Project were opened on August 11th and included Commercial Luminaires. Following submittal, engineering staff evaluated the bids to ensure compliance with the technical specifications, performed photoelectric calculations and total cost of ownership resulting in a ranking as follows:

Vendor	Brand	Bid Amount
Stuart C. Irby	AEL	\$33,121.50
Excellence Opto Inc. (EOI) c/o Evans, Lipka & Associates	EOI	\$32,535.75
Border States Electric	AEL	\$33,364.32
Wesco	AEL	\$36,122.67
Graybar Electric	LUMEC	\$35,038.50
Border States Electric	LUMEC	\$39,076.98
Wesco	CREE (TRVLG)	\$40,661.70
Wesco	CREE (RSWL)	\$36,122.67
Elk River Winlectric	?	\$34,048.05

Staff has estimated that 426 luminaires will be needed to complete the project and is choosing two different manufacturers of luminaires to reduce the risk of supply chain or quality issues.

This request seeks to award a contract to Stuart C. Irby (\$155.50/ea) and EOI (\$152.75/ea). This award will also be a purchase order released in phases based on the installation schedule. The term of agreement is twelve months with prices remaining firm for the entire term. There is an option to extend subject to a mutually agreeable price adjustment.

Elk River Winlectric failed to submit the required documentation resulting in an action to reject their bid as unresponsive.

While it should be noted that this item is within the General Manager's authorization, City Charter requires the board to accept sealed bids.

The LED Streetlight Replacement Project was approved by the City Council and includes replacement of the City's high pressure sodium (HPS) roadway luminaires with LED luminaires. The project is being funded by Public Works.

**UTILITY BOARD ACTION REQUESTED:**

## FOR BOARD ACTION

Agenda Item # (ID # 12296)

Meeting Date: 8/25/2020

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Approve a resolution to accept the bid from Stuart C. Irby in an amount not to exceed \$33,121.50 and Excellence Opto Inc. in an amount not to exceed \$32,535.75, plus applicable taxes and reject the bid from Elk River Winlectric as unresponsive.



## RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to accept the bid from Stuart C. Irby in an amount not to exceed \$33,121.50 and Excellence Opto Inc. in an amount not to exceed \$32,535.75, plus applicable taxes, to purchase commercial luminaries for the LED Streetlight Replacement Project, and reject the bid from Elk River Winlectric as unresponsive.

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 25th day of August, 2020.

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President

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Secretary

## FOR BOARD ACTION

Agenda Item # (ID # 12298)

Meeting Date: 8/25/2020

**SUBJECT: Photo Cells**

**PREPARED BY: Mona Hoeft**

**ITEM DESCRIPTION:**

Sealed bids for the LED Streetlight Replacement Project were opened on August 11th and included pricing for photo cells. Photo cells are standard stock for RPU and include three approved manufacturers: Ripley, Dark to Light and Sun Tech. Photo cells are used to turn the luminaires on and off based on ambient light levels. The bid results are as follows:

Vendor	Brand	Bid Amount
Wesco	Sun Tech	\$66,300
Border States	Sun Tech	\$74,400
Graybar	Dark to Light	\$85,200
Stuart Irby	Dark to Light	\$86,400
Border States	Dark to Light	\$86,880

Staff has estimated that 6,000 photo cells will be needed for the project and seeks approval to award a contract to Wesco (\$11.05/ea) for the photo cells. This award will be a purchase order released in phases based on the installation schedule. The term of agreement is twelve months with prices remaining firm for the entire term. There is an option to extend subject to a mutually agreeable price adjustment.

While it should be noted that this item is within the General Manager's authorization, City Charter states that the board is required to accept sealed bids.

The LED Streetlight Replacement Project was approved by the City Council and includes replacement of the City's high pressure sodium (HPS) roadway luminaires with LED luminaires. The project is being funded by Public Works.

**UTILITY BOARD ACTION REQUESTED:**

Approve a resolution to accept the bid from Wesco in an amount not to exceed \$66,300, plus applicable taxes.



## RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to accept the bid from Wesco in an amount not to exceed \$66,300, plus applicable taxes, to purchase photo cells for LED Streetlight Replacement Project.

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 25th day of August, 2020.

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President

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Secretary

## FOR BOARD ACTION

**Agenda Item # (ID # 12297)**

**Meeting Date: 8/25/2020**

**SUBJECT: Mast Arms**

**PREPARED BY: Mona Hoeft**

**ITEM DESCRIPTION:**

Sealed bids for the LED Streetlight Replacement Project were opened on August 11th and included pricing for mast arms. Mast arms are standard stock for RPU and have been provided by both Valmont and McNeilus in the past. Mast arms are used to install luminaires onto the streetlight structures (poles) and in this case to increase the luminaire mounting height about 18 inches.

A breakdown of the bids is as follows:

Vendor	Brand	Bid Amount
Wesco	Valmont	\$ 95,885.41
Border States Electric	Valmont	\$102,549.05
McNeilus Steel, Inc.	McNeilus	\$111,643.28

Staff has estimated that 2,731 mast arms will be needed for the project and seeks approval to award a contract to Wesco (\$35.11/ea). This award will also be a purchase order released in phases based on the installation schedule. The term of agreement is twelve months with prices remaining firm for the entire term. There is an option to extend subject to a mutually agreeable price adjustment.

While it should be noted that this item is within the General Manager's authorization, City Charter requires the board to accept sealed bids.

The LED Streetlight Replacement Project was approved by the City Council and includes replacement of the City's high pressure sodium (HPS) roadway luminaires with LED luminaires. The project is being funded by Public Works.

**UTILITY BOARD ACTION REQUESTED:**

Approve a resolution to accept bids from Wesco in an amount not to exceed \$95,885.41 plus applicable taxes.



## RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to accept bids from Wesco in an amount not to exceed \$95,885.41 to purchase mast arms for LED Streetlight Replacement Project.

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 25th day of August, 2020.

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President

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Secretary

## FOR BOARD ACTION

Agenda Item # (ID # 12299)

Meeting Date: 8/25/2020

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**SUBJECT: SMMPA Power Purchase Agreement Amendment Relating to Qualifying Facilities**

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**PREPARED BY: Andrew Bianco**

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### ITEM DESCRIPTION

This amendment to the Southern Minnesota Municipal Power Agency(SMMPA) Power Sales Contract makes updates regarding the purchase of power and energy from retail customers who also own generation. The Power Sales Contract had provisions for small power production facilities under PURPA with the statement that best efforts would be made for SMMPA to purchase the excess energy from these facilities. If that were not possible, the member utility would purchase the excess energy from these facilities and sell to SMMPA. Since the contract was signed in 1981, a lot has changed with growth of rooftop solar and other forms of distributed energy resources along with State Statutes and Rules. This amendment updates the agreement so it is in line with present State DER rules and documents how the Agency and members will account for excess energy generated from distributed customer owned sources.

The SMMPA Board has approved this agreement and is now seeking approval from each of the members.

### UTILITY BOARD ACTION REQUESTED:

Approve the amended and restated purchase power agreement with SMMPA, and authorize the Mayor and City Clerk to execute the agreement.

**AMENDED AND RESTATED POWER PURCHASE AGREEMENT**  
**relating to**  
**CONTRACTS FOR COGENERATION AND**  
**SMALL POWER PRODUCTION FACILITIES**

This Amended and Restated Power Purchase Agreement (“**Agreement**”), dated as of \_\_\_\_\_ (“**Contract Date**”), is entered into by and between Southern Minnesota Municipal Power Agency (“**Agency**”), a municipal corporation and political subdivision of the state of Minnesota and the City of Rochester Minnesota, acting through its Public Utility Board (RPU). (“**Member**”), a municipal corporation and political subdivision of the state of Minnesota and a member of the Agency (Agency and Member are each a “**Party**” and together are the “**Parties**”).

**RECITALS:**

A. Pursuant to the second paragraph of Section 3(a) of the Power Sales Contract between Member and the Agency, the Parties agreed that they would use best efforts to arrange for purchases of power required of Member under the Public Utility Regulatory Policy Act, 16 U.S.C. § 2601 (including the Minnesota implementation thereof in Minnesota Statutes Section 216B.164 and Minnesota Rules Chapter 7835, “**PURPA**”) to be made by the Agency. If such arrangements cannot be made, Member is to purchase the power and resell the same to the Agency.

B. Minnesota’s implementation of PURPA specifies standard forms of contract to be used in purchases from a Qualified Facility (“**QF**”) with capacity of less than 40 kilowatts (“**kW**”) (“**Under 40 kW QF(s)**”), all as defined under PURPA, which contemplate that the purchaser of such power also provides power and energy to the QF. It is deemed infeasible for the Agency to assume such a role.

C. In light of the above, the Agency and Member are parties to a Power Purchase Agreement relating to purchases from Under 40 kW QFs and dated as of \_\_\_\_\_, (the “**Existing Power Purchase Agreement**”).

D. The Agency and Member desire to revise the terms and conditions of the Existing Power Purchase Agreement, among other things, to also apply to purchases by Member from QFs that are (i) owned by Member’s retail customer, and (ii) have capacity 40 kW and above (“**40 kW and Above QF(s)**”) and (iii) for which the Agency has determined that it is not feasible for the Agency to make such purchase directly.

**NOW THEREFORE**, in consideration of the foregoing Recitals and other good and valuable consideration, the receipt and adequacy of which is hereby mutually acknowledged, the Parties hereto do hereby mutually agree as follows:

1. **QF Contracts.** Member may enter into one or more contracts that meet all requirements of PURPA and any Member rules relating to such purchase (a) for Under 40 kW QFs

using (i) the Uniform Statewide Contract (the “Uniform Contract”) promulgated under Minnesota Rules 7835.9910, as of the date hereof, or (ii) another form consistent therewith and with the Power Sales Contract and determined by the Agency to be economically identical to the Uniform Contract for purposes relevant to this Agreement (the “Alternate Uniform Contract”) and (b) for 40 kW and Above QFs (together with the Uniform Contract and the Alternate Uniform Contract, the “QF Contract(s)”) so long as the Agency has determined that, notwithstanding the best efforts of Member and the Agency, it is not feasible for the Agency to purchase the power directly as contemplated in Section 3(a) of the Power Sales Contract. After entering into any QF Contract, Member shall promptly notify the Agency of the key terms of the contract (*i.e.*, the identity of the QF and the billing rate selection) and provide the Agency with a copy of each QF Contract entered into with a 40 kW and Above QF.

2. Term. The term of this Agreement shall commence on the date hereof and continue thereafter from calendar year to calendar year unless terminated by at least 90 days written notice from either Party to the other (The effective date of such termination being the “Termination Date”). No such termination shall excuse either Party from its continuing obligations under Section 3(a) of the Power Sales Contract.

3. Application of this Agreement. Except as set forth on the attached Exhibit A – Excluded Contracts or as otherwise agreed to by Member and the Agency, this Agreement shall apply to all present and future QF Contracts between Member and a QF which is a customer of Member provided that (a) in the event that PURPA (or Member’s rules in implementation thereof) is changed so that Member is not required to enter into such contracts or the terms of such standard contract are changed, at the option of either Party this agreement shall not apply to QF Contracts thereafter entered into (however Section 3(a) of the Power Sales Contract shall continue to apply to such future QF Contracts) and (b) as to QF Contracts to which this Agreement does apply, it shall continue to apply until the earliest of (i) the termination of the applicable QF Contract, (ii) the Termination Date or (iii) the expiration or earlier termination of the Power Sales Contract.

4. Power and Energy Sold to the Agency. All power and energy delivered by the QF to Member shall be deemed sold by Member to the Agency; provided, however, that, if Member has elected to limit the maximum amount of power to be purchased from the Agency under its Power Sales Contract to its Contract Rate of Delivery and such election is in effect, the provisions of Section 21 below shall apply.

5. Metering. Member shall install for each QF, or cause the QF to install, a meter that will measure and store energy input and output in 15 minute intervals for purposes of the QF Contract, this Agreement and the Power Sales Contract; provided, however, that the requirement for 15 minute interval metering shall not apply (i) to Under 40 kW QFs that elect to be paid for its energy using the average retail utility energy rate (as described in Section 8(b) below) or (ii) if the Agency and Member mutually agree that the Net Energy Flow (as defined in Section 6 below) from the QF to Member is anticipated to be negative. Where the QF elects that its entire generation be deemed to be made available to Member, such generation shall be metered in a separately identifiable manner. Where remote reading meters are used, Member will make reasonable efforts, in cooperation with the Agency, to use meters compatible with the Agency’s meter reading system software. In the absence of remote meter reading capabilities, Member shall read the meter at the end of each Agency billing month and forward the electronic data, (all in a form compatible with

the Agency's power accounting system software) to the Agency via email within two business days of the end of the Agency billing month. Member shall have the option to bill the Agency, at mutually agreed rates, for additional meter reading costs which result solely from the need to supply the data to the Agency.

6. QF Energy Measurement. QF metering information shall be reported to the Agency depending upon capacity size of the QF as follows:

- a. For each 40 kW and Above QF, the net energy (the "**Net Energy Flow**") supplied by Member to the QF (a negative amount) or by the QF to Member (a positive amount) shall be determined for the applicable Agency billing period. Where the QF elects that its entire generation be deemed to be made available to Member, the entire output of its generation (the "**QF Generation Flow**") also shall be determined for the applicable Agency billing period.
- b. For each Under 40 kW QF, metering information for the prior calendar year shall be reported to the Agency before January 15 each year in the format set forth in Exhibit B. Specifically, each Member shall submit to the Agency a report of each Under 40 kW QF with a positive Net Energy Flow from QF to Member (*i.e.*, net export of energy) in any month, including the amount exported (in kilowatt hours) and Member's payment to the QF for the exported energy.

7. Coincident Peak Capacity. The coincident peak net output from the QF to Member (the "**CP Capacity**") shall be determined each Agency billing period at the times and in the manner used to determine Member's capacity charges under the Power Sales Contract based upon the metering information for all QFs with meters capable of measuring and storing hourly input and output data. If the coincident peak net output from the QF to Member is negative, the CP Capacity shall be 0.

8. Payment by the Agency to Member. The Agency shall reimburse Member for any payments actually made by Member to a QF, based on the capacity size of the QF and the QF's selected rate option.

- a. For purposes of this Section, the following definitions shall apply: the "**Agency Capacity Rate**" shall be the Capacity Cost set forth in Schedule 4 - Average Incremental Cost, which shall be updated annually, distributed to Member no later than January 31 of each year, and be effective for the next consecutive 12 months ("**Schedule 4**"), and the "**All-In Wholesale Rate**" shall be determined by dividing the Agency's total annual cost of operation by the total kilowatt hours sold by the Agency.
- b. If the QF is on the average retail utility energy rate, the following reimbursement payments shall be made for the energy and capacity from the QF:
  - i. If the Net Energy Flow for an applicable billing period is zero or negative, no payment shall be made by the Agency for the energy or the capacity from the QF.

- ii. If the Net Energy Flow for such billing period is positive, the Agency shall pay Member for the amount of such Net Energy Flow at the energy rate Member is paying the QF under the QF Contract.
- c. If the QF is on a kilowatt-hour roll-over credits rate and credits remaining at the end of the year expire, no reimbursement payments shall be made by the Agency because Member is not making any payment to the QF.
- d. If the QF is on the simultaneous purchase and sale billing rate or the time-of-day purchase rates, the following payments shall be made for the energy and capacity from the QF:
  - i. If the QF is on the simultaneous purchase and sale billing rate, the Agency will pay Member for the QF Generation Flow, which Member has purchased from the QF, as measured on-peak or off-peak, at the Agency's seasonal Estimated Marginal Energy Cost as set forth in Schedule 4.
  - ii. If the QF is on the time-of-day purchase rates (applicable to all 40 kW and Above QFs), the Agency will pay Member for the positive Net Energy Flow, which Member has purchased from the QF, as measured on-peak or off-peak, at the Agency's, seasonal Estimated Marginal Energy Cost as set forth in Schedule 4.
  - iii. If the QF elects the simultaneous purchase and sale billing rate and provides firm power, it is entitled to receive a capacity payment for an applicable billing period under the QF Contract. Under such circumstances, the Agency will pay Member a capacity payment equal to the product of the Agency Capacity Rate divided by all hours in the applicable billing period multiplied by the QF Generation Flow during the applicable billing period.
  - iv. If the QF is on the time-of-day purchase rates and provides firm power, it is entitled to receive a capacity payment for an applicable billing period under the QF Contract. Under such circumstances, the Agency will pay Member a capacity payment equal to the product of the Agency Capacity Rate divided by the number of on-peak hours in the applicable billing period multiplied by the Net Energy Flow of the QF during on-peak hours in the applicable billing period.
- e. Unless otherwise agreed, such sums payable for QF capacity and energy by adjustment to Member's bill from the Agency under the Power Sales Contract shall be:
  - i. monthly with respect to transactions involving 40 kW and Above QFs;
  - ii. annually, consistent with Section 6(b) above, with respect to transactions involving Under 40 kW QFs.

9. Adjustments to Member's Bill. Member's bill under the Power Sales Contract shall be adjusted as set forth below but shall be modified as necessary to give effect to Section 21

below, if Member has elected to limit the maximum amount of power to be purchased from the Agency under its Power Sales Contract to its Contract Rate of Delivery and such election is in effect.

- a. In January of each year, the following adjustments will be made to Member's bill under the Power Sales Contract to address monthly transactions involving Under 40 kW QFs for the prior 12 months.
  - i. For QFs on the average retail utility energy rate or roll-over credits rate, if the monthly Net Energy Flow from the QF for an Agency billing period is:
    - A. zero or negative, no adjustment shall be made to the metered energy of Member under the Power Sales Contract (notwithstanding that energy from the QF may have been sold to the Agency at one time and the Agency may have provided an equal amount of energy to Member at another time during such billing period);
    - B. positive, the Net Energy Flow exported to Member's system will be added to the Member's bill at the All-In Wholesale Rate.
  - ii. For QFs on the simultaneous purchase and sale billing rate, the QF Generation Flow exported to Member's system will be added to the metered energy (on-peak or off-peak, as measured) of Member's bill, and the CP Capacity of the QF will be added to Member's metered demand at the times used to determine demand charges under the Power Sales Contract
  - iii. For purposes of billing, amounts due from Member for billing adjustments made under Paragraphs (a)(i) and (ii) of this Section 9 shall be netted against reimbursement payments due from the Agency to Member under Section 8.
- b. Each month, the following adjustments will be made to Member's bill under the Power Sales contract to address transactions involving 40 kW and Above QFs.
  - i. The Net Energy Flow exported to Member's system will be added back to the metered energy (on-peak or off-peak, as measured) of Member's bill.
  - ii. The CP Capacity of the QF will be added to the Member's metered demand at the times used to determine demand charges under the Power Sales Contract.

Illustrative examples of the adjustments are set forth in Exhibit C.

10. Notices. Any notices, elections, demands or requests required or authorized by this Agreement, or any other instrument or document or information required to be tendered or delivered by a Party, shall be in writing and personally delivered or sent by certified mail, return receipt requested, postage prepaid, or by facsimile (confirmed by regular mail) to:

- (a) If to the Agency at

500 First Avenue SW  
 Rochester, Minnesota 55902-3303  
 Attention of the Executive Director & CEO  
 Facsimile number: (507) 292-6413  
 Electronic Mail:, and

(b) If to Member at

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Attention of the General Manager  
 Facsimile number:  
 Electronic Mail:

Either Party may change these addresses upon providing notice to the other Party. Any notice given hereunder shall be deemed to be given upon the earlier of (a) actual receipt or (b) three days after deposit in a properly addressed envelope in the U.S. mail, postage prepaid, certified mail, return receipt requested.

11. No Rights of Third Parties. This Agreement is intended for the benefit of the Parties hereto. Nothing in this Agreement shall be construed to create any duty to, any standard of care with reference to, or any liability to, any person not a party to this Agreement.

12. Subject to Applicable Laws. This Agreement is subject to applicable laws including applicable federal, state and local laws, ordinances, rules and regulations. Nothing herein contained shall be construed as a waiver of any right to question or contest any such law, ordinance, rule or regulation or asserted regulatory jurisdiction.

13. No Partnership. This Agreement shall not be interpreted or construed to create an association, joint venture, or partnership between the Parties or to impose any partnership obligation or liability upon any Party. No Party shall have any right, power or authority to enter in any Agreement or undertaking for, or act on behalf of, or to act as or be an agent or representative of, or to otherwise bind, the other Party.

14. Amendment. This Agreement may be amended only upon written agreement of the Parties.

15. No Waiver. Failure of a Party to insist, on any occasion, upon strict performance of this Agreement shall not be a waiver of the right to insist upon strict performance of any provision on any other occasion.

16. Captions. The captions of the various articles and sections of this Agreement are for convenience and reference only and shall not limit or define any of the terms and provisions hereof.

17. Choice of Laws. This Agreement shall be governed by and construed in accordance with the laws of the State of Minnesota.

18. Severability. If any term or provision of this Agreement, or the application thereof to any person or circumstance, shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and enforced to the fullest extent permitted by law.

19. Power Sales Contract. The Power Sales Contract is a separate and distinct agreement between the Agency and Member, although the Agency and Member agree that the point of metering for the QF under this Agreement shall be deemed to be a Point of Delivery under the Power Sales Contract. In all other respects the Parties do not intend this Agreement to amend or modify the Power Sales Contract. In the event that this Agreement is terminated, the Power Sales Contract shall remain in full force and effect.

20. Existing Power Purchase Agreement. This Agreement amends and restates in its entirety the Existing Power Purchase Agreement. The obligations of the Member and the Agency incurred under the Existing Power Purchase Agreement shall continue under this Agreement and shall not be terminated, extinguished or discharged but shall hereafter be governed by the terms of this Agreement.

21. CROD Provisions. Section 3 of the Power Sales Contract provides that a Member may elect to limit the maximum amount of power purchased from the Agency to a “**Contract Rate of Delivery**” or “**CROD**”. If Member has elected to establish a CROD and such election is in effect, the following modifications shall apply to the foregoing provisions:

a. Definitions:

- i. “**Customer Generation**” shall mean all power and energy from any QFs and any other Member customer-related generation that is sold in whole or in part to the Agency.
- ii. “**Metered Base Demand**” shall mean the total hourly demand of Member from the Agency as measured under the Power Sales Contract but before any addition for power and energy from any Customer Generation (or if any Customer Generation is included in such measurement, reduced by such Customer Generation).

b. Section 4 Power and Energy Sold to the Agency above shall be amended to read: “That portion of the power and energy delivered by the QF to Member which, when added to the Metered Base Demand, does not cause Member’s load to exceed its CROD shall be deemed sold by Member to the Agency.”

c. When computing the amount of Net Energy Flow for which the Agency will pay Member under Paragraphs (b)(ii) Section 8, and which will be added to Member’s metered energy under Paragraph (a)(i)(B) of Section 9, the sum of all total energy exported by all Under 40 kW QFs subject to average retail rates or kilowatt-hour roll-over credit rates shall be multiplied by a fraction, the numerator of which is the total annual energy purchased from the Agency by Member, and the denominator of which is the total annual energy consumed by Member.

- d. When computing the amount of QF Generation Flow, Net Energy Flow, or CP Capacity value for which the Agency will pay Member under Paragraph (d) of Section 8 and which will be added to Member's metered energy and metered demand under Paragraphs (a)(ii), (b)(i) or (b)(ii) of Section 9:
- i. When Member's Metered Base Demand plus all Customer Generation exceeds Member's CROD, any energy delivered in either direction in excess of Member's CROD shall be excluded. In such cases, Member's CROD will be used for purposes of calculating demand charges.
  - ii. When Member's Metered Base Demand plus all Customer Generation does not exceed Member's CROD, all metered hourly QF Generation Flow, Net Energy Flow, or CP Capacity of the QF(s) at the times used to determine demand charges, as applicable, for the applicable billing period, shall be included.

[The next page is the signature page.]

IN WITNESS WHEREOF, the Parties have executed and delivered this Agreement as of the date first written above.

**SOUTHERN MINNESOTA  
UNICIPAL POWER AGENCY**

**CITY OF ROCHESTER, MINNESOTA**

By \_\_\_\_\_  
David P. Geschwind,  
Executive Director and CEO

**CITY OF ROCHESTER**  
By: \_\_\_\_\_  
Kim Norton, Mayor

Attest \_\_\_\_\_  
Name and Title

Attest: \_\_\_\_\_  
City Clerk

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

**ROCHESTER PUBLIC UTILITIES**

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

Attachment: SMMPA's Amended and Restated Power Purchase Agreement Relating to QFs (12299 : SMMPA Power Purchase Agreement

**Exhibit A:  
EXCLUDED QF CONTRACTS**

**Attachment: SMMPA's Amended and Restated Power Purchase Agreement Relating to QFs (12299 : SMMPA Power Purchase Agreement**

**EXHIBIT B:  
SAMPLE SMMPA 2019 MEMBER DER NET EXPORT REPORT UNDER SECTION 6(b) (QF Energy Measurement)**

Customer ID	JAN kWh	JAN \$	FEB kWh	Feb \$	MAR kWh	MAR \$	APR kWh	APR \$	MAY kWh	May \$	JUN kWh	JUN \$	JUL kWh	JUL \$	AUG kWh	AUG \$	SEP kWh	SEP \$	OCT kWh	OCT \$	NOV kWh	NOV \$	DEC kWh	DEC \$	TOTAL kWh	Total \$
Customer 1	0	\$-	0	\$-	0	\$-	0	\$-	20	\$2.60	40	\$5.20	50	\$6.50	20	\$2.60	0	\$-	0	\$-	0	\$-	0	\$-	130	\$16.90
Customer 2	100	\$13.00	125	\$16.25	130	\$16.90	150	\$19.50	170	\$22.10	200	\$26.00	300	\$39.00	190	\$24.70	100	\$13.00	75	\$9.75	125	\$16.25	50	\$6.50	1,715	\$222.95
Customer 3	0	\$-	0	\$-	0	\$-	0	\$-	10	\$1.30	15	\$1.95	20	\$2.60	15	\$1.95	10	\$1.30	4	\$0.52	0	\$-	0	\$-	74	\$9.62
<b>TOTAL</b>	<b>100</b>	<b>\$13.00</b>	<b>125</b>	<b>\$16.25</b>	<b>130</b>	<b>\$16.90</b>	<b>150</b>	<b>\$19.50</b>	<b>200</b>	<b>\$26.00</b>	<b>255</b>	<b>\$33.15</b>	<b>370</b>	<b>\$48.10</b>	<b>225</b>	<b>\$29.25</b>	<b>110</b>	<b>\$14.30</b>	<b>79</b>	<b>\$10.27</b>	<b>125</b>	<b>\$16.25</b>	<b>50</b>	<b>\$6.50</b>	<b>1,919</b>	<b>\$249.47</b>

**CALCULATION**

TOTAL NET EXPORT PAYMENT TO RETAIL CUSTOMERS:	\$249.47	(From AA7 - sum of all payments made to retail customers for net exports for all months in this calendar year for this SMMPA member)
TOTAL NET kWh NET EXPORT	1,919	(From Z7 - sum of all net export kWh for all retail customers with DER of less than 40 kW for all months in this calendar year for this SMMPA member)
SMMPA 2019 ALL-IN WHOLESAL RATE/kWh	\$0.074740	(All-In Wholesale Rate as defined in Section 8(a))
ALL-IN WHOLESAL VALUE OF NET EXPORT	\$143.43	(F13 x F14)
NET PAYMENT TO MEMBER	\$106.04	(F12 - F15 - credit to be added to 2020 February SMMPA wholesale invoice to this SMMPA member)

Attachment: SMMPA's Amended and Restated Power Purchase Agreement Relating to QFs (12299 :

**EXHIBIT C:  
SAMPLE CALCULATIONS UNDER SECTION 9 (Adjustments to Member's Bill)**

**Scenario #1:** QF has capacity under 40 kW and has chosen average retail utility energy rate or roll-over credits rate.

- QF has a net export for the billing period of 100 kWh
- Member pays QF the utility average rate, \$0.10 for this example –  $100kkkhh * \frac{\$0.10}{kkkhh} = \$10.00$
- SMMPA reimburses member \$10.00
- Member pays SMMPA's "All-In Wholesale Rate" –  $100kkkhh * \frac{\$0.07474}{kkkhh} = \$7.47$

Therefore, SMMPA pays Member \$10.00 - \$7.47 = **\$2.53**

**Scenario #2:** QF has capacity under 40 kW and has chosen simultaneous purchase and sale billing rate.

- Customer exports 1000kWh on-peak, 5 kW of which is on the hour of the coincident peak (all power produced by QF is exported).
- SMMPA purchases at on-peak seasonal avoided cost –  $1000kkkhh * \frac{\$0.02641}{kkkhh} = \$26.41$
- 1000kWh is added to Member's bill –  $1000kkkhh * \frac{\$0.05563}{kkkhh} = \$55.63$
- 5 kW is added to Member's bill demand charge –  $5kkkk * \frac{\$10.95}{kkkk} = \$5.95$

Therefore, Member pays SMMPA  $\$55.63 + \$5.95 - 26.41 = \mathbf{\$35.17}$

**Scenario #3:** QF capacity is equal to or greater than 40 kW and is on time-of-day purchase rates.

- Customer exports 100kWh on-peak during the summer 5 kW of which is on the hour of the coincident peak.
- Member purchases 100kWh at seasonal average incremental cost –  $100kkkhh * \frac{\$0.02641}{kkkhh} = \$2.64$
- SMMPA reimburses member \$2.64
- 100kWh is added to Member's bill –  $100kkkhh * \frac{\$0.05563}{kkkhh} = \$5.56$
- 5 kW is added to Member's bill demand charge –  $5kkkk * \frac{\$10.95}{kkkk} = \$5.95$

Therefore, Member pays SMMPA  $\$5.56 + \$5.95 - 2.64 = \mathbf{\$8.87}$



## RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to approve a contract agreement with Southern Minnesota Municipal Power Agency and authorize the Mayor and the City Clerk to execute the agreement for:

AMENDED AND RESTATED POWER PURCHASE AGREEMENT RELATING TO  
CONTRACTS FOR COGENERATION AND SMALL POWER PRODUCTION FACILITIES

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 25th day of August, 2020.

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President

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Secretary

## FOR BOARD ACTION

Agenda Item # (ID # 12325)

Meeting Date: 8/25/2020

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**SUBJECT: Review of Accounts Payable**

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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 07/11/2020 To 08/11/2020  
**Consolidated & Summarized Below 1,000**

**Greater than 50,000 :**

1			
2			
3	SOUTHERN MN MUNICIPAL POWER A	July SMMPA Bill	8,649,732.89
4	BORDER STATES ELECTRIC SUPPLY	2280EA-Meter, FM2S CL200 240V 2WAY W/Dis	289,973.25
5	THE ENERGY AUTHORITY INC	July MISO Transmission Service	201,720.18
6	STUART C IRBY CO INC	131442FT-Wire, AL, 15kV, 1/0 Solid, 1/C,	186,322.46
7	CONSTELLATION NEWENERGY-GAS D	June Gas - SLP	162,466.97
8	STUART C IRBY CO INC	9255FT-Wire, Copper, 15KV,750MCM STR,EPR	134,210.68
9	PARAGON DEVELOPMENT SYSTEMS I	SCADA Upgrade Project - 4500058574	93,940.86
10	SHI INTERNATIONAL CORP (P)	Commvault Renewal - 28 License Renewal	81,125.48
11	CONSTELLATION NEWENERGY-GAS D	June Gas - WES	73,014.76
12	NEW AGE TREE SERVICE INC	912 Tree Clearance	70,858.13
13	ULTEIG ENGINEERS INC	Transmission Relay Coordination Study	54,581.25
14			
15			
16			
17			

**Price Range Total:** 9,997,946.91

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

18			
19			
20	PARAGON DEVELOPMENT SYSTEMS I	SCADA Upgrade Project - 4500058850	49,216.87
21	OSMOSE UTILITIES SERVICES INC	2020-24 Pole Testing & Treatment	47,641.63
22	BENIKE CONSTRUCTION (P)	Mechanical Systems Upgrade	46,506.10
23	PAYMENTUS CORPORATION	June 20 Electronic Bill Payment Services	45,073.60
24	A & A ELECT & UNDERGROUND CON	2017-2022 Directional Boring	44,492.00
25	WRIGHT TREE SERVICE INC	Hourly Tree Removal 2019-2020~	42,200.88
26	ULTEIG ENGINEERS INC	Engineering Design Work - Marion Road Substation	40,549.75
27	PEOPLES ENERGY COOPERATIVE (P	July Compensable	38,485.22
28	USIC LOCATING SERVICES INC	July 2020 Locating Services	38,449.11
29	MASTEC NORTH AMERICA INC	2020 Joint Trench Directional Boring	38,119.55
30	INNOVYZE INC	InfoWater Pro/InfoCare-ArcGIS Software & Maint	37,830.00
31	CENTRAL MINNESOTA MUNICIPAL P	July Capacity for CMPA	37,400.00
32	XYLO TECHNOLOGIES INC	2020 IT Helpdesk Support	31,680.00
33	FRANKLIN ENERGY SERVICES LLC	Q3 - 2020 DSM / CIP Services	31,362.50
34	DOXIM UTILITEC LLC	July Postage & Bill Print/Mail Services	26,406.39
35	PARAGON DEVELOPMENT SYSTEMS I	SCADA Upgrade Project - 4500058629	26,288.98
36	TARGET CORPORATION	CIP-Lighting (C&I)-Incentives/Rebates	26,015.30
37	JEREMIAH PROGRAM ROCHESTER LP	CIP-Lighting (C&I)-Incentives/Rebates	25,974.50
38	CITY CLERK	Bike Path Assessment ID74.17.41.082290	23,630.19
39	THE ENERGY AUTHORITY INC	July Resource Management Fee	23,193.87
40	VEIT & CO INC (CONSTRUCTION)	SLP Chimney Demolition-Release Retainage	22,713.95
41	BLUESPIRE STRATEGIC MARKETING	2020-23 RPU Plugged In Contract	22,598.00
42	GRAYBAR ELECTRIC COMPANY INC	30EA-SL Pole, 30' 9" Mtg Ht	20,840.63
43	UHAUL INTERNATIONAL INC	CIP-Lighting (C&I)-Incentives/Rebates	18,075.52
44	CONSTELLATION NEWENERGY-GAS D	June Gas - Cascade Creek	17,590.30
45	SANCO EQUIPMENT LLC	2EA-Forestry Mower 61BSL (E678)	16,728.07
46	BADGER METER INC (P)	120EA-Meter, Bare E-Series 3/4"(57) Ultra	16,680.00
47	STUART C IRBY CO INC	1EA-Trans, PM, 3ph, 750kVA, 13.8/8, 480	16,587.00
48	MOODYS INVESTORS SERVICE INC	Annual Bond Rating Agency Fee	16,000.00
49	VEIT & CO INC (CONSTRUCTION)	Lake Zumbro - Intake Bay Hydrographic Survey	15,900.00
50	KANTOLA CONSULTING	Consulting-Phase I Post Cayenta Go-Live Review	14,490.00
51	VISION COMPANIES LLC (P)	Consult-Strategy/Lead Journey100,200,Offsite	14,287.50
52	ELEVATE MARKETING SOLUTIONS L	June & July 2020 Advertising	14,150.00
53	PARAGON DEVELOPMENT SYSTEMS I	IT Help desk consultant	14,140.00

Attachment: AP Board CrMo (12325 : Review of Accounts Payable)

**ROCHESTER PUBLIC UTILITIES**  
**A/P Board Listing By Dollar Range**  
For 07/11/2020 To 08/11/2020  
**Consolidated & Summarized Below 1,000**

54	KEY BUILDERS INC	System Ops Remodel	13,941.00
55	REINHAUSEN MANUFACTURING INC	Repair of Transformer at Crosstown Sub	13,882.50
56	PAAPE ENERGY SERVICE INC	Fleet/Warehouse Heater Control Install	13,560.00
57	RESCO	1EA-Switch, PM, Air, 3PH, 2-600SW/2-200F	13,139.00
58	McGRANN SHEA CARNIVAL STRAUGH	2020 Retainer - 2nd quarter	12,500.00
59	WERNER ELECTRIC SUPPLY	5000FT-Conduit, HDPE, 4.00, Empty, SDR 1	11,088.99
60	MINNESOTA ENERGY RESOURCES CO	June Gas - WES	10,909.46
61	ELITE CARD PAYMENT CENTER	100 Spark Plugs - Murcal DBA McGill 45-58910	10,795.83
62	EXPRESS SERVICES INC	2020 Seasonal staff facilities	10,609.14
63	WAVECONTROL INC	1EA-Field Meter, Field Probe, Internal GPS	10,602.00
64	RESCO	200EA-Mast Arm, Residential LED, Extension	9,789.75
65	WELLS FARGO BANK ACCT ANALYSI	July 2020 Bank Fees	9,771.12
66	A & A ELECT & UNDERGROUND CON	14EA-Streelight base, Precast	9,328.00
67	THE HYLANDS	CIP-LED Light Fixtures-Incntivs/Rebts	9,115.84
68	FRASER CONSTRUCTION INC	Water Main Replacement-Civic & 1st Ave	8,162.06
69	WARTSILA NORTH AMERICA	1EA-Converter for WES	7,960.83
70	STUART C IRBY CO INC	6EA-Trans, PM, 1ph, 37.5kVA,13.8/8,240	7,776.00
71	PARAGON DEVELOPMENT SYSTEMS I	HPE SimpliVity Data Center Professional Services	7,500.00
72	PETE & GABES JUNK	Junk removal - Marion Rd	7,481.25
73	CONSOLIDATED COMMUNICATIONS d	2018-20 Network and Co-location Services	7,041.92
74	EPLUS TECHNOLOGY INC	SCADA Network Vulnerability Test 2020	6,770.00
75	MINNESOTA ENERGY RESOURCES CO	June Gas - SLP	6,285.98
76	CHS ROCHESTER	July Fuel	6,254.93
77	ADVANTAGE DIST LLC (P)	5010GAL-Urea 32, WES	6,062.10
78	LOCATORS AND SUPPLIES	1EA-Line Locator Kit	5,993.00
79	STUART C IRBY CO INC	1EA-Trans, PM, 3ph, 112.5kVA,13.8/8,480	5,624.00
80	STUART C IRBY CO INC	6EA-Metal Sec. Encl, 3ph, 30"x67"x22" 20	5,610.00
81	EPLUS TECHNOLOGY INC	11EA-Horn, Paging, IP	5,441.15
82	MONTGOMERY ALICE	Deposit Refund	5,305.05
83			
84		<b>Price Range Total:</b>	1,219,598.31
85			
86	<b><u>1,000 to 5,000 :</u></b>		
87			
88	TWIN CITY SECURITY INC	2020 Security Services	4,934.42
89	D P C INDUSTRIES INC	2020 Carus 8500 Aqua Mag F35-Water Chemicals	4,759.60
90	EPLUS TECHNOLOGY INC	4EA-Transceiver module, 10GigE	4,698.56
91	WEST PEAK ENERGY LLC	Consulting Work SLP-ESP Duct Engineering	4,640.00
92	EPLUS TECHNOLOGY INC	8EA-Transceiver module, GigE	4,637.52
93	JASPER ENGINEERING & EQUIP CO	1EA-Gauge adapter, 1/4" female	4,552.52
94	HALLBERG ENGINEERING INC	HVAC Upgrade Commissioning at SC	4,520.00
95	STUART C IRBY CO INC	48EA-Cutout-Over Current Protection	4,396.80
96	HY VEE NORTH	July Fuel	4,321.23
97	STUART C IRBY CO INC	2020 Rubber Goods Testing & Replacement	4,278.65
98	PARSONS ELECTRIC	BrightSign Digital Signage	4,222.63
99	BENTLEY SYSTEMS INC	WaterCAD for AutoCAD Software Maintenance	4,115.00
100	GOPHER STATE ONE CALL	July Completed Tickets-Electric & Water	4,087.80
101	PW POWER SYSTEMS INC	2EA-Plug, Igniter-Gas Turbine	4,026.00
102	STUART C IRBY CO INC	20EA-Grd Sleeve, 1ph Trans., 37 x 43 x 1	3,990.00
103	HENNING PROFESSIONAL SERVICES	Cane Relocation Consultant Services	3,985.70
104	PAAPE ENERGY SERVICE INC	Continuum System Service Agreement	3,965.00
105	BURNS & MCDONNELL INC (P)	Cost of Survey and Rate Design	3,923.73
106	PARSONS ELECTRIC	Supply and Install Cabinet and Rack at SC	3,815.44

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**ROCHESTER PUBLIC UTILITIES**  
**A/P Board Listing By Dollar Range**  
For 07/11/2020 To 08/11/2020  
**Consolidated & Summarized Below 1,000**

107	D P C INDUSTRIES INC	2020 Chlorine, 150 lb Cyl	3,711.75
108	ABB INC PAYMENT	1EA-Motor Replacement Kit	3,655.00
109	WSB & ASSOCIATES	Wetland Delineation & Mitigation Plan	3,648.00
110	D P C INDUSTRIES INC	2020 Hydrofluorosilicic Acid - Delivered	3,639.39
111	PARAGON DEVELOPMENT SYSTEMS I	Vmware and Vsphere Renewal	3,531.39
112	FORBROOK LANDSCAPING SERVICES	Landscaping Svcs-Downes Residence,Thatcher Pool	3,481.64
113	EPLUS TECHNOLOGY INC	2020 Network Maintenance Services	3,339.00
114	BORDER STATES ELECTRIC SUPPLY	120EA-Elbow, 15kV, 200A, LB,1/0 Sol,175-2	3,268.80
115	EPLUS TECHNOLOGY INC	Anyconnect Apex license - 5yrs	3,261.83
116	SOLID WASTE OLMSTED COUNTY	Electricity Purchased by RPU	3,143.49
117	DAKOTA SUPPLY GROUP	7500FT-Conduit, HDPE, 1.50, Orange W/Blu	3,030.00
118	KNXR - FM	July Radio Advertising	3,000.00
119	BADGER METER INC (P)	18EA-Meter, Bare E-Series 3/4"(07) Ultra	2,880.00
120	STUART C IRBY CO INC	1EA-Reel Deposit	2,865.00
121	GRAYBAR ELECTRIC COMPANY INC	200FT-Wire, 600 KCMil, Copper	2,819.52
122	WERNER ELECTRIC SUPPLY	1140FT-Conduit, PVC Sch 40, 5.00	2,724.43
123	EAST JORDAN IRON WORKS INC db	4EA-Manhole Cover w/Ring, 38.0", 6 High	2,713.76
124	TAW MIAMI SERVICE CENTER INC	WES Gen 3 Parts	2,697.00
125	POWER SYSTEMS ENGINEERING INC	Interconnection Arc Flash Study	2,689.50
126	RESCO	50EA-Street Light Hand Hole Covers, 25' FG Pole	2,666.53
127	ONLINE INFORMATION SERVICES I	July 2020 Utility Exchange Report	2,614.13
128	ATLAS COPCO COMPRESSORS LLC	4EA-Filter Kit, DD310+ WS Air Dryer	2,557.43
129	HERTZ 456200	Deposit Refund	2,553.82
130	MAIROSE BRUCE	CIP-Renewables-Incentives/Rebates	2,500.00
131	JR 2ND STREET LLC	CIP-Lighting (C&I)-Incentives/Rebates	2,422.00
132	STONE BY STONE PLUS LLC	Cascade Grout Removal	2,400.00
133	EVOQUA WATER TECHNOLOGIES LLC	Cascade Water Treatment	2,369.90
134	BORDER STATES ELECTRIC SUPPLY	8EA-Crossarm, Deadend, 8'	2,286.88
135	ATLAS COPCO COMPRESSORS LLC	2EA-Filter Kit, UD310+ WS Air Dryer	2,283.34
136	ADVANTAGE DIST LLC (P)	Bulk Oil - 15W40; 5W30	2,255.11
137	DAVIES PRINTING COMPANY INC	70PKG-Paper, RPU Letterhead (Cust. Service)	2,188.27
138	PFANNENBERG SALES AMERICA LLC	Refurbish Cooling Unit at WES	2,152.00
139	ATLAS COPCO COMPRESSORS LLC	4EA-Silencer, WS Air Dryer	2,096.55
140	ELITE CARD PAYMENT CENTER	MMUA 2020 Summer Conference-7 Registrations	2,065.00
141	NALCO COMPANY LLC	1DRM-Sur-Gard 1700 Oxygen Scavenger DEMI	2,038.34
142	DAVIES PRINTING COMPANY INC	70BOX-Envelope, #10 Window, Sec Win 500/	2,030.00
143	DAKOTA SUPPLY GROUP	165GAL-Cable Pulling Lube	2,022.63
144	DUNCAN WEINBERG GENZER & PEMB	NERC Internal Compliance Plan	2,016.00
145	STUART C IRBY CO INC	30EA-Arrester, 10kV, Dist, Elbow MOV	2,014.50
146	OPEN ACCESS TECHNOLOGY	August webCompliance Service	2,008.50
147	STONE BY STONE PLUS LLC	Concrete Cover Pad for the Cascade Power Plant	2,000.00
148	IHEART MEDIA dba	July Advertising	1,986.00
149	FORBROOK LANDSCAPING SERVICES	Landscaping Services for Hillers	1,977.82
150	ADVANCED DISPOSAL SVC SOLID W	2020 Waste removal SC	1,973.15
151	IHEART MEDIA dba	June Radio Ads	1,932.00
152	WEATHERHEAD JEFFREY	Deposit Refund	1,920.00
153	GRAYBAR ELECTRIC COMPANY INC	540FT-Conduit, 1-1/2", Corrugated	1,896.70
154	RESCO	12EA-CT, XL Window 2000/5 600V High Accu	1,875.60
155	ROSENMAN DAVID	Deposit Refund	1,775.71
156	EPLUS TECHNOLOGY INC	6EA-Phone 8841	1,745.88
157	BORDER STATES ELECTRIC SUPPLY	WES - Surge Cable Repair	1,696.16
158	BORDER STATES ELECTRIC SUPPLY	500FT-Wire, Meter Rapid Pull cable 500'	1,686.43
159	THOMPSON GARAGE DOOR CO INC	SLP Coal Garage Door Repair	1,652.00

Attachment: AP Board CrMo (12325 : Review of Accounts Payable)

**ROCHESTER PUBLIC UTILITIES**  
**A/P Board Listing By Dollar Range**  
For 07/11/2020 To 08/11/2020  
**Consolidated & Summarized Below 1,000**

160	POWERMATION DIVISION (P)	SLP WTB VFD Tech Support	1,634.10
161	G A ERNST & ASSOCIATES INC	17 NEC Audits & 68 Lightbulbs	1,625.84
162	PRAIRIE EQUIPMENT CO LLC	Invertor for Fleet	1,612.41
163	VERIZON CONNECT NWF INC	July 2020 GPS Fleet Tracking	1,586.62
164	GRAYBAR ELECTRIC COMPANY INC	2800FT-Conduit, PVC Sch 40, 2.00, 20' LE	1,582.84
165	GRAYBAR ELECTRIC COMPANY INC	11EA-Current Sensor	1,542.09
166	WESCO DISTRIBUTION INC	15EA-Conn, Shear, Lug, 350-750 AL/CU	1,527.14
167	U S A SAFETY SUPPLY	1EA-Arc flash Suit	1,485.00
168	CORE & MAIN LP (P)	100SET-Bronze Swivel Connection, .750, 3	1,448.00
169	HALO BRANDED SOLUTIONS	110 Photo Visor Doc Holders	1,410.76
170	HUSKIE TOOLS INC	Crimper Tool Repair	1,371.75
171	BOLTON AND MENK (P)	Antenna Review TMOB No. Heights #85	1,368.58
172	JEREMIAH PROGRAM	CIP Conserve & Save Rebates - Toilets	1,325.00
173	HI LINE UTILITY SUPPLY CO (P)	5ROL-Pull Tape, Printed, .750" x 3000'	1,294.15
174	CITY OF ROCHESTER	WC Admin Fees June 2020	1,282.00
175	WINKELS ELECTRIC INC	SC Repair - 982 Elton Hills Court NW	1,280.87
176	DAKOTA SUPPLY GROUP	250FT-Conduit, Flexible, Corrugated PVC,	1,275.73
177	ROCHESTER ARMORED CAR CO INC	2020 Pick Up Services	1,268.87
178	SUPERIOR DRIVE PROFESSIONAL A	CIP-Lighting (C&I)-Incentives/Rebates	1,213.00
179	WSB & ASSOCIATES	Surveying Services with 34th Ave NW Easements	1,207.50
180	BORDER STATES ELECTRIC SUPPLY	24KIT-Pedestal Repair Kit	1,198.56
181	ALLIED VALVE INC	1EA-Transmitter	1,191.00
182	GRAINGER INC	Safety Gates for SLP	1,144.63
183	WSB & ASSOCIATES	Well #42 Design	1,139.00
184	CENTURYLINK (P)	2018-20 Monthly Telecommunications	1,096.18
185	RESCO	12PKG-Label, Trans. Safety, Outside	1,093.33
186	HATHAWAY TREE SERVICE INC	Brush Disposal	1,070.00
187	MCNEILUS STEEL INC	Steel for T & D	1,064.72
188	OPEN ACCESS TECHNOLOGY	Tag Agent webSmart August Services	1,047.16
189	STUART C IRBY CO INC	16EA-Pedestal Dome Cover, Box Style	1,040.00
190	MIDCONTINENT ISO INC	July MISO Bill	1,034.98
191	JEREMIAH PROGRAM	CIP-Refrigerators-Incentives/Rebates	1,025.00
192			
193		<b>Price Range Total:</b>	255,115.29
194			
195	<b><u>0 to 1,000 :</u></b>		
196			
197	REBATES	Summarized transactions: 92	16,781.75
198	EXPRESS SERVICES INC	Summarized transactions: 20	16,538.90
199	CENTURYLINK (P)	Summarized transactions: 61	13,129.54
200	Customer Refunds (CIS)	Summarized transactions: 87	10,313.37
201	STUART C IRBY CO INC	Summarized transactions: 31	8,304.47
202	WESCO DISTRIBUTION INC	Summarized transactions: 16	6,522.01
203	VIKING ELECTRIC SUPPLY INC	Summarized transactions: 42	6,104.50
204	ELITE CARD PAYMENT CENTER	Summarized transactions: 28	5,276.24
205	CORE & MAIN LP (P)	Summarized transactions: 17	3,975.03
206	BORDER STATES ELECTRIC SUPPLY	Summarized transactions: 19	3,922.14
207	EPLUS TECHNOLOGY INC	Summarized transactions: 10	3,640.91
208	CRESCENT ELECTRIC SUPPLY CO	Summarized transactions: 30	3,365.24
209	GRAINGER INC	Summarized transactions: 32	3,235.67
210	EVOQUA WATER TECHNOLOGIES LLC	Summarized transactions: 11	3,000.14
211	FIRST CLASS PLUMBING & HEATIN	Summarized transactions: 11	2,814.52
212	LAWSON PRODUCTS INC (P)	Summarized transactions: 12	2,491.24

Attachment: AP Board CrMo (12325 : Review of Accounts Payable)

**ROCHESTER PUBLIC UTILITIES**  
**A/P Board Listing By Dollar Range**  
For 07/11/2020 To 08/11/2020  
**Consolidated & Summarized Below 1,000**

213	RESCO	Summarized transactions: 17	2,489.98
214	GRAYBAR ELECTRIC COMPANY INC	Summarized transactions: 22	2,407.83
215	U S A SAFETY SUPPLY	Summarized transactions: 21	2,375.52
216	WERNER ELECTRIC SUPPLY	Summarized transactions: 26	2,037.02
217	INNOVATIVE OFFICE SOLUTIONS L	Summarized transactions: 15	1,928.34
218	BOLTON AND MENK (P)	Summarized transactions: 4	1,925.00
219	A & A ELECT & UNDERGROUND CON	Summarized transactions: 4	1,915.00
220	DAVIES PRINTING COMPANY INC	Summarized transactions: 7	1,889.50
221	NEW AGE TREE SERVICE INC	Summarized transactions: 3	1,763.44
222	WSB & ASSOCIATES	Summarized transactions: 2	1,692.75
223	CITY LAUNDERING COMPANY	Summarized transactions: 10	1,660.75
224	CITY OF ROCHESTER	Summarized transactions: 8	1,627.96
225	MINNESOTA ENERGY RESOURCES CO	Summarized transactions: 6	1,554.19
226	MIRATECH GROUP LLC	Summarized transactions: 4	1,529.63
227	FASTENAL COMPANY	Summarized transactions: 33	1,514.92
228	ADVANCE AUTO PARTS	Summarized transactions: 34	1,281.09
229	MISSISSIPPI WELDERS SUPPLY CO	Summarized transactions: 25	1,268.37
230	GARCIA GRAPHICS INC	Summarized transactions: 6	1,252.00
231	PARSONS ELECTRIC	Summarized transactions: 3	1,194.97
232	MSC INDUSTRIAL SUPPLY CO INC	Summarized transactions: 9	1,169.60
233	SMART ENERGY SYSTEMS LLC	Summarized transactions: 2	1,120.54
234	FIRST SUPPLY (P)	Summarized transactions: 4	1,103.25
235	NUVERA	Summarized transactions: 2	1,092.00
236	WHITEWATER CDJR OF ST CHARLES	Summarized transactions: 6	1,075.07
237	G A ERNST & ASSOCIATES INC	Summarized transactions: 3	1,050.05
238	ZIEGLER INC	Summarized transactions: 4	1,047.21
239	LOCATORS AND SUPPLIES	Summarized transactions: 4	1,000.08
240	KYLLO TODD	Summarized transactions: 1	999.00
241	MCMASTER CARR SUPPLY COMPANY	Summarized transactions: 19	998.22
242	HUSKIE TOOLS INC	Summarized transactions: 5	980.78
243	SOMA CONSTRUCTION INC	Summarized transactions: 1	945.04
244	CLEMENTS CHEVROLET CADILLAC S	Summarized transactions: 7	926.74
245	POMPS TIRE SERVICE INC	Summarized transactions: 2	919.75
246	ERC WIPING PRODUCTS INC	Summarized transactions: 2	913.42
247	K A A L TV LLC	Summarized transactions: 1	900.00
248	HARRIS ROCHESTER INC (HIMEC)	Summarized transactions: 1	897.75
249	KENNEDY & GRAVEN CHARTERED	Summarized transactions: 3	880.75
250	CHOSEN VALLEY TESTING	Summarized transactions: 1	880.00
251	SANCO EQUIPMENT LLC	Summarized transactions: 4	871.04
252	JIM WHITING NURSERY/GARDEN CT	Summarized transactions: 2	870.00
253	POLLARDWATER dba	Summarized transactions: 5	868.62
254	ACKERMAN JULIE	Summarized transactions: 2	860.00
255	ON SITE SANITATION INC	Summarized transactions: 2	848.86
256	KAMAN INDUSTRIAL TECHNOLOGIES	Summarized transactions: 2	824.13
257	LANGUAGE LINE SERVICES INC	Summarized transactions: 1	823.00
258	DAVEY TREE EXPERT CO	Summarized transactions: 1	822.40
259	A T & T	Summarized transactions: 1	807.39
260	ADVANTAGE DIST LLC (P)	Summarized transactions: 4	799.75
261	HUBBELL POWER SYSTEMS INC	Summarized transactions: 3	792.48
262	WINKELS ELECTRIC INC	Summarized transactions: 1	775.43
263	MASTEC NORTH AMERICA INC	Summarized transactions: 1	770.65
264	BORENE LAW FIRM P.A.	Summarized transactions: 1	756.00
265	THE ENERGY AUTHORITY INC	Summarized transactions: 1	735.42

Attachment: AP Board CrMo (12325 : Review of Accounts Payable)

**ROCHESTER PUBLIC UTILITIES**  
**A/P Board Listing By Dollar Range**  
For 07/11/2020 To 08/11/2020  
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266	THRONDSO OIL & LP GAS CO	Summarized transactions: 9	721.37
267	NETWORK SERVICES COMPANY	Summarized transactions: 6	707.51
268	PULVER MOTOR SERVICE	Summarized transactions: 2	702.81
269	FORBROOK LANDSCAPING SERVICES	Summarized transactions: 1	675.61
270	MILESTONE MATERIALS	Summarized transactions: 2	670.09
271	FORBROOK LANDSCAPING SERVICES	Summarized transactions: 1	667.48
272	SCHUMACHER ELEVATOR COMPANY	Summarized transactions: 1	655.64
273	JENNINGS, STROUSS & SALMON PL	Summarized transactions: 1	650.00
274	BLUESPIRE STRATEGIC MARKETING	Summarized transactions: 1	643.62
275	ADVANCED DISPOSAL SVC SOLID W	Summarized transactions: 2	638.52
276	CORE & MAIN LP (P)	Summarized transactions: 5	628.01
277	ULTEIG ENGINEERS INC	Summarized transactions: 1	622.00
278	BOB THE BUG MAN LLC	Summarized transactions: 1	577.12
279	BRAATEN MELISSA	Summarized transactions: 1	575.00
280	ROCH SIGN SERVICE INC	Summarized transactions: 9	573.65
281	TRUCK UTILITIES INC	Summarized transactions: 2	545.50
282	DAKOTA SUPPLY GROUP ROCHESTER	Summarized transactions: 4	526.08
283	ABB INC PAYMENT	Summarized transactions: 4	522.96
284	INTERSTATE MOTOR TRUCKS INC	Summarized transactions: 2	519.01
285	DAKOTA SUPPLY GROUP	Summarized transactions: 7	466.42
286	THOMAS TOOL & SUPPLY INC	Summarized transactions: 7	459.65
287	CITY LAUNDERING COMPANY	Summarized transactions: 2	456.80
288	VIRTEVA LLC	Summarized transactions: 2	448.75
289	BARR ENGINEERING COMPANY (P)	Summarized transactions: 1	448.50
290	CLAREY'S SAFETY EQUIPMENT dba	Summarized transactions: 1	427.50
291	EAST JORDAN IRON WORKS INC db	Summarized transactions: 2	420.28
292	PFANNENBERG SALES AMERICA LLC	Summarized transactions: 2	415.14
293	PEOPLES ENERGY COOPERATIVE	Summarized transactions: 2	403.44
294	JASPER ENGINEERING & EQUIP CO	Summarized transactions: 3	399.98
295	GOODIN COMPANY	Summarized transactions: 7	391.77
296	DAKOTA RIGGERS	Summarized transactions: 7	381.17
297	WARTSILA NORTH AMERICA	Summarized transactions: 2	365.90
298	DAKOTA SUPPLY GROUP	Summarized transactions: 3	360.91
299	RONCO ENGINEERING SALES INC	Summarized transactions: 2	352.73
300	CENTURYLINK	Summarized transactions: 1	344.05
301	AMAZON.COM	Summarized transactions: 2	337.97
302	DHRUV TRAKKAR	Summarized transactions: 1	331.85
303	MENARDS ROCHESTER SOUTH	Summarized transactions: 2	326.99
304	RONCO ENGINEERING SALES INC	Summarized transactions: 1	324.00
305	VANCO SERVICES LLC	Summarized transactions: 1	317.42
306	THOMPSON GARAGE DOOR CO INC	Summarized transactions: 1	294.72
307	BLACKBURN MANUFACTURING CO	Summarized transactions: 1	290.17
308	T E C INDUSTRIAL INC	Summarized transactions: 1	289.95
309	THERMO ENVIRONMENTAL INSTRUME	Summarized transactions: 2	286.61
310	PEOPLES ENERGY COOPERATIVE	Summarized transactions: 1	275.67
311	MN DEPT OF HEALTH - WELL MGMT	Summarized transactions: 1	275.00
312	MENARDS ROCHESTER NORTH	Summarized transactions: 4	274.34
313	McGRANN SHEA CARNIVAL STRAUGH	Summarized transactions: 1	273.75
314	GERTENS GREENHOUSE & GARDEN C	Summarized transactions: 1	272.53
315	TRUCKIN' AMERICA	Summarized transactions: 1	267.19
316	ALTEC INDUSTRIES INC	Summarized transactions: 5	265.30
317	MENARDS ROCHESTER SOUTH	Summarized transactions: 2	263.06
318	MENARDS ROCHESTER NORTH	Summarized transactions: 9	258.66

Attachment: AP Board CrMo (12325 : Review of Accounts Payable)

**ROCHESTER PUBLIC UTILITIES**  
**A/P Board Listing By Dollar Range**  
For 07/11/2020 To 08/11/2020  
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319	CURVATURE INC	Summarized transactions: 2	254.36
320	REBATES	Summarized transactions: 4	250.00
321	CDW GOVERNMENT INC	Summarized transactions: 2	247.52
322	WARNING LITES OF MN INC (P)	Summarized transactions: 1	240.00
323	ARNOLDS SUPPLY & KLEENIT CO (	Summarized transactions: 5	236.25
324	BADGER METER INC (P)	Summarized transactions: 3	234.22
325	CORPORATE WEB SERVICES INC	Summarized transactions: 1	231.00
326	FEDEX SHIPPING	Summarized transactions: 8	230.70
327	ALTERNATIVE TECHNOLOGIES INC	Summarized transactions: 2	225.00
328	DAKOTA SUPPLY GROUP (P)	Summarized transactions: 1	221.45
329	THRONDSOIL OIL AND LP GAS CO	Summarized transactions: 1	221.10
330	DITCH WITCH OF MINNESOTA INC	Summarized transactions: 1	216.50
331	VERIZON WIRELESS	Summarized transactions: 1	203.21
332	PROPERTY RECORDS OLMSTED COUN	Summarized transactions: 3	200.00
333	REINDERS INC	Summarized transactions: 1	199.31
334	PAAPE ENERGY SERVICE INC	Summarized transactions: 1	199.00
335	ALLIED VALVE INC	Summarized transactions: 4	198.20
336	USA BLUE BOOK DBA	Summarized transactions: 4	181.37
337	GOPHER SEPTIC SERVICE INC	Summarized transactions: 1	170.00
338	RDO EQUIPMENT COMPANY (P)	Summarized transactions: 1	154.43
339	WATER SYSTEMS COMPANY	Summarized transactions: 4	149.10
340	PW POWER SYSTEMS INC	Summarized transactions: 3	148.37
341	FRONTIER	Summarized transactions: 1	146.98
342	SOLID WASTE OLMSTED COUNTY	Summarized transactions: 1	137.80
343	DELL MARKETING LP	Summarized transactions: 1	137.06
344	ROCH WELDING INC	Summarized transactions: 1	135.00
345	SACRED ENGRAVING LLC	Summarized transactions: 1	133.70
346	OLSEN CHAIN & CABLE CO INC	Summarized transactions: 3	124.31
347	CHARTER COMMUNICATIONS	Summarized transactions: 1	122.82
348	HI LINE UTILITY SUPPLY CO (P)	Summarized transactions: 1	103.54
349	GOODIN COMPANY	Summarized transactions: 2	96.79
350	POWERMATION DIVISON	Summarized transactions: 2	96.68
351	C & N UPHOLSTERY	Summarized transactions: 1	95.00
352	SARGENTS LANDSCAPE NURSERY IN	Summarized transactions: 3	92.13
353	SLEEPY EYE TELEPHONE CO	Summarized transactions: 1	84.76
354	ARROW ACE HARDWARE (P)	Summarized transactions: 2	78.95
355	STRUVES PAINT & DECORATING (P	Summarized transactions: 2	78.10
356	OSWEILER TODD	Summarized transactions: 1	74.75
357	CREDIT MANAGEMENT LP	Summarized transactions: 1	73.72
358	NAPA AUTO PARTS dba	Summarized transactions: 4	61.98
359	HALO BRANDED SOLUTIONS	Summarized transactions: 1	58.50
360	STAR TRIBUNE	Summarized transactions: 1	55.77
361	REINDERS INC	Summarized transactions: 1	48.80
362	GLOBAL INDUSTRIAL (P)	Summarized transactions: 4	48.55
363	U S BANK	Summarized transactions: 1	46.99
364	NORTHERN / BLUETARP FINANCIAL	Summarized transactions: 1	46.36
365	ATLAS COPCO COMPRESSORS LLC	Summarized transactions: 1	40.72
366	D P C INDUSTRIES INC	Summarized transactions: 1	40.00
367	A T & T MOBILITY	Summarized transactions: 1	37.92
368	BLACKBURN MANUFACTURING CO	Summarized transactions: 1	36.42
369	FEDEX SHIPPING	Summarized transactions: 3	34.66
370	LIEBENOW ANN	Summarized transactions: 1	34.06
371	CENTRAL FINANCE OLMSTED COUNT	Summarized transactions: 1	33.74

Attachment: AP Board CrMo (12325 : Review of Accounts Payable)

**ROCHESTER PUBLIC UTILITIES**  
**A/P Board Listing By Dollar Range**  
For 07/11/2020 To 08/11/2020  
**Consolidated & Summarized Below 1,000**

372	LARSON GUSTAVE A COMPANY INC	Summarized transactions: 1	32.89
373	CHS ROCHESTER	Summarized transactions: 1	31.96
374	WABASHA IMPLEMENT	Summarized transactions: 1	29.50
375	ELECTRICAL TRAINING ALLIANCE	Summarized transactions: 1	28.59
376	FORUM COMMUNICATIONS COMPANY	Summarized transactions: 1	27.84
377	KEACH TODD	Summarized transactions: 1	26.88
378	MINNESOTA ENERGY RESOURCES CO	Summarized transactions: 1	23.09
379	BEHRENS MATT	Summarized transactions: 1	19.00
380	PUTZIER KRISTOPHER	Summarized transactions: 1	19.00
381	OSMOSE UTILITIES SERVICES INC	Summarized transactions: 2	15.71
382	T E C INDUSTRIAL INC	Summarized transactions: 1	12.52
383	GREAT RIVER ENERGY	Summarized transactions: 1	10.58
384	CITY OF ROCHESTER	Summarized transactions: 1	5.00
385			
386		<b>Price Range Total:</b>	204,768.71
387			
388			
389		<b>Grand Total:</b>	11,677,429.22

Attachment: AP Board CrMo (12325 : Review of Accounts Payable)

## FOR BOARD ACTION

Agenda Item # (ID # 12316)

Meeting Date: 8/25/2020

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**SUBJECT: Preliminary 2021 Water and Electric Utility Budgets**

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**PREPARED BY: Peter Hogan**

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ITEM DESCRIPTION:

Attached is a copy of the preliminary 2021 Electric and Water Capital and Operating Budgets. A separate presentation of these budgets was given to the Board's Finance Committee on August 20, 2020.

Management will be reviewing the Water and Electric Utility budget scenarios that take into consideration the water utility cost of service study presented and accepted by the Board in 2019, and electric utility cost of service study that is currently being conducted in 2020 and will be presented at the September 2020 Board meeting. The Board will be asked for final approval of the operating budgets, capital projects for 2021, multi-year projects continuing beyond 2021 and proposed rate adjustments at the October 27, 2020 Board meeting. If the Board approves, management will forward the budgets and rate adjustment recommendations to the City Council for their approval.

In the Water Utility, management is recommending a zero percent overall rate adjustment for 2021, followed by 3.5% rate increases in subsequent years. Projected capital expenditures beyond 2021 will need to be monitored. Historically, the Water Utility has funded capital projects each year between \$2.5M and \$3.0M. The 2021 capital budget includes \$2.368M for DMC related projects. \$967K of this amount is due to deferred projects from 2020, and if completed will spend funds that are currently in our cash reserves due to the deferral. DMC and City projects historically have had a degree of uncertainty in cost and timing. If all those projects proceed as planned, and DMC funds are not available for DMC driven projects in the future, the Water Utility will need to borrow funds for these long-term investments. Similarly, a funding solution will be needed to support the current AMI place holder amounts of \$1.440M per year starting in 2022. This would be consistent with how the Water Utility handled the impacts from the Highway 52 project several years ago.

To date, no DMC funds have been allocated or received by the Water Utility.

The main drivers for the Water budget are:

- Growth in customers 0.8% and no appreciable growth in total consumption for 2021 due to the assumption of average weather and rainfall. 2021 average cooling degree days are 525. 690 cooling degree days are projected for 2020.
- Water main replacements to address aging infrastructure
- City planned street reconstruction
- DMC development affecting water infrastructure
- Distribution system expansion

## FOR BOARD ACTION

**Agenda Item # (ID # 12316)**

**Meeting Date: 8/25/2020**

- Water conservation programs and education

In the Electric Utility, management is presenting a scenario showing no overall rate increase for 2021, followed by 3.5% rate increases in each year 2022 through 2025. During 2021, the customer charge will be reassessed as part of the cost of service study and will include the cost of the new billing system, potential AMI implementation and revenue generated by the line extension policy.

The current Electric Utility budget shows slow growth returning to pre-pandemic levels of consumption by 2024. This recovery is modeled after the recovery following the 2008 financial crisis. Reaching the targeted change in net assets (Net Income) moves from 2023 in last year's forecast to 2025 in the current year's forecast.

The planned expenditure of cash reserves in 2021 on the Marion Road Substation has been moved partially into 2022 to reflect the updated timing of this project. Our cash reserves are above the minimum target in 2021 and are projected to grow modestly in 2023 - 2025. Our reserves will support our post-2030 infrastructure plan.

Our Debt Coverage Ratio is below target of 3.0 times in 2022 due to the inclusion of a contribution of \$1.2M to the removal of the Silver Lake Dam in lieu of our future maintenance costs, and \$2.05M for a major overhaul of GT1 Gas Turbine, funded over time by the capacity sale agreement entered into during 2020.

Lower demand and energy sales, continued capital to support customer growth, investments to replace aging infrastructure and normal inflation of costs are the main drivers for the modeled rate increases in the out years.

The significant business drivers for 2021 are:

- Load loss and uncertain timing of recovery due to the Pandemic. 2021 retail revenue is projected to be 5.2% lower than 2020 original budget. Retail revenue is impacted by weather, lower customer growth (0.5%), and a decrease in consumption per customer. 2021 reflects a normal weather year while consumption in 2020 is expected to be higher due to a warmer than average summer.
- Internally funded capital project requests for 2021 were cut by 10% or \$2.613M, major maintenance requests by 4% or \$165K, and cost centers by 8.4% or \$920,300 to enable management's recommendation for a zero percent overall rate adjustment without a significant impact on our projected cash reserves.
- Management has included a total of \$3.020M in the Electric Utility and \$5.616M in the Water Utility as place holders for an Automated Metering system (AMI). Possible solutions are currently being researched and will be brought to the Board for additional input before a direction is set. The long term cost recovery will need to be addressed as part of this project.
- Continued investments in distribution system expansion and reliability including the

## FOR BOARD ACTION

Agenda Item # (ID # 12316)

Meeting Date: 8/25/2020

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new Marion Road substation, tree trimming, new services, and replacement of aging infrastructure.

·Both budgets reflect the need to meet financial targets based on Utility Method of rate setting:

- o Change in Net Assets (Net Income)
- o Debt Service Coverage Ratio
- o Equity Percent
- o Minimum cash reserves per Board policy

UTILITY BOARD ACTION REQUESTED:

No action requested. Staff will be available to present and receive input on the proposed budgets.

Final budget approval is scheduled for the October 27, 2020 Board meeting.

**ROCHESTER PUBLIC UTILITIES**

**2021**

**WATER UTILITY**

**OPERATING BUDGET**

**ROCHESTER PUBLIC UTILITIES  
WATER UTILITY  
2021 OPERATING BUDGET**

**INDEX**

<b><u>Title</u></b>	<b><u>Pages</u></b>
Basic Assumptions	1
Forecast by Year 2020 through 2025	2
Condensed Income Statement	3
Revenue Sources & Expense Categories	4
Operating Expenditures Graph	5
Production & Sales Statistics Forecast	6

Attachment: Board Packet Wtr (12316 : Preliminary 2021 Water and Electric Utility Budgets)

**ROCHESTER PUBLIC UTILITIES  
WATER UTILITY  
2021 OPERATING BUDGET**

**BASIC ASSUMPTIONS**

- Interest Earnings Rate: 1.80%
- Average Salary Expense Change: 3.1%  
(excluding headcount additions) (consists of COLA, merit and promotion increases)
- Change in Full-time Equivalents: 0
- Minimum Cash Reserve Requirement: Policy Amount \$8,529,100

**RETAIL REVENUES / SALES**

- Revenue Adjustment: 0.0% proposed
- Water CCF Sales Forecast: 1.13% Increase from 2020 Projected Sales
- Total Water Utility Customers: 0.8% Increase over Y/E 2020 Projected Customers
- Forecast Assumes Normal Weather : 525 Cooling Degree Days,  
22.1 Inches Summer Rainfall

**OTHER ITEMS**

- In Lieu of Tax forecast decreasing \$1,696 to a total of \$383,432.

Attachment: Board Packet Wtr (12316 : Preliminary 2021 Water and Electric Utility Budgets)

**ROCHESTER PUBLIC UTILITIES  
WATER UTILITY  
Management Reporting P&L**

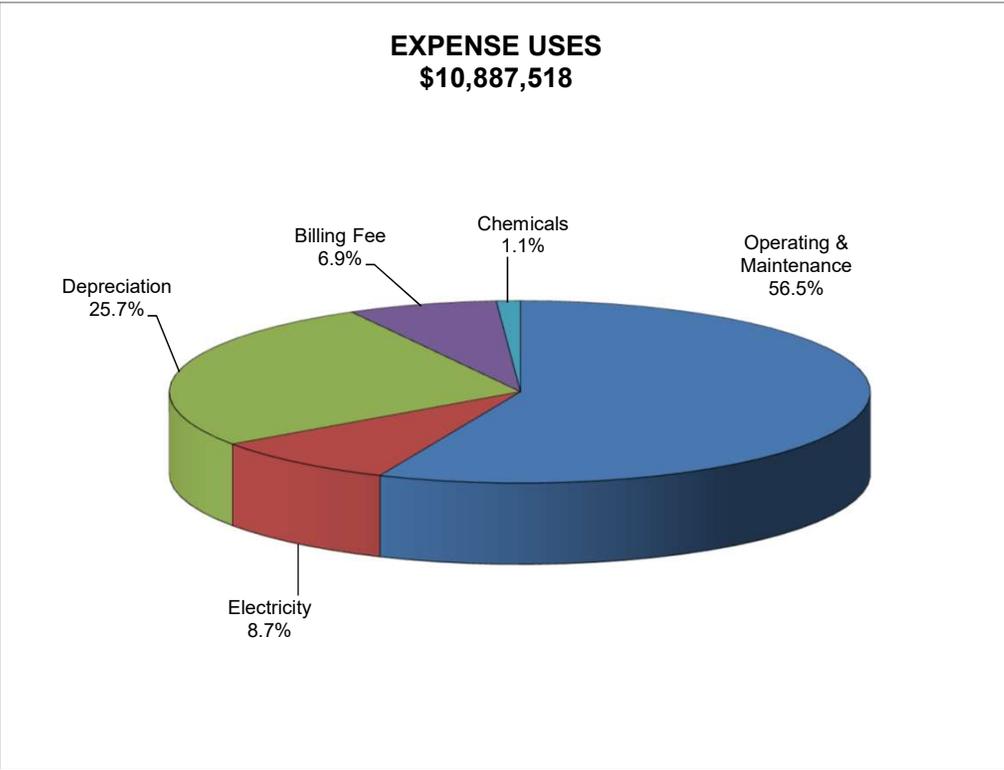
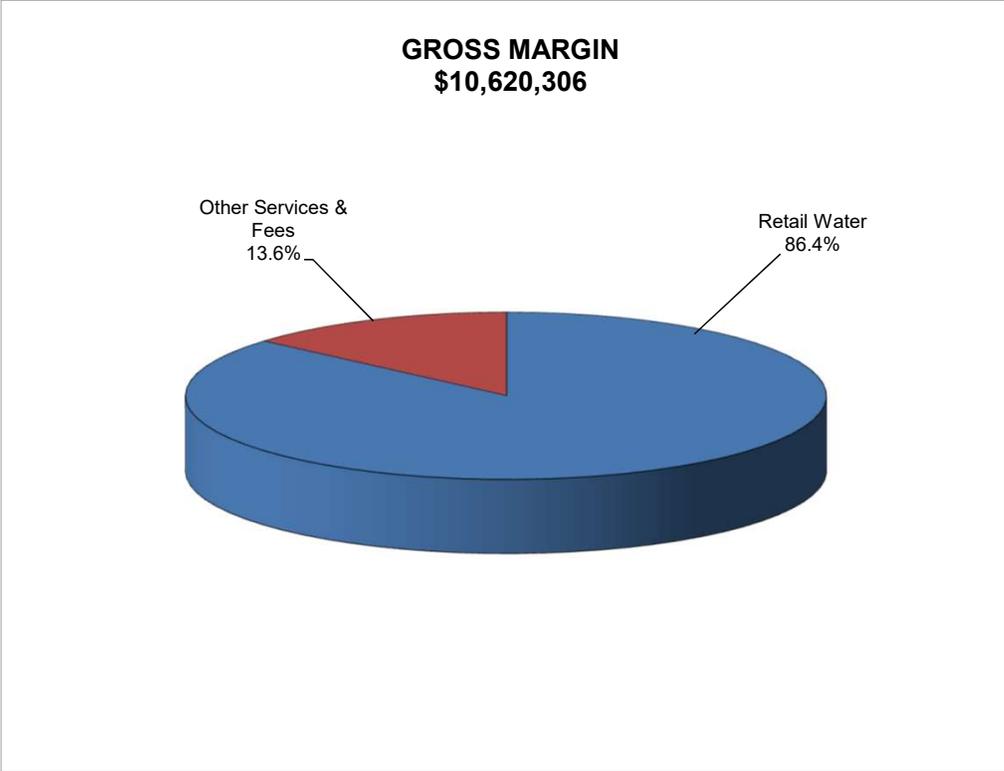
in 000's		Historical Data		2020 F2					
		2018	2019	2020 F2	2021	2022	2023	2024	2025
	RPU Rate Increase	6.0%	6.0%	3.5%	0.0%	3.5%	3.5%	3.5%	3.5%
1	<b>Revenue</b>								
2	Retail Water	\$9,601	\$9,959	\$10,826	\$10,993	\$11,431	\$11,971	\$12,548	\$13,137
3	Other Services & Fees	\$1,217	\$1,698	\$1,430	\$1,449	\$1,476	\$1,503	\$1,530	\$1,558
4	<b>Total Revenue</b>	<b>\$10,817</b>	<b>\$11,657</b>	<b>\$12,256</b>	<b>\$12,442</b>	<b>\$12,907</b>	<b>\$13,473</b>	<b>\$14,078</b>	<b>\$14,695</b>
5	<b>Cost of Revenue</b>								
6	Water Supply	\$1,892	\$1,682	\$1,729	\$1,822	\$1,822	\$1,841	\$1,864	\$1,879
7	<b>Total Cost of Revenue</b>	<b>\$1,892</b>	<b>\$1,682</b>	<b>\$1,729</b>	<b>\$1,822</b>	<b>\$1,822</b>	<b>\$1,841</b>	<b>\$1,864</b>	<b>\$1,879</b>
8	<b>Gross Margin</b>								
9	Retail Water	\$7,709	\$8,277	\$9,096	\$9,171	\$9,610	\$10,129	\$10,684	\$11,258
10	Other Services & Fees	\$1,217	\$1,698	\$1,430	\$1,449	\$1,476	\$1,503	\$1,530	\$1,558
11	<b>TOTAL GROSS MARGIN</b>	<b>\$8,925</b>	<b>\$9,975</b>	<b>\$10,527</b>	<b>\$10,620</b>	<b>\$11,085</b>	<b>\$11,632</b>	<b>\$12,214</b>	<b>\$12,816</b>
12	<b>Controllable Costs</b>								
13	Salaries & Benefits	\$2,593	\$3,026	\$3,140	\$3,108	\$3,451	\$3,619	\$3,866	\$4,009
14	Other Operating Expenses	\$1,313	\$1,310	\$1,204	\$1,281	\$1,306	\$1,332	\$1,358	\$1,385
15	Major Maintenance	\$304	\$323	\$604	\$505	\$455	\$355	\$205	\$540
16	Non-Bonded Capital Projects	\$2,271	\$1,712	\$4,147	\$4,975	\$8,396	\$5,110	\$6,553	\$7,143
17	<b>TOTAL CONTROLLABLE COSTS</b>	<b>\$6,481</b>	<b>\$6,371</b>	<b>\$9,094</b>	<b>\$9,869</b>	<b>\$13,608</b>	<b>\$10,416</b>	<b>\$11,983</b>	<b>\$13,078</b>
18	Depreciation & Amortization	\$2,674	\$2,742	\$2,816	\$2,910	\$3,041	\$3,149	\$3,229	\$3,303
19	Less Non Bonded Projects (capitalized)	(\$2,271)	(\$1,712)	(\$4,147)	(\$4,975)	(\$8,396)	(\$5,110)	(\$6,553)	(\$7,143)
20	Less Total Internal Costs (capitalized)	(\$164)	(\$270)	(\$364)	(\$458)	(\$360)	(\$345)	(\$361)	(\$378)
21	Interutility Allocation	\$1,333	\$1,534	\$1,655	\$1,719	\$1,753	\$1,788	\$1,824	\$1,860
22	<b>Total Operating Expenses</b>	<b>\$8,052</b>	<b>\$8,664</b>	<b>\$9,054</b>	<b>\$9,065</b>	<b>\$9,646</b>	<b>\$9,898</b>	<b>\$10,121</b>	<b>\$10,719</b>
23	<b>Net Operating Income (Loss)</b>	<b>\$873</b>	<b>\$1,311</b>	<b>\$1,472</b>	<b>\$1,555</b>	<b>\$1,439</b>	<b>\$1,734</b>	<b>\$2,093</b>	<b>\$2,097</b>
24	<b>Financing &amp; Other Non-Operating Items:</b>								
25	Bond & Interest Related Expenses	(\$0)	(\$1)	(\$0)	\$0	\$0	\$0	\$0	\$0
26	Interest Income	\$146	\$201	\$239	\$169	\$154	\$142	\$118	\$92
27	Misc Non-Operating Income (Expense)	(\$31)	(\$31)	\$0	\$0	\$0	\$0	\$0	\$0
28	<b>Total Financing &amp; Non-Operating Items</b>	<b>\$114</b>	<b>\$169</b>	<b>\$239</b>	<b>\$169</b>	<b>\$154</b>	<b>\$142</b>	<b>\$118</b>	<b>\$92</b>
29	<b>Income Before Transfers or Capital Contributions</b>	<b>\$988</b>	<b>\$1,480</b>	<b>\$1,711</b>	<b>\$1,724</b>	<b>\$1,593</b>	<b>\$1,876</b>	<b>\$2,211</b>	<b>\$2,189</b>
30	Transfers (In Lieu of Taxes)	(\$368)	(\$358)	(\$385)	(\$383)	(\$391)	(\$404)	(\$418)	(\$431)
31	Capital Contributions	\$1,657	\$891	\$1,100	\$1,100	\$1,100	\$1,100	\$1,100	\$1,100
32	Cash Transfers from City/Intercompany	\$0	\$0	\$15	\$85	\$4,030	\$0	\$0	\$1,475
33	<b>NET INCOME</b>	<b>\$2,277</b>	<b>\$2,013</b>	<b>\$2,441</b>	<b>\$2,526</b>	<b>\$6,332</b>	<b>\$2,572</b>	<b>\$2,893</b>	<b>\$4,333</b>
34	<b>NET INCOME (Excluding Contrib &amp; Cash Tfrs from City)</b>			<b>\$1,326</b>	<b>\$1,341</b>	<b>\$1,202</b>	<b>\$1,472</b>	<b>\$1,793</b>	<b>\$1,758</b>
35	<b>TARGET NET INCOME</b>			<b>\$ 3,446</b>	<b>\$ 5,029</b>	<b>\$ 5,300</b>	<b>\$ 5,469</b>	<b>\$ 5,684</b>	<b>\$ 5,917</b>
36	<b>Excess (Deficit) from Target</b>			<b>\$ (2,120)</b>	<b>\$ (3,688)</b>	<b>\$ (4,098)</b>	<b>\$ (3,997)</b>	<b>\$ (3,891)</b>	<b>\$ (4,159)</b>
37	<b>1/01 Cash Balance</b>	<b>\$ 9,335</b>	<b>\$ 10,529</b>	<b>\$ 10,109</b>	<b>\$ 10,109</b>	<b>\$ 8,878</b>	<b>\$ 8,366</b>	<b>\$ 7,535</b>	<b>\$ 5,642</b>
38	Change in Net Assets		2,013	2,441	2,526	6,332	2,572	2,893	4,333
39	Depreciation & Amortization		2,742	2,816	2,910	3,041	3,149	3,229	3,303
40	Capital Additions		(1,982)	(4,510)	(5,432)	(8,756)	(5,455)	(6,914)	(7,522)
41	Non-Cash Contributions		(891)	(1,100)	(1,100)	(1,100)	(1,100)	(1,100)	(1,100)
42	Debt Principal Payments		-	-	-	-	-	-	-
43	Debt Proceeds		-	-	-	-	-	-	-
44	Net Change in Other Assets/Liabilities		(688)	(67)	(135)	(30)	3	-	-
45	Net Changes in Cash		1,194	(420)	(1,231)	(513)	(831)	(1,892)	(986)
46	<b>12/31 Cash Balance</b>	<b>\$ 10,529</b>	<b>\$ 10,109</b>	<b>\$ 8,878</b>	<b>\$ 8,878</b>	<b>\$ 8,366</b>	<b>\$ 7,535</b>	<b>\$ 5,642</b>	<b>\$ 4,656</b>
47	<b>Minimum Cash Reserve</b>	<b>\$ 7,641</b>	<b>\$ 7,908</b>	<b>\$ 8,529</b>	<b>\$ 8,529</b>	<b>\$ 8,803</b>	<b>\$ 8,995</b>	<b>\$ 8,945</b>	<b>\$ 9,159</b>
48	<b>Excess (Deficit) from Minimum Cash Reserve</b>	<b>\$ 2,888</b>	<b>\$ 2,201</b>	<b>\$ 349</b>	<b>\$ 349</b>	<b>\$ (437)</b>	<b>\$ (1,460)</b>	<b>\$ (3,303)</b>	<b>\$ (4,503)</b>

**ROCHESTER PUBLIC UTILITIES  
WATER UTILITY  
Management Reporting P&L**

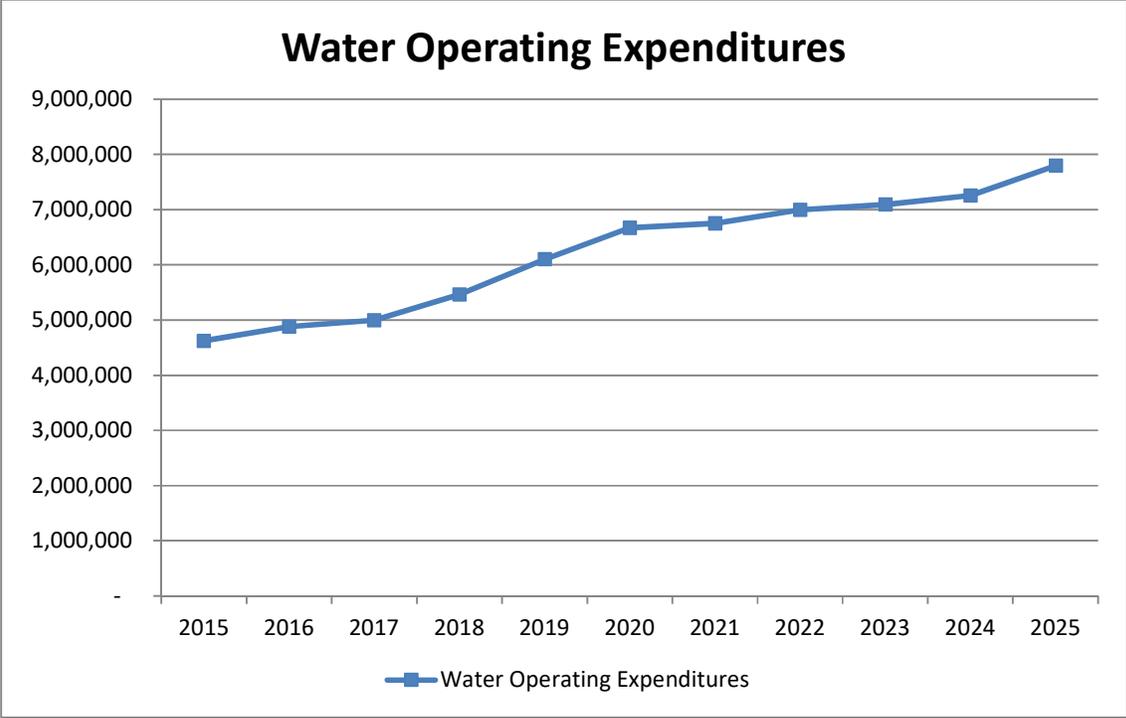
	Historical Data		2020		2021		Variance	%
	2018	2019	Orig Bdgt	2020 F2	2021	2021 Orig Bdgt COSS)	2021 to Orig Bdgt	Variance
in 000's								
1 <b>Revenue</b>								
2 Retail Water	\$9,601	\$9,959	\$10,636	\$10,826	\$10,993	\$12,180	(\$1,187)	-9.7%
3 Other Services & Fees	\$1,217	\$1,698	\$1,222	\$1,430	\$1,449	\$1,267	\$182	14.4%
4 <b>Total Revenue</b>	<b>\$10,817</b>	<b>\$11,657</b>	<b>\$11,858</b>	<b>\$12,256</b>	<b>\$12,442</b>	<b>\$13,447</b>	<b>(\$1,004)</b>	<b>-7.5%</b>
5 <b>Cost of Revenue</b>								
6 Water Supply	\$1,892	\$1,682	\$1,867	\$1,729	\$1,822	\$1,851	(\$29)	-1.6%
7 <b>Total Cost of Revenue</b>	<b>\$1,892</b>	<b>\$1,682</b>	<b>\$1,867</b>	<b>\$1,729</b>	<b>\$1,822</b>	<b>\$1,851</b>	<b>(\$29)</b>	<b>-1.6%</b>
8 <b>Gross Margin</b>								
9 Retail Water	\$7,709	\$8,277	\$8,769	\$9,096	\$9,171	\$10,328	(\$1,157)	-11.2%
10 Other Services & Fees	\$1,217	\$1,698	\$1,222	\$1,430	\$1,449	\$1,267	\$182	14.4%
11 <b>TOTAL GROSS MARGIN</b>	<b>\$8,925</b>	<b>\$9,975</b>	<b>\$9,991</b>	<b>\$10,527</b>	<b>\$10,620</b>	<b>\$11,595</b>	<b>(\$975)</b>	<b>-8.4%</b>
12 <b>Controllable Costs</b>								
13 Salaries & Benefits	\$2,593	\$3,026	\$3,095	\$3,140	\$3,108	\$3,519	(\$411)	-11.7%
14 Other Operating Expenses	\$1,313	\$1,310	\$1,372	\$1,204	\$1,281	\$1,336	(\$55)	-4.1%
15 Major Maintenance	\$304	\$323	\$568	\$604	\$505	\$392	\$113	28.8%
16 Non-Bonded Capital Projects	\$2,271	\$1,712	\$4,554	\$4,147	\$4,975	\$6,663	(\$1,688)	-25.3%
17 <b>TOTAL CONTROLLABLE COSTS</b>	<b>\$6,481</b>	<b>\$6,371</b>	<b>\$9,588</b>	<b>\$9,094</b>	<b>\$9,869</b>	<b>\$11,910</b>	<b>(\$2,041)</b>	<b>-17.1%</b>
18 Depreciation & Amortization	\$2,674	\$2,742	\$2,770	\$2,816	\$2,910	\$2,866	\$44	1.5%
19 Less Non Bonded Projects (capitalized)	(\$2,271)	(\$1,712)	(\$4,554)	(\$4,147)	(\$4,975)	(\$6,663)	\$1,688	-25.3%
20 Less Total Internal Costs (capitalized)	(\$164)	(\$270)	(\$318)	(\$364)	(\$458)	(\$256)	(\$202)	78.7%
21 Interutility Allocation	\$1,333	\$1,534	\$1,486	\$1,655	\$1,719	\$1,546	\$173	11.2%
22 <b>Total Operating Expenses</b>	<b>\$8,052</b>	<b>\$8,664</b>	<b>\$8,971</b>	<b>\$9,054</b>	<b>\$9,065</b>	<b>\$9,403</b>	<b>(\$337)</b>	<b>-3.6%</b>
23 <b>Net Operating Income (Loss)</b>	<b>\$873</b>	<b>\$1,311</b>	<b>\$1,019</b>	<b>\$1,472</b>	<b>\$1,555</b>	<b>\$2,192</b>	<b>(\$638)</b>	<b>-29.1%</b>
24 <b>Financing &amp; Other Non-Operating Items:</b>								
25 Bond & Interest Related Expenses	(\$0)	(\$1)	\$0	(\$0)	\$0	\$0	\$0	0.0%
26 Interest Income	\$146	\$201	\$44	\$239	\$169	\$13	\$156	1164.2%
27 Misc Non-Operating Income (Expense)	(\$31)	(\$31)	\$0	\$0	\$0	\$0	\$0	0.0%
28 <b>Total Financing &amp; Non-Operating Items</b>	<b>\$114</b>	<b>\$169</b>	<b>\$44</b>	<b>\$239</b>	<b>\$169</b>	<b>\$13</b>	<b>\$156</b>	<b>1164.2%</b>
29 <b>Income Before Transfers or Capital Contributions</b>	<b>\$988</b>	<b>\$1,480</b>	<b>\$1,063</b>	<b>\$1,711</b>	<b>\$1,724</b>	<b>\$2,206</b>	<b>(\$482)</b>	<b>-21.8%</b>
30 Transfers (In Lieu of Taxes)	(\$368)	(\$358)	(\$398)	(\$385)	(\$383)	(\$426)	\$43	-10.0%
31 Capital Contributions	\$1,657	\$891	\$1,100	\$1,100	\$1,100	\$1,100	\$0	0.0%
32 Cash Transfers from City	\$0	\$0	\$0	\$15	\$85	\$0	\$85	0.0%
33 <b>NET INCOME</b>	<b>\$2,277</b>	<b>\$2,013</b>	<b>\$1,765</b>	<b>\$2,441</b>	<b>\$2,526</b>	<b>\$2,880</b>	<b>(\$439)</b>	<b>-15.2%</b>
34 <b>1/01 Cash Balance</b>	<b>\$ 9,335</b>	<b>\$ 6,194</b>	<b>\$ 10,529</b>	<b>\$ 10,109</b>	<b>\$ 2,894</b>	<b>\$ 7,216</b>	<b>249.4%</b>	
35 Change in Net Assets		2,013	1,765	2,441	2,526	2,880	(354)	-12.3%
36 Depreciation & Amortization		2,742	2,770	2,816	2,910	2,866	44	1.5%
37 Capital Additions/Service Territory Comp		(1,982)	(4,873)	(4,510)	(5,432)	(6,919)	1,487	-21.5%
38 Non-Cash Contributions		(891)	(1,100)	(1,100)	(1,100)	(1,100)	-	0.0%
39 Debt Principal Payments		-	0	-	-	-	-	0.0%
40 Debt Proceeds		-	0	-	-	-	-	0.0%
41 Net Change in Other Assets/Liabilities		(688)	851	(67)	(135)	72	(207)	-286.9%
42 <b>Net Changes in Cash</b>		1,194	(586)	(420)	(1,231)	(2,201)	970	-44.1%
43 <b>12/31 Cash Balance</b>	<b>\$ 10,529</b>	<b>\$ 5,607</b>	<b>\$ 10,109</b>	<b>\$ 8,878</b>	<b>\$ 692</b>	<b>\$ 8,186</b>	<b>1182.1%</b>	
44 <b>Mimumum Cash Reserve</b>	<b>\$ 7,641</b>	<b>\$ 7,641</b>	<b>\$ 7,908</b>	<b>\$ 8,529</b>	<b>\$ 6,495</b>	<b>\$ 2,034</b>	<b>31.3%</b>	
45 <b>Excess (Deficit) from Mimumum Cash Reserve</b>	<b>\$ 2,888</b>	<b>\$ (2,034)</b>	<b>\$ 2,201</b>	<b>\$ 349</b>	<b>\$ (5,802)</b>	<b>\$ 6,151</b>	<b>-106.0%</b>	

Attachment: Board Packet Wtr (12316 : Preliminary 2021 Water and Electric Utility Budgets)

**ROCHESTER PUBLIC UTILITIES  
WATER UTILITY  
2021 OPERATING BUDGET**



Attachment: Board Packet Wtr (12316 : Preliminary 2021 Water and Electric Utility Budgets)



Attachment: Board Packet Wtr (12316 : Preliminary 2021 Water and Electric Utility Budgets)

**ROCHESTER PUBLIC UTILITIES  
PRODUCTION & SALES STATISTICS FORECAST  
WATER UTILITY**

	<b>2020 F2</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
1 CCF Pumped	5,654,471	5,718,560	5,714,756	5,789,759	5,871,730	5,942,568
2 % Change	-1.8%	1.1%	-0.1%	1.3%	1.4%	1.2%
3 Retail CCF	5,650,283	5,714,325	5,710,524	5,785,471	5,867,381	5,938,167
4 % Change	6.0%	1.1%	-0.1%	1.3%	1.4%	1.2%
5 Number of Customers						
6 Residential	37,339	37,642	38,039	38,393	38,830	39,226
7 Commercial	3,605	3,629	3,677	3,708	3,768	3,814
8 Industrial	31	31	31	31	31	31
9 Interdepartmental	1	1	1	1	1	1
10 Total Customers	40,976	41,303	41,748	42,133	42,630	43,072
11 % Change	1.3%	0.8%	1.1%	0.9%	1.2%	1.0%

Attachment: Board Packet Wtr (12316 : Preliminary 2021 Water and Electric Utility Budgets)

**ROCHESTER PUBLIC UTILITIES**

**2021**

**WATER UTILITY**

**CAPITAL IMPROVEMENT AND  
MAJOR MAINTENANCE BUDGET**

**ROCHESTER PUBLIC UTILITIES  
WATER UTILITY  
2021 CAPITAL IMPROVEMENT AND  
MAJOR MAINTENANCE BUDGET**

**INDEX**

<b><u>Title</u></b>	<b><u>Pages</u></b>
5 Year Project List:	
Major Maintenance	1
Capital	2

Attachment: Board Packet Wtr (12316 : Preliminary 2021 Water and Electric Utility Budgets)

**ROCHESTER PUBLIC UTILITIES  
CAPITAL AND MAJOR MAINTENANCE PLAN  
MATERIALS, SUPPLIES & SERVICES  
5 YEAR PROJECT LIST**

**WATER UTILITY  
MAJOR MAINTENANCE  
(\$000's)**

	<b>Multi-Year Project Total</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>5-Yr Total</b>
<b>1 Core Services</b>							
2 Allocation - Water Distribution System Maintenance		280	345	275	120	425	1,44
3 Water Storage Facility Painting		280	345	275	120	425	1,44
4 Water Cost-of-Service/Rate Design Study		-	160	164	165	168	65
5 Operating Contingency Fund		75	80	80	85	85	40
<b>6 Total Core Services</b>		<b>355</b>	<b>585</b>	<b>519</b>	<b>370</b>	<b>678</b>	<b>2,50</b>
<b>7 Compliance and Public Affairs</b>							
8 Old Municipal Wells Sealing		30	-	-	-	-	3
9 Well #16 Sealing		105	-	-	-	-	10
10 Well #16 Sealing grant		(105)	-	-	-	-	(10)
11 Olmsted County Well Sealing		100	-	-	-	-	10
12 Water Quality Data Management		20	-	-	-	-	2
<b>13 Total Compliance and Public Affairs</b>		<b>150</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15</b>
<b>14 Total Major Maintenance Plan - External Expenditures</b>		<b>505</b>	<b>585</b>	<b>519</b>	<b>370</b>	<b>678</b>	<b>2,65</b>

Attachment: Board Packet Wtr (12316 : Preliminary 2021 Water and Electric Utility Budgets)

**ROCHESTER PUBLIC UTILITIES  
CAPITAL AND MAJOR MAINTENANCE PLAN  
MATERIALS, SUPPLIES & SERVICES  
5 YEAR PROJECT LIST**

**WATER UTILITY  
CAPITAL  
(\$000's)**

	<b>Multi-Year Project Total</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>5-Yr Total</b>
<b>1 Core Services</b>							
2 Well & Booster Station Metering		20	20	21	21	21	102
3 Well House Manual Switchgear		17	-	-	-	-	17
4 Install New AC Units at Wells & Boosters		35	36	37	39	40	188
5 Water AMI Implementation		-	1,404	1,404	1,404	1,404	5,616
6 Allocation - Water Distribution System Replacement		92	160	164	165	168	748
7 Replacement of Pumping Units		55	89	89	90	90	412
8 Well Motor Replacements		19	19	19	19	20	95
9 Installation of Variable Frequency Drive Units		18	18	20	20	20	96
10 Replacement of Booster Pumps		-	35	36	37	38	146
11 Allocation - Water Metering/AMR		313	320	326	332	339	1,630
12 Alloc - Residential Water Metering/AMR		191	195	198	202	206	993
13 Alloc - Commercial Water Metering/AMR		123	125	127	130	133	637
14 New Wells		400	-	440	780	-	1,620
15 Water Utility Contingency Fund		175	175	200	200	200	950
16 New Marion L 1.0MG Reservoir		-	-	-	-	1,475	1,475
17 DMC - 12th Ave SW from Center St W to 2nd St SW		550	-	-	-	-	550
18 1.0MG Baihly High Level Tower	4,115	85	4,030	-	-	-	4,115
19 DMC - Broadway From Civic Center Dr to 13th St N	1,537	795	742	-	-	-	1,537
20 DMC - 1st St NW from Broadway to 1st Ave		120	-	-	-	-	120
21 DMC - Discovery Walk	540	405	135	-	-	-	540
22 DMC - 2nd St SW 11th to 16th Ave		160	-	-	-	-	160
23 DMC - St. Mary's Transit Station		338	-	-	-	-	338
24 DMC - Broadway N, Zumbro River Bridge N to Elton		-	-	-	320	320	640
25 DMC - 3rd Ave SW - 2nd St SW to 4th St SW		-	-	-	160	-	160
26 Allocation - Water Distribution System Expansion		1,090	1,148	2,286	2,952	2,939	10,415
27 T&D City Projects		635	60	160	1,510	1,843	4,208
28 T&D Developer Projects		200	200	200	200	200	1,000
29 T&D RPU Projects		255	888	1,926	1,242	896	5,208
<b>30 Total Core Services</b>	<b>6,192</b>	<b>4,594</b>	<b>8,170</b>	<b>4,878</b>	<b>6,373</b>	<b>6,905</b>	<b>30,921</b>
<b>31 Compliance &amp; Public Affairs</b>							
32 Well #16 Conversion		120	-	-	-	-	120
33 Olmsted County Well Conversion		60	-	-	-	-	60
<b>34 Total Compliance &amp; Public Affairs</b>		<b>180</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>180</b>
<b>35 Power Resources</b>							
36 Pickup - Water Distribution Worker		53	-	-	-	-	53
37 Allocation - Fleet		148	226	232	180	238	1,023
<b>38 Total Power Resources</b>		<b>201</b>	<b>226</b>	<b>232</b>	<b>180</b>	<b>238</b>	<b>1,076</b>
<b>39 Total External Expenditures</b>	<b>6,192</b>	<b>4,975</b>	<b>8,396</b>	<b>5,110</b>	<b>6,553</b>	<b>7,143</b>	<b>32,177</b>
<b>40 Total Internal Expenditures</b>		<b>458</b>	<b>360</b>	<b>345</b>	<b>361</b>	<b>378</b>	<b>1,902</b>
<b>41 Total Contributed Assets</b>		<b>1,100</b>	<b>1,100</b>	<b>1,100</b>	<b>1,100</b>	<b>1,100</b>	<b>5,500</b>
<b>42 Total Capital Plan</b>	<b>6,192</b>	<b>6,532</b>	<b>9,856</b>	<b>6,555</b>	<b>8,014</b>	<b>8,622</b>	<b>39,579</b>

Attachment: Board Packet Wtr (12316 : Preliminary 2021 Water and Electric Utility Budgets)

**ROCHESTER PUBLIC UTILITIES**

**2021**

**ELECTRIC UTILITY**

**OPERATING BUDGET**

**ROCHESTER PUBLIC UTILITIES  
ELECTRIC UTILITY  
2021 OPERATING BUDGET**

**INDEX**

<b><u>Title</u></b>	<b><u>Pages</u></b>
Basic Assumptions	1
Forecast by Year 2020 through 2025	2
Condensed Income Statement	3
Revenue Sources & Expense Categories	4
Operating Expenditures Graph	5
Production & Sales Statistics Forecast	6

Attachment: Board Packet Elc (12316 : Preliminary 2021 Water and Electric Utility Budgets)

**ROCHESTER PUBLIC UTILITIES  
ELECTRIC UTILITY  
2021 OPERATING BUDGET**

**BASIC ASSUMPTIONS**

- Cost center budgets and non-bonded projects set at level used in cost-of-service study
- Other than specifically identified projects, no assumptions have been made with regards to DMC
- Interest Earnings Rate: 1.80%
- Average Salary Expense Change: 3.1%  
(excluding headcount additions) (consists of COLA, merit and promotion increases)
- Anticipated Bonding: none
- Change in Full-time Equivalents: 1
- SMMPA Wholesale Power Cost: 0.0% increase
- SMMPA CROD Level: 216 MW
- Minimum Cash Reserve Requirement: Current policy amount \$52,568,700

**RETAIL REVENUES / SALES**

- Revenue Adjustment: 0.0% proposed
- Electric KWH Sales Forecast: 0.2 % Increase from 2020 Year End Projected Sales
- Total Electric Utility Customers: 0.5% Increase over Year End 2020 Projected Customers
- Forecast Assumes Normal Weather : 525 Cooling Degree Days

**WHOLESALE FUEL COSTS**

- Estimated Cost of Fuel 2020 \$5.18 / mcf
- Budgeted Cost of Fuel 2019 F2 \$3.28 / mcf

**OTHER ITEMS**

- In Lieu of Tax forecast decreasing \$2,309 to a total of \$8,616,994.

Attachment: Board Packet Elc (12316 : Preliminary 2021 Water and Electric Utility Budgets)

**ROCHESTER PUBLIC UTILITIES  
ELECTRIC UTILITY  
Management Reporting P&L**

	Historical Data		2020 F2						
	2018	2019		2021	2022	2023	2024	2025	
in 000's									
	RPU Rate Increase	1.5%	1.9%	0.0%	0.0%	3.5%	3.5%	3.5%	3.5%
1	<b>Revenue</b>								
2	Retail Electric	\$151,914	\$147,940	\$147,942	\$144,960	\$149,421	\$154,739	\$158,661	\$165,856
3	Wholesale Electric	\$4,736	\$2,503	\$1,363	\$2,753	\$2,932	\$3,432	\$3,432	\$3,432
4	Wholesale Steam	\$4,322	\$3,810	\$4,578	\$5,422	\$6,213	\$3,743	\$3,743	\$3,743
5	Transmission	\$5,245	\$5,580	\$11,176	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000
6	Other Services & Fees	\$3,079	\$5,061	\$3,010	\$3,744	\$3,792	\$3,842	\$3,892	\$3,943
7	<b>Total Revenue</b>	<b>\$169,295</b>	<b>\$164,893</b>	<b>\$168,069</b>	<b>\$162,879</b>	<b>\$168,358</b>	<b>\$171,756</b>	<b>\$175,728</b>	<b>\$182,974</b>
8	<b>Cost of Revenue</b>								
	SMMPA Rate Increase (Decrease)	0.0%	(4.0%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
9	Power Supply	\$94,984	\$89,722	\$89,881	\$88,818	\$88,857	\$89,181	\$89,941	\$90,935
10	Generation Fuel	\$5,497	\$3,780	\$3,286	\$4,828	\$5,079	\$3,853	\$3,853	\$3,853
11	<b>Total Cost of Revenue</b>	<b>\$100,481</b>	<b>\$93,502</b>	<b>\$93,167</b>	<b>\$93,646</b>	<b>\$93,936</b>	<b>\$93,034</b>	<b>\$93,794</b>	<b>\$94,788</b>
12	<b>Gross Margin</b>								
13	Retail Electric	\$56,930	\$58,218	\$58,061	\$56,142	\$60,563	\$65,558	\$68,720	\$74,921
14	Wholesale	\$3,561	\$2,532	\$2,656	\$3,347	\$4,066	\$3,322	\$3,322	\$3,322
15	Transmission	\$5,245	\$5,580	\$11,176	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000
16	Other Services & Fees	\$3,079	\$5,061	\$3,010	\$3,744	\$3,792	\$3,842	\$3,892	\$3,943
17	<b>TOTAL GROSS MARGIN</b>	<b>\$68,814</b>	<b>\$71,391</b>	<b>\$74,903</b>	<b>\$69,233</b>	<b>\$74,422</b>	<b>\$78,721</b>	<b>\$81,933</b>	<b>\$88,186</b>
18	<b>Controllable Costs</b>								
19	Salaries & Benefits	\$22,673	\$24,151	\$23,577	\$24,702	\$27,497	\$29,141	\$30,480	\$31,897
20	Other Operating Expenses	\$9,605	\$9,149	\$10,089	\$10,270	\$10,513	\$10,741	\$10,943	\$11,202
21	Major Maintenance	\$2,421	\$2,881	\$4,070	\$3,791	\$7,462	\$4,257	\$3,692	\$3,686
22	Non-Bonded Capital Projects	\$8,000	\$11,902	\$17,254	\$23,132	\$17,431	\$14,371	\$15,739	\$22,224
23	<b>TOTAL CONTROLLABLE COSTS</b>	<b>\$42,700</b>	<b>\$48,083</b>	<b>\$54,990</b>	<b>\$61,895</b>	<b>\$62,903</b>	<b>\$58,511</b>	<b>\$60,855</b>	<b>\$69,008</b>
24	Depreciation & Amortization	\$12,969	\$14,005	\$15,052	\$15,045	\$14,993	\$15,587	\$15,902	\$16,324
25	Less Non Bonded Projects (capitalized)	(\$8,000)	(\$11,902)	(\$17,254)	(\$23,132)	(\$17,431)	(\$14,371)	(\$15,739)	(\$22,224)
26	Less Total Internal Costs (capitalized)	(\$4,763)	(\$4,968)	(\$4,184)	(\$7,785)	(\$5,653)	(\$7,505)	(\$8,060)	(\$8,940)
27	Interutility Allocation	(\$1,333)	(\$1,534)	(\$1,655)	(\$1,719)	(\$1,753)	(\$1,788)	(\$1,824)	(\$1,860)
28	<b>Total Operating Expenses</b>	<b>\$41,572</b>	<b>\$43,685</b>	<b>\$46,950</b>	<b>\$44,304</b>	<b>\$53,059</b>	<b>\$50,433</b>	<b>\$51,134</b>	<b>\$52,309</b>
29	<b>Net Operating Income (Loss)</b>	<b>\$27,242</b>	<b>\$27,706</b>	<b>\$27,953</b>	<b>\$24,929</b>	<b>\$21,363</b>	<b>\$28,288</b>	<b>\$30,799</b>	<b>\$35,877</b>
30	<b>Financing &amp; Other Non-Operating Items:</b>								
31	Bond & Interest Related Expenses	(\$5,939)	(\$6,473)	(\$6,423)	(\$6,268)	(\$6,098)	(\$5,912)	(\$5,710)	(\$5,492)
32	Interest Income	\$1,372	\$2,685	\$1,561	\$1,746	\$1,700	\$1,685	\$1,745	\$1,827
33	Misc Non-Operating Income (Expense)	(\$865)	(\$201)	(\$29)	(\$17)	(\$18)	(\$18)	(\$19)	(\$19)
34	<b>Total Financing &amp; Non-Operating Items</b>	<b>(\$5,431)</b>	<b>(\$3,989)</b>	<b>(\$4,890)</b>	<b>(\$4,540)</b>	<b>(\$4,415)</b>	<b>(\$4,245)</b>	<b>(\$3,983)</b>	<b>(\$3,684)</b>
35	<b>Income Before Transfers or Capital Contributions</b>	<b>\$21,811</b>	<b>\$23,717</b>	<b>\$23,063</b>	<b>\$20,390</b>	<b>\$16,948</b>	<b>\$24,043</b>	<b>\$26,816</b>	<b>\$32,193</b>
36	Transfers (In Lieu of Taxes)	(\$8,725)	(\$8,714)	(\$8,619)	(\$8,617)	(\$8,813)	(\$9,057)	(\$9,327)	(\$9,604)
37	Capital Contributions/Intercompany	\$2,060	\$736	\$3,006	\$10,861	\$4,423	\$1,992	\$2,012	\$6,560
38	<b>NET INCOME</b>	<b>\$15,147</b>	<b>\$15,739</b>	<b>\$17,449</b>	<b>\$22,634</b>	<b>\$12,558</b>	<b>\$16,979</b>	<b>\$19,502</b>	<b>\$29,149</b>
39	<b>NET INCOME (Excluding Capital Contributions)</b>			<b>\$14,443</b>	<b>\$11,773</b>	<b>\$8,135</b>	<b>\$14,987</b>	<b>\$17,490</b>	<b>\$22,589</b>
40	<b>TARGET NET INCOME</b>			<b>\$ 14,700</b>	<b>\$ 15,539</b>	<b>\$ 16,417</b>	<b>\$ 17,189</b>	<b>\$ 18,076</b>	<b>\$ 19,332</b>
41	<b>Excess (Deficit) from Target</b>			<b>\$ (257)</b>	<b>\$ (3,766)</b>	<b>\$ (8,282)</b>	<b>\$ (2,202)</b>	<b>\$ (586)</b>	<b>\$ 3,257</b>
42	<b>1/01 Cash Balance</b>	<b>\$ 78,820</b>	<b>\$ 88,728</b>	<b>\$ 85,048</b>	<b>\$ 83,997</b>	<b>\$ 79,973</b>	<b>\$ 82,284</b>	<b>\$ 86,717</b>	
43	Change in Net Assets		15,739	17,449	22,634	12,558	16,979	19,502	29,149
44	Depreciation & Amortization		14,005	15,052	15,045	14,993	15,587	15,902	16,324
45	Capital Additions/Service Territory Comp		(16,870)	(21,438)	(30,917)	(23,084)	(21,876)	(23,799)	(31,164)
46	Bond Principal Payments		(5,725)	(6,015)	(6,315)	(6,625)	(6,955)	(7,310)	(7,605)
47	Bond Proceeds		-	0	-	0	-	-	-
48	Net Change in Other Assets/Liabilities		2,758	(8,729)	(1,497)	(1,866)	(1,423)	138	(1,987)
49	Net Changes in Cash		9,908	(3,680)	(1,051)	(4,024)	2,312	4,432	4,717
50	<b>12/31 Cash Balance</b>	<b>\$ 88,728</b>	<b>\$ 85,048</b>	<b>\$ 83,997</b>	<b>\$ 79,973</b>	<b>\$ 82,284</b>	<b>\$ 86,717</b>	<b>\$ 91,434</b>	
51	<b>Minimum Cash Reserve</b>	<b>\$ 55,603</b>	<b>\$ 57,408</b>	<b>\$ 52,569</b>	<b>\$ 55,011</b>	<b>\$ 55,094</b>	<b>\$ 55,544</b>	<b>\$ 55,906</b>	
52	<b>Excess (Deficit) from Minimum Cash Reserve</b>	<b>\$ 33,125</b>	<b>\$ 27,640</b>	<b>\$ 31,428</b>	<b>\$ 24,962</b>	<b>\$ 27,191</b>	<b>\$ 31,173</b>	<b>\$ 35,528</b>	
53	<b>Debt Service Coverage Ratio</b>		<b>3.2</b>	<b>3.2</b>	<b>3.0</b>	<b>2.7</b>	<b>3.2</b>	<b>3.4</b>	<b>3.8</b>

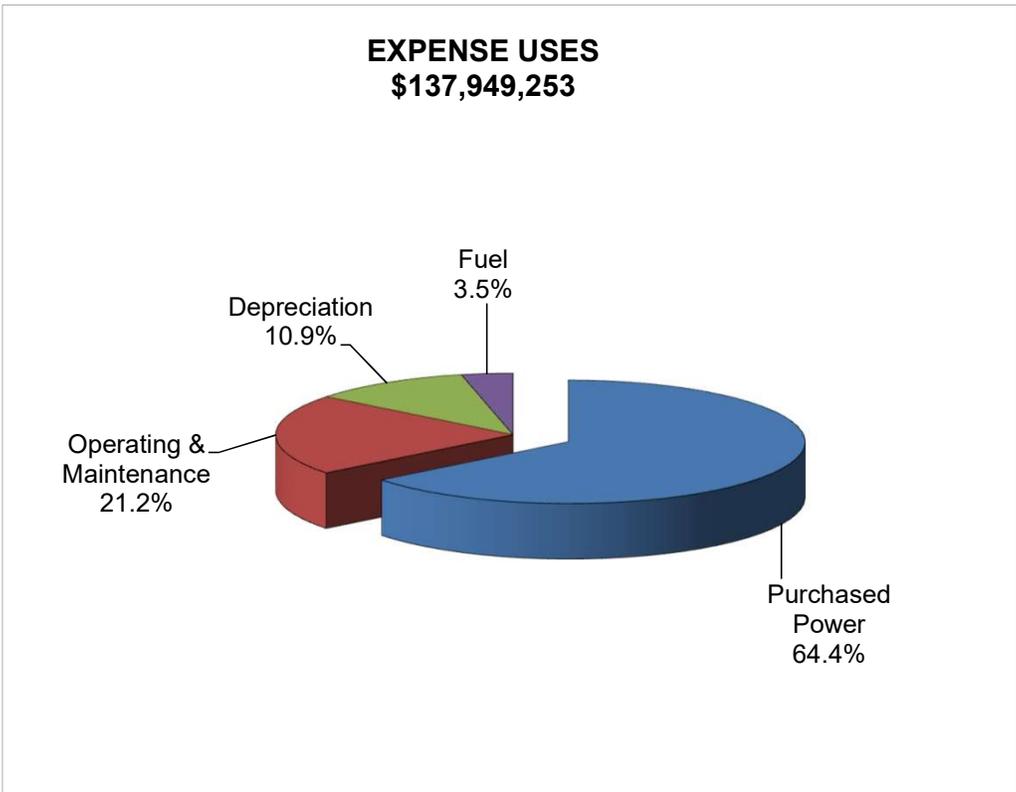
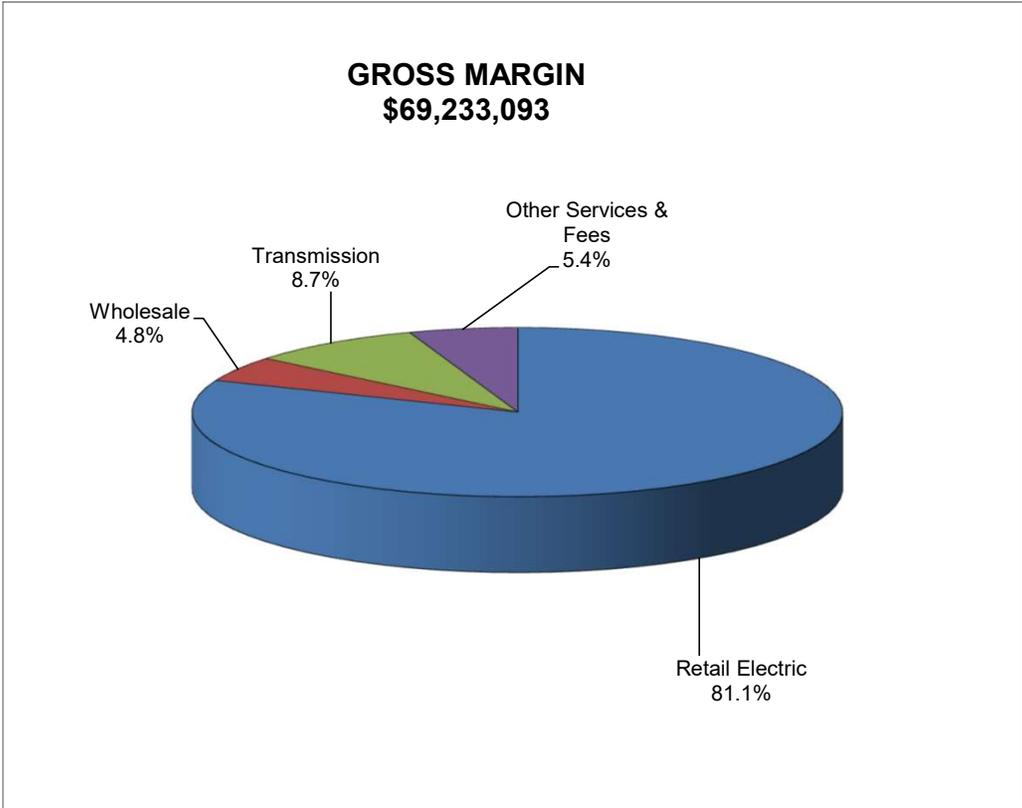
Attachment: Board Packet Etc (12316 : Preliminary 2021 Water and Electric Utility Budgets)

**ROCHESTER PUBLIC UTILITIES  
ELECTRIC UTILITY  
Management Reporting P&L**

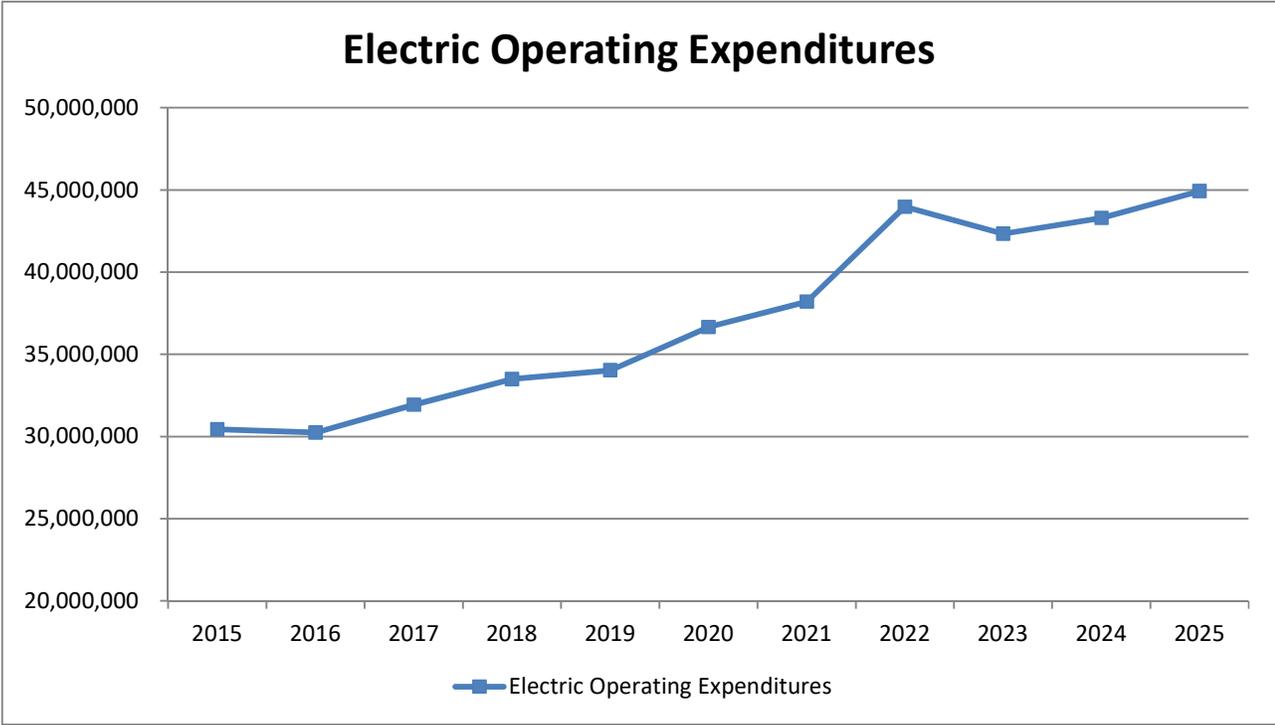
	Historical Data		2020		2021		Variance	%
	2018	2019	Orig Bdgt	2020 F2	2021	Orig Bdgt (from 2020 COSS)	2021 to Orig Bdgt	Variance
in 000's								
1 <b>Revenue</b>								
2 Retail Electric	\$151,914	\$147,940	\$152,891	\$147,942	\$144,960	\$157,012	(\$12,052)	-7.7%
3 Wholesale Electric	\$4,736	\$2,503	\$4,491	\$1,363	\$2,753	\$4,491	(\$1,738)	-38.7%
4 Wholesale Steam	\$4,322	\$3,810	\$4,548	\$4,578	\$5,422	\$5,427	(\$5)	-0.1%
5 Transmission	\$5,245	\$5,580	\$5,000	\$11,176	\$6,000	\$5,000	\$1,000	20.0%
6 Other Services & Fees	\$3,079	\$5,061	\$3,365	\$3,010	\$3,744	\$3,407	\$337	9.9%
7 <b>Total Revenue</b>	<b>\$169,295</b>	<b>\$164,893</b>	<b>\$170,295</b>	<b>\$168,069</b>	<b>\$162,879</b>	<b>\$175,338</b>	<b>(\$12,459)</b>	<b>-7.1%</b>
8 <b>Cost of Revenue</b>								
9 Power Supply	\$94,984	\$89,722	\$91,663	\$89,881	\$88,818	\$91,796	(\$2,978)	-3.2%
10 Generation Fuel	\$5,497	\$3,780	\$5,153	\$3,286	\$4,828	\$5,613	(\$785)	-14.0%
11 <b>Total Cost of Revenue</b>	<b>\$100,481</b>	<b>\$93,502</b>	<b>\$96,816</b>	<b>\$93,167</b>	<b>\$93,646</b>	<b>\$97,409</b>	<b>(\$3,763)</b>	<b>-3.9%</b>
12 <b>Gross Margin</b>								
13 Retail Electric	\$56,930	\$58,218	\$61,228	\$58,061	\$56,142	\$65,216	(\$9,074)	-13.9%
14 Wholesale	\$3,561	\$2,532	\$3,886	\$2,656	\$3,347	\$4,306	(\$958)	-22.3%
15 Transmission	\$5,245	\$5,580	\$5,000	\$11,176	\$6,000	\$5,000	\$1,000	20.0%
16 Other Services & Fees	\$3,079	\$5,061	\$3,365	\$3,010	\$3,744	\$3,407	\$337	9.9%
17 <b>TOTAL GROSS MARGIN</b>	<b>\$68,814</b>	<b>\$71,391</b>	<b>\$73,479</b>	<b>\$74,903</b>	<b>\$69,233</b>	<b>\$77,929</b>	<b>(\$8,696)</b>	<b>-12.2%</b>
18 <b>Controllable Costs</b>								
19 Salaries & Benefits	\$22,673	\$24,151	\$25,874	\$23,577	\$24,702	\$27,631	(\$2,929)	-10.6%
20 Other Operating Expenses	\$9,605	\$9,149	\$10,481	\$10,089	\$10,270	\$10,540	(\$270)	-2.6%
21 Major Maintenance	\$2,421	\$2,881	\$4,010	\$4,070	\$3,791	\$5,380	(\$1,589)	-29.5%
22 Non-Bonded Capital Projects	\$8,000	\$11,902	\$20,336	\$17,254	\$23,132	\$32,444	(\$9,312)	-28.7%
23 <b>TOTAL CONTROLLABLE COSTS</b>	<b>\$42,700</b>	<b>\$48,083</b>	<b>\$60,700</b>	<b>\$54,990</b>	<b>\$61,895</b>	<b>\$75,995</b>	<b>(\$14,100)</b>	<b>-18.6%</b>
24 Depreciation & Amortization	\$12,969	\$14,005	\$14,468	\$15,052	\$15,045	\$14,379	\$665	4.6%
25 Less Non Bonded Projects (capitalized)	(\$8,000)	(\$11,902)	(\$20,336)	(\$17,254)	(\$23,132)	(\$32,444)	\$9,312	-28.7%
26 Less Total Internal Costs (capitalized)	(\$4,763)	(\$4,968)	(\$4,748)	(\$4,184)	(\$7,785)	(\$5,457)	(\$2,328)	42.7%
27 Interutility Allocation	(\$1,333)	(\$1,534)	(\$1,575)	(\$1,655)	(\$1,719)	(\$1,607)	(\$112)	7.0%
28 <b>Total Operating Expenses</b>	<b>\$41,572</b>	<b>\$43,685</b>	<b>\$48,510</b>	<b>\$46,950</b>	<b>\$44,304</b>	<b>\$50,866</b>	<b>(\$6,563)</b>	<b>-12.9%</b>
29 <b>Net Operating Income (Loss)</b>	<b>\$27,242</b>	<b>\$27,706</b>	<b>\$24,969</b>	<b>\$27,953</b>	<b>\$24,929</b>	<b>\$27,063</b>	<b>(\$2,133)</b>	<b>-7.9%</b>
30 <b>Financing &amp; Other Non-Operating Items:</b>								
31 Bond & Interest Related Expenses	(\$5,939)	(\$6,473)	(\$6,421)	(\$6,423)	(\$6,268)	(\$6,268)	\$0	0.0%
32 Interest Income	\$1,372	\$2,685	\$1,636	\$1,561	\$1,746	\$1,621	\$125	7.7%
33 Misc Non-Operating Income (Expense)	(\$865)	(\$201)	(\$31)	(\$29)	(\$17)	(\$31)	\$14	-44.0%
34 <b>Total Financing &amp; Non-Operating Items</b>	<b>(\$5,431)</b>	<b>(\$3,989)</b>	<b>(\$4,816)</b>	<b>(\$4,890)</b>	<b>(\$4,540)</b>	<b>(\$4,678)</b>	<b>\$138</b>	<b>-3.0%</b>
35 <b>Income Before Transfers or Capital Contributions</b>	<b>\$21,811</b>	<b>\$23,717</b>	<b>\$20,152</b>	<b>\$23,063</b>	<b>\$20,390</b>	<b>\$22,385</b>	<b>(\$1,995)</b>	<b>-8.9%</b>
36 Transfers (In Lieu of Taxes)	(\$8,725)	(\$8,714)	(\$8,825)	(\$8,619)	(\$8,617)	(\$8,999)	\$382	-4.2%
37 Capital Contributions/Intercompany	\$2,060	\$736	\$5,276	\$3,006	\$10,861	\$11,198	(\$337)	-3.0%
38 <b>NET INCOME</b>	<b>\$15,147</b>	<b>\$15,739</b>	<b>\$16,603</b>	<b>\$17,449</b>	<b>\$22,634</b>	<b>\$24,583</b>	<b>(\$1,950)</b>	<b>-7.9%</b>
39 <b>1/01 Cash Balance</b>		<b>\$ 78,820</b>	<b>\$ 76,827</b>	<b>\$ 88,728</b>	<b>\$ 85,048</b>	<b>\$ 79,892</b>	<b>\$ 5,156</b>	<b>6.5%</b>
40 Change in Net Assets		15,739	16,603	17,449	22,634	24,583	(1,950)	-7.9%
41 Depreciation & Amortization		14,005	14,468	15,052	15,045	14,379	665	4.6%
42 Capital Additions/Service Territory Comp		(16,870)	(25,084)	(21,438)	(30,917)	(37,901)	6,984	-18.4%
43 Bond Principal Payments		(5,725)	(6,015)	(6,015)	(6,315)	(6,315)	0	0.0%
44 Bond Proceeds		-	-	0	-	(0)	0	0.0%
45 Net Change in Other Assets/Liabilities		2,758	3,092	(8,729)	(1,497)	571	(2,068)	-362.2%
46 Net Changes in Cash		9,908	3,065	(3,680)	(1,051)	(4,683)	3,632	-77.6%
47 <b>12/31 Cash Balance</b>		<b>\$ 88,728</b>	<b>\$ 79,892</b>	<b>\$ 85,048</b>	<b>\$ 83,997</b>	<b>\$ 75,209</b>	<b>\$ 8,787</b>	<b>11.7%</b>
48 <b>Minimum Cash Reserve</b>		<b>\$ 55,603</b>	<b>\$ 57,408</b>	<b>\$ 57,408</b>	<b>\$ 52,569</b>	<b>\$ 58,692</b>	<b>\$ (6,123)</b>	<b>-10.4%</b>
49 <b>Excess (Deficit) from Minimum Cash Reserve</b>		<b>\$ 33,125</b>	<b>\$ 22,484</b>	<b>\$ 27,640</b>	<b>\$ 31,428</b>	<b>\$ 16,518</b>	<b>\$ 14,910</b>	<b>90.3%</b>

Attachment: Board Packet Eic (12316 : Preliminary 2021 Water and Electric Utility Budgets)

### ROCHESTER PUBLIC UTILITIES ELECTRIC UTILITY 2021 OPERATING BUDGET



Attachment: Board Packet Elc (12316 : Preliminary 2021 Water and Electric Utility Budgets)



Attachment: Board Packet Elc (12316 : Preliminary 2021 Water and Electric Utility Budgets)

**ROCHESTER PUBLIC UTILITIES  
PRODUCTION & SALES STATISTICS FORECAST  
ELECTRIC UTILITY**

	2020 F2	2021	2022	2023	2024	2025
1 Peak MW						
2 SMMPA	216	216	216	216	216	216
3 Self Generation	-	-	-	-	-	-
4 Market	49	51	53	55	58	60
5 Total Peak MW	265	267	269	271	274	276
6 % Change	-6.5%	0.8%	0.8%	0.4%	1.2%	0.9%
7 Retail MWH	1,155,612	1,158,147	1,161,296	1,170,203	1,181,631	1,193,074
8 % Change	-1.6%	0.2%	0.3%	0.8%	1.0%	1.0%
9 Purchased Power MWH						
10 SMMPA	1,192,014	1,176,292	1,179,331	1,188,211	1,199,530	1,210,126
11 Other	3,661	677	810	905	1,146	2,124
12 Total Purchased Power MWH	1,195,675	1,176,969	1,180,141	1,189,116	1,200,676	1,212,250
13 % Change	-0.8%	-1.6%	0.3%	0.8%	1.0%	1.0%
14 Generation MWH						
15 Total Generation MWH	41,928	66,640	66,640	66,640	66,640	66,640
16 % Change	-43.8%	58.9%	0.0%	0.0%	0.0%	0.0%
17 Number of Customers						
18 Residential	51,753	52,026	53,292	54,860	55,719	56,814
19 Small General Service	4,575	4,584	4,654	4,797	4,801	4,868
20 Medium General Service	456	456	464	476	483	493
21 Large General Service	14	14	14	14	14	14
22 Large Industrial Service	1	1	1	1	1	1
23 Street & Hwy Lightings	3	3	3	3	3	3
24 Interdepartmental	1	1	1	1	1	1
25 Total Customers	56,803	57,085	58,429	60,152	61,022	62,194
26 % Change	0.7%	0.5%	2.4%	2.9%	1.4%	1.9%
27 Blended cost per MWH for retail supply	\$ 75.17	\$ 75.46	\$ 75.29	\$ 75.00	\$ 74.91	\$ 75.01
28 Steam Generation MLBS	464,280	525,600	602,278	362,840	362,840	362,840
29 % Change	28.0%	13.2%	14.6%	-39.8%	0.0%	0.0%

Attachment: Board Packet Eic (12316 : Preliminary 2021 Water and Electric Utility Budgets)

**ROCHESTER PUBLIC UTILITIES**

**2021**

**ELECTRIC UTILITY**

**CAPITAL IMPROVEMENT AND  
MAJOR MAINTENANCE BUDGET**

**ROCHESTER PUBLIC UTILITIES  
ELECTRIC UTILITY  
2021 CAPITAL IMPROVEMENT AND  
MAJOR MAINTENANCE BUDGET**

**INDEX**

<b><u>Title</u></b>	<b><u>Pages</u></b>
5 Year Project List:	
Major Maintenance Projects	1
Capital Projects	2 - 3

Attachment: Board Packet Elc (12316 : Preliminary 2021 Water and Electric Utility Budgets)

**ROCHESTER PUBLIC UTILITIES  
CAPITAL AND MAJOR MAINTENANCE PLAN  
MATERIALS, SUPPLIES & SERVICES  
5 YEAR PROJECT LIST**

6.2.b

**ELECTRIC UTILITY  
MAJOR MAINTENANCE  
(\$000's)**

		<u>Multi-Year Project Total</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>5-Yr Total</u>
<b>1</b>	<b><u>Core Services</u></b>							
2	Tree Trimming		1,600	1,750	2,000	2,000	2,000	9,350
3	Asbestos Mitigation in Manholes		72	70	70	70	70	352
4	Allocation - New Services		225	215	199	202	206	1,047
5	Transmission Asset Management		45	35	15	15	15	125
6	Distribution Lines & Equipment Maintenance		180	180	184	187	191	922
7	Capacitor Bank Controls Replacement		20	-	-	-	-	20
8	Willow Creek Sub Control Building Improvements		50	-	-	-	-	50
9	Allocation - Substation Asset Management (Maint)		121	73	111	91	50	444
10	Distribution System Planning Study	50	20	30	-	-	-	50
11	ArcFlash Study for Downtown		15	-	-	-	-	15
12	DER Hosting Capacity Study		-	-	150	-	-	150
13	Downtown Duct & Feeder Routing Study	130	30	100	-	-	-	130
14	Transmission LIDAR & Clearance Analysis		-	-	-	100	100	200
15	Drone Inspection Program		15	25	50	-	-	90
16	Work Management Solution		35	-	-	-	-	35
17	Automated Crew Callout Software		5	-	-	-	-	5
18	<b>Total Core Services</b>	180	2,207	2,263	2,579	2,463	2,426	11,937
<b>19</b>	<b><u>Customer Relations</u></b>							
20	Customer Experience Mapping		-	160	-	-	-	160
21	Cayenta Post Go Live Maint/Break Fixes		50	-	-	-	-	50
22	Cayenta Application Enhancements		75	-	-	-	-	75
23	Process Workflow Documentation		84	-	-	-	-	84
24	Cayenta Upgrade		234	-	-	-	-	234
25	<b>Total Customer Relations</b>	-	443	160	-	-	-	603
<b>26</b>	<b><u>Corporate Services</u></b>							
27	Elec Cost-of-Srvcs/Rate Design Study		-	-	83	-	-	83
28	Rates Modeling		45	20	20	20	20	125
29	Budgeting System		62	50	50	50	50	262
30	Utegration (HPC) Support Contract		100	100	100	100	100	500
31	Sharepoint Site		60	-	-	-	-	60
32	ImageNow Upgrade		-	30	-	30	-	60
33	Allocation - Technology		25	45	140	45	55	308
34	Info Risk & Security/City Shared Infrastructure		5	5	5	5	15	33
35	Business Systems/Applications		20	40	135	40	40	275
36	<b>Total Corporate Services</b>		291	245	393	245	225	1,397
<b>37</b>	<b><u>Compliance and Public Affairs</u></b>							
38	WES Emissions Testing		-	-	50	-	-	50
39	<b>Total Compliance and Public Affairs</b>		-	-	50	-	-	50
<b>40</b>	<b><u>Power Resources</u></b>							
41	SLP Decommissioning		240	350	275	250	250	1,365
42	GT1 Major Overhaul		-	2,050	-	-	-	2,050
43	Silver Lake Dam Ownership		-	1,240	-	-	-	1,240
44	RPU Comprehensive Master Plan		-	200	-	-	-	200
45	Allocation - Power Resources		130	475	480	255	305	1,645
46	Allocation - Facilities		180	180	180	180	180	900
47	<b>Total Power Resources</b>		550	4,495	935	685	735	7,400
<b>48</b>	<b><u>General Management</u></b>							
49	Operating Contingency Fund		300	300	300	300	300	1,500
50	<b>Total General Management</b>		300	300	300	300	300	1,500
51	<b>Total Major Maintenance Plan - External Expenditures</b>	180	3,791	7,462	4,257	3,692	3,686	22,887

Attachment: Board Packet E/c (12316 : Preliminary 2021 Water and Electric Utility Budgets)

**ROCHESTER PUBLIC UTILITIES  
CAPITAL AND MAJOR MAINTENANCE PLAN  
MATERIALS, SUPPLIES & SERVICES  
5 YEAR PROJECT LIST**

**ELECTRIC UTILITY  
CAPITAL  
(\$000's)**

**Multi-Year**

		<u>Project Total</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>5-Yr Total</u>
<b>1</b>	<b>Core Services</b>							
2	OSI SCADA Version Upgrade		31	-	175	-	175	381
3	Video Wall Controller & Monitor Replacement		50	-	-	-	135	185
4	Pole Inspection Software		30	-	-	-	-	30
5	Allocation - New Services		952	1,032	1,038	1,032	1,054	5,108
6	New Service Installations		590	625	638	650	663	3,166
7	Distribution Lines & Equipment - Capital		205	240	247	254	261	1,207
8	Property Damage - Repair/Replace		95	95	97	98	100	484
9	T&D Equipment Upgrade/Replace		62	72	57	30	30	251
10	Load Management Installations		8	8	8	8	8	38
11	Substation/Shop Test Equipment Upgrade/Repl		80	40	40	40	40	240
12	Substation Spares and Replacements		20	20	20	20	20	100
13	Web Based Service Application		50	-	-	-	-	50
14	Allocation - Substation Asset Management Capital		185	50	275	120	120	750
15	Metering/Shop Test Equipment Upgrade/Repl		15	45	20	20	20	120
16	TOU Limited Hybrid Smart Metering Transition		4	-	-	-	-	4
17	AMI	1,976	1,000	244	244	244	244	1,976
18	Primary Metering Upgrade WWTP		30	-	-	-	-	30
19	Allocation - Metering		430	1,257	1,257	1,257	1,257	5,459
20	Hydro Line Rebuild		-	-	-	-	200	200
21	Northern Hills 65th St Feeder		-	-	350	-	-	350
22	Feeder 306 Install		-	-	-	-	300	300
23	Feeder 615 Install		-	-	300	-	-	300
24	Feeder 715 Install		-	170	220	-	-	390
25	Feeder 913 Install		-	-	-	300	-	300
26	Feeder 914 Install		-	-	-	-	300	300
27	Feeder 1315 Install		-	-	400	-	-	400
28	Feeder 1602 Install		-	-	-	300	-	300
29	Feeder 1733 Install		-	-	200	-	-	200
30	Feeder 1911 Install		-	66	-	-	-	66
31	Feeder 1912 Install		-	-	260	250	-	510
32	Feeder 1913 Install		-	-	264	-	-	264
33	Feeder 1914 Install		-	-	-	220	-	220
34	Downtown New Duct Systems		-	-	100	1,250	2,600	3,950
35	Downtown New Feeder Extensions		-	-	-	-	900	900
36	65th St - 50th to 60th Ave		400	-	-	-	-	400
37	Q2 Rebuild from Bear Creek - RCTC		-	-	-	-	350	350
38	Q4 Rebuild from BV Sub to Salem Rd		-	-	-	400	400	800
39	Q7 Rebuild to Grade B		-	-	-	400	400	800
40	Q11 W.C. to new St. Bridget Sub - ROW		175	-	-	-	-	175
41	IBM Substation Upgrade		-	-	-	200	200	400
42	Fiber Cascade Creek to Westside		215	-	-	-	-	215
43	Fiber OWEF Splice to Chester		-	-	-	275	-	275
44	Feeder 1401 & 1411 Bifurcation		-	-	-	-	-	-
45	Marion Rd Substation & Feeder Buildout	17,864	9,930	7,934	-	-	-	17,864
46	Hydro Line Reconfig for New Hydro Sub		-	-	-	300	-	300
47	New Padmount Hydro Sub		-	-	-	-	300	300
48	New Mayo Feeders		-	-	1,200	1,200	-	2,400
49	Mayo - Feeders to St. Mary's		-	-	-	500	5,800	6,300
50	Substation Communication		200	-	1,200	-	-	1,400
51	Volt/VAR Optimization		-	-	145	-	-	145
52	LED Roadway Lighting Upgrade		1,732	-	-	-	-	1,732
53	Solar/DER 20+ MW		960	-	-	-	-	960
54	Capacitor Control Replacement		35	35	-	-	-	70
55	Hydro Line Recloser Replacement		60	-	-	-	-	60
56	60th Ave NW Right of Way Purchase		40	-	120	-	-	160

Attachment: Board Packet E/c (12316 : Preliminary 2021 Water and Electric Utility Budgets)

**ROCHESTER PUBLIC UTILITIES  
CAPITAL AND MAJOR MAINTENANCE PLAN  
MATERIALS, SUPPLIES & SERVICES  
5 YEAR PROJECT LIST**

**ELECTRIC UTILITY  
CAPITAL  
(\$000's)**

		Multi-Year						
		Project Total	2021	2022	2023	2024	2025	5-Yr Total
57	Allocation - Distribution Expansion		2,750	2,805	3,810	4,678	4,675	18,717
58	Feeder Extensions		135	300	360	275	825	1,895
59	Feeder Rebuilds		90	100	125	150	150	615
60	Transmission Projects		36	40	40	40	40	196
61	Substation Projects		234	50	105	215	220	824
62	Road Projects		158	100	275	1,025	1,000	2,558
63	Road Projects - DMC		599	400	250	50	50	1,349
64	Manhole Switch Replacements		81	95	100	100	105	481
65	Cable Replacement		315	400	450	500	500	2,165
66	Manhole Repair/Replace		270	300	300	325	350	1,545
67	Substation Switchgear Replacement		-	-	675	700	-	1,375
68	Capacitor Bank Installations		18	50	20	50	50	188
69	Fiber Optic Projects		36	50	60	70	80	296
70	Distribution Transformers		495	575	600	625	650	2,945
71	Overhead to Underground Conversion		248	300	400	500	600	2,048
72	Pole Replacements		36	45	50	53	55	239
73	Survey GPS Replacement		-	-	35	-	-	35
74	Responder/SCADA Integration		45	-	-	-	-	45
75	GIS Utility Network Implementation	215	95	80	40	-	-	215
76	Service Territory Payments		359	355	360	365	370	1,809
77	Service Territory Payments - SMMPA Reimbursement		(180)	(178)	(180)	(183)	(185)	(905)
78	<b>Total Core Services</b>	20,055	19,700	13,963	11,901	13,196	19,683	78,442
82	<b>Corporate Services</b>							
83	NSX Implementation	142	42	100	-	-	-	142
84	Enterprise Software Backup		-	140	-	-	-	140
85	Business Intelligence/Reporting		45	45	45	45	45	225
86	Symantec Replacement	120	60	60	-	-	-	120
87	Allocation - Technology		476	405	514	591	430	2,416
88	Network Management		223	72	71	173	72	611
89	Output Management		16	16	16	16	16	80
90	Server Management		94	144	79	99	84	500
91	Workstation Management		113	93	93	113	93	505
92	Backup/DR		-	-	-	60	35	95
93	Storage Management		-	-	175	-	-	175
94	Operation Technology		30	80	80	130	130	450
95	<b>Total Corporate Services</b>	262	623	750	559	636	475	3,043
96	<b>Power Resources</b>							
97	Allocation - Power Resources		870	940	560	500	585	3,455
98	Replace AHU 1-4		473	-	-	-	-	473
99	A-Wing Renovation		-	360	-	-	-	360
100	Allocation - Facilities		30	30	30	30	30	150
101	Allocation - Fleet		737	688	621	677	751	3,474
102	<b>Total Power Resources</b>	-	2,109	2,018	1,211	1,207	1,366	7,912
103	<b>General Management</b>							
104	Project Contingency Fund		700	700	700	700	700	3,500
105	<b>Total General Management</b>		700	700	700	700	700	3,500
106	<b>Total External Expenditures</b>	20,317	23,132	17,431	14,371	15,739	22,224	92,897
107	<b>Total Internal Expenditures</b>		7,785	5,653	7,505	8,060	8,940	37,943
108	<b>Less Bonding</b>		-	-	-	-	-	-
109	<b>Net Capital Plan</b>	20,317	30,917	23,084	21,876	23,799	31,164	130,840

Attachment: Board Packet Etc (12316 : Preliminary 2021 Water and Electric Utility Budgets)

## FOR BOARD ACTION

Agenda Item # (ID # 12318)

Meeting Date: 8/25/2020

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**SUBJECT: Electric Utility Undergrounding Policy**

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**PREPARED BY: Sidney Jackson**

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ITEM DESCRIPTION:

Attached for the Board's review and comment is a final draft of the Electric Utility Undergrounding Policy. This policy was drafted by staff based on the input and review of the Board's Operations and Administration Committee with additional input from Board Member Michael Wojcik, who originally requested creation of the policy based on resident concerns.

The policy sets guidelines for growing underground electric infrastructure within RPU's distribution system and associated vegetation management, the objective being to continue and enhance the movement of the electric utility toward 100 percent underground infrastructure. If the Board is in agreement, this policy will be brought back for final approval in September.

UTILITY BOARD ACTION REQUESTED:

Informational only.

## Rochester Public Utilities Board Policy Statement

**Policy Subject:** Electric Utility Undergrounding Policy

**Policy Objective:**

The decision to underground existing or newly constructed electrical facilities within the RPU service territory can be impacted by numerous key inputs such as cost allocation, rate base, public policy, etc. This policy will provide guidance considerations and is intended to be utilized in conjunction with existing RPU Electric Service Rules and Procedures.

Advantages of undergrounding include increased reliability during high winds and storms, lower storm damage and restoration costs, fewer structures impacting sidewalks and roadways, fewer motor vehicle accidents, reduced live-wire contact, improved aesthetics, lower tree-trimming costs, and increased tree coverage. Mature boulevard street trees have a positive effect in reducing heating & cooling energy costs, promoting outdoor activity and active transportation (i.e. biking, walking), improving air quality, reducing stormwater runoff, and mitigating climate change.

The majority of the existing RPU electric distribution system is currently underground. Those electrical facilities under the 100 Kv voltage classification constitute the distribution system. The Board's policy objective is to continue and enhance the movement of the Electric Utility toward 100% underground infrastructure. This shall be done over time in a technically prudent, practical, measured, and sustainable manner that respects, considers, and mitigates impacts to retail rates, while addressing cost allocation and other public policy considerations.

**Policy Statement:**

1. Technical policies are routinely accepted by the RPU Board as a regular course of normal business, and they provide detailed guidance as to Electric Utility construction and interconnection.

The RPU Electric Service Rules and Procedures document details requirements related to undergrounding, and provides guidance to external parties such as contractors, developers, and other interconnecting parties. These detailed procedures include the following sections:

- a) Special Services
- b) Overhead and Secondary Services
- c) Underground Services – New Residential Developments
- d) Underground Services – Residential Undergrounding in Overhead Areas

2. RPU will coordinate with other public entities, especially where public roadways and associated rights-of-way are being realigned, repurposed, or reconstructed. These projects often provide a viable opportunity to underground existing infrastructure in the most cost-effective manner.

RPU recognizes that a change from overhead to underground electric service may require additional modifications to an affected customer's private service. Where a customer chooses to retain their overhead service, RPU will convert as much associated electrical infrastructure to underground while accommodating the customer's request. This may require retaining one or more existing utility poles in an area that has otherwise been converted to underground service.

3. RPU shall consider public policy undergrounding initiatives and requests. Under most scenarios, the requesting third party is responsible for 100% of direct and indirect undergrounding cost. When undergrounding is requested via public policy initiatives, RPU will analyze the situation to consider a fiscal contribution based upon deferred or avoided costs, or other opportunity benefits associated with the undergrounding, as compared to long-term continuation of overhead infrastructure.
4. RPU will routinely examine opportunities to leverage undergrounding as a catalyst to improve occupational safety, and/or improve reliability, when other options are generally ineffective or are not cost-effective in comparison. This examination will be held in concurrence with routine tree trimming evaluations. RPU will give priority to undergrounding existing infrastructure where pole replacement and associated tree trimming is not a long-term economic advantage. RPU will prioritize undergrounding for overhead lines along any street or corridor designated as "Transit Oriented" or "Primary Transit" by the City of Rochester, as defined in Chapter 62 ordinance, Transit-Oriented Development.
5. To the extent possible, RPU will conduct undergrounding activities in a manner that preserves existing tree cover.
6. RPU will proactively work with joint-pole-attachers, such as communication companies, to vacate abandoned or converted-to-underground lines, in efforts to encourage undergrounding by those attachers. RPU will eliminate utility poles upon the completion of any undergrounding activity except when contractually prohibited. RPU will not enter new agreements to allow private utilities to purchase poles in the case of utility vacation. RPU will remove the option of private utility purchase from future pole attachment agreements. RPU will not maintain tree-trimming activities in an area where it has buried its utilities. The planting of trees and tree-trimming in areas where RPU has buried utilities will be governed by City of Rochester policy (which may allow planting of full-size street trees and prohibit vegetative pruning to occur in public right of ways).

7. When a decision is made to underground facilities, notice to impacted residents and property owners will be made as soon as practicable.
  
8. RPU will communicate with the Rochester Community Development Department to request that approval for redevelopment in a location served by overhead distribution lines is made contingent on either the undergrounding of lines at the time of redevelopment or entering a public facilities agreement whereby the property owner is obligated to pay the proportional cost of burying the lines at a future time as designated by RPU.

## FOR BOARD ACTION

Agenda Item # (ID # 12323)

Meeting Date: 8/25/2020

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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		