

## MEETING AGENDA – AUGUST 31, 2021

COMMUNITY ROOM  
4000 EAST RIVER ROAD NE  
ROCHESTER, MN 55906

4:00 PM

**VIEWING AND ATTENDING THE PUBLIC UTILITY BOARD MEETING*****View Meeting: Teams, Livestreaming***

- The meeting can be livestreamed or viewed after the meeting on Teams via this link: [Teams](#)
- A video of the meeting will be available on the City website to view following the meeting

***Calling In to the Teams Meeting:***

- Call: 1-347-352-4853
- Conference ID: 102 738 21#
- Press \*6 to mute and unmute your phone

***Individuals may attend the meeting in person at the RPU Service Center, Community Room. Masks are required. Space is limited.***

**Call to Order**

1. **Approval of Agenda**
2. **Safety Moment**
3. **Consent Agenda**

1. Public Utility Board - Regular Meeting - Jul 27, 2021 4:00 PM
2. Review of Accounts Payable

**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.)*

4. **Consideration Of Bids**

1. Site Construction & Control Building - Marion Road Substation  
Resolution: Site Construction & Control Building - Marion Road Substation
2. Structural Steel Supports Marion Road Substation  
Resolution: Structural Steel Supports

5. **Regular Agenda**

1. Preliminary 2022 Water and Electric Utility Budgets  
Resolution: 2022 Proposed Rate Changes Public Notice
- 6. Board Liaison Reports**
  1. RPU Index of Board Policies
- 7. General Managers Report**
- 8. Division Reports & Metrics**
  1. Division Reports & Metrics - August 2021
- 9. Other Business**
- 10. Adjourn**

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



## MEETING MINUTES – JULY 27, 2021

COMMUNITY ROOM  
4000 EAST RIVER ROAD NE  
ROCHESTER, MN 55906

4:00 PM

### VIEWING AND ATTENDING THE PUBLIC UTILITY BOARD MEETING

#### ***View Meeting: YouTube, Teams, Livestreaming***

- The meeting can be livestreamed or viewed after the meeting on YouTube via this link: YouTube
- Join the Teams meeting (livestream) by copying this link into a web browser: YouTube and Teams
- A video of the meeting will be available on the City website to view following the meeting

#### ***Calling In to the Teams Meeting:***

- Call: 1-347-352-4853
- Conference ID: 102 738 21#
- Press \*6 to mute and unmute your phone

**Individuals may attend the meeting in person at the RPU Service Center, Community Room**

#### **Call to Order**

Attendee Name	Title	Status	Arrived
Brett Gorden	Board Vice President	Present	
Patrick Keane	Board Member	Present	
Tim Haskin	Board Member	Present	
Melissa Graner Johnson	Board President	Present	
Brian Morgan	Board Member	Present	

### 1. Approval of Agenda

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

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS]</b>
<b>MOVER:</b>	Brian Morgan, Board Member
<b>SECONDER:</b>	Patrick Keane, Board Member
<b>AYES:</b>	Gorden, Keane, Haskin, Johnson, Morgan

### 2. Safety Moment

Vice President Gorden spoke regarding taking care of physical and mental well-being for those who may still be working remotely.

### 3. Consent Agenda

Minutes Acceptance: Minutes of Jul 27, 2021 4:00 PM (Consent Agenda)

1. Public Utility Board - Regular Meeting - Jun 29, 2021 4:00 PM
2. Review of Accounts Payable
3. Watermain & Sanitary Service Reconstruction (22nd Street NW)  
Resolution: Watermain & Sanitary Service Reconstruction (22nd Street NW)
4. USIC Locating Agreement  
Resolution: USIC Locating Agreement
5. **Motion to:** approve the consent agenda as presented  
  
*BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to accept the bid from SL Contracting, Inc. in an amount not to exceed \$360,470 for Watermain and Sanitary Service Reconstruction at 22nd Street NW and authorize the RPU Project Manager to perform the acts to execute the project.*  
  
*Passed by the Public Utility Board of the City of Rochester, Minnesota, this 27th day of July, 2021.*  
  
*BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to approve a resolution to authorize the Mayor and City Clerk to execute the five-year agreement with USIC Locating Services, LLC, subject to the annual approval of the RPU budget for these services.*  
  
*Passed by the Public Utility Board of the City of Rochester, Minnesota, this 27th day of July, 2021.*

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS]</b>
<b>MOVER:</b>	Patrick Keane, Board Member
<b>SECONDER:</b>	Brett Gorden, Board Vice President
<b>AYES:</b>	Gorden, Keane, Haskin, Johnson, Morgan

## NEW BUSINESS

### Open Comment Period

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

President Johnson opened the meeting for public comment. No one came forward to speak.

### 4. Regular Agenda

1. Westinghouse Gas Turbine Overhaul  
  
*Director of Power Resources Jeremy Sutton and Manager of Power Resources Tony Dzubay brought a request to the board to accept a proposal for repair work to RPU's oldest gas turbine, GT1, which dates back to 1974, located at the Cascade Creek Substation. The Westinghouse turbine was scheduled for a major overhaul in 2022, but due to lead times for sourcing of parts and the labor involved, staff recommends that Ethos Energy, the Westinghouse original equipment manufacturer, begin site audits and evaluation of the work to be performed now.*  
  
*The project is expected to take eight months, with work slated to begin in October 2021 and completed by May 31, 2022. The total proposed cost from Ethos Energy from start to finish is estimated between \$2.5 to \$4.7 million.*



*This includes disassembly and site mobility at \$595,000, evaluation of repairs at \$220,000, repairs and replacements at \$3.5 million, and reassembly of the unit at \$455,000. Staff is also requesting a contingency fund of \$85,000. Stretching the project out over many months will save costs, said Mr. Dzubay. Following the first phase of disassembly and evaluation, staff will determine to "go" or "no-go" on the project based on the scope of work and cost, Mr. Dzubay stated.*

*Mr. Sutton stated that GT1 is one of RPU's least dispatched turbines, and if it runs it's usually during an emergency when other units aren't available. Although at one time RPU had considered retiring the unit, the GT1 turbine was determined to provide revenue to RPU from a 10-year capacity sale approved last year for \$10.92 million, and it has proved to be a reliable unit for the utility, said Mr. Sutton. Also, as part of a Generation Interconnect Agreement with MISO (Midcontinent Independent System Operator), GT1 is a valuable asset to RPU as a future technology resource. The last major repairs to the unit occurred in 1991-92, said Mr. Dzubay, although maintenance has been performed in the last 15 years to all parts of the unit except for the turbine. During inspection additional unknown damage could be found and RPU could choose to not move forward with repairs following inspection of the unit, said Mr. Dzubay.*

*Board Member Patrick Keane asked if RPU knows the book value of GT1 as an asset. It is fully depreciated, but RPU estimates the replacement cost value at \$40-50 million, said Mr. Sutton. Mr. Keane asked what the target date for project completion is. June 1, 2022 starts the capacity year for MISO, said Mr. Sutton, so in order to receive the full value on the contract for capacity, RPU will need the turbine back and running before June 1st. President Johnson asked when the capacity sale contract starts. The 10-year capacity sale begins in June 2022 and goes through 2032, said Mr. Sutton. How would a "no-go" scenario impact the contract, asked President Johnson. If the turbine is not repaired, staff would need to purchase capacity from another supplier or install another physical asset, said Mr. Sutton. Where would the funds for the project come from if it is approved, asked Mr. Keane. Project funds will come from RPU's general fund, said Corporate Services Director Peter Hogan. In order to meet capacity for the sale, does Cascade Creek need to continue to generate at the current level from 2022 to 2032, or will it need to do more, asked Board Member Tim Haskin. There is no energy tied to the sale, only capacity, said Mr. Sutton, so as long as the unit is available, RPU will meet the terms of the agreement. For further clarification, in a "no-go" situation, asked Mr. Haskin, will RPU be able to fulfill the capacity needs of the contract? RPU has sufficient capacity to cover the contract for several years, then would have options to purchase a different unit for the site or purchase capacity, or a mixture of the two, said Mr. Sutton. It would take two years before a unit could be placed there, he said. From lessons learned, staff now knows how valuable the generation interconnects are, Mr. Sutton stated, and intends to hold onto them.*

*Board Member Brian Morgan stated he has trepidation over spending nearly \$5 million on repairs to a turbine slated for retirement, but sees the value in holding onto the capacity and the savings for repairing the unit versus buying*

a new asset. He made a recommendation that staff prepare for contingency planning in case project costs get out of control.

Mr. Haskin asked about the timeline for the first phase - disassembly and evaluation of the unit. It will be about two months, said Mr. Dzubay, for the disassembly and the rotor to be shipped to Houston for testing, based on a 24/7 schedule. Mr. Dzubay confirmed to Mr. Haskin that it will be approximately fourth quarter when staff will decide on "go" or "no-go".

Since this work was originally planned for 2022 and not included in the 2021 approved budget, the project will require City Council approval. If approved by the RPU Board, this proposed project will appear on the consent agenda for the August 2, 2021 City Council meeting.

Resolution: Westinghouse Gas Turbine Overhaul

*BE IT RESOLVED* by the Public Utility Board of the City of Rochester, Minnesota, to approve Phase One of the Westinghouse Gas Turbine Overhaul Project in the amount, not-to-exceed, \$900,000. Approval includes submission of project approval to City Council, acceptance of the proposal from Ethos Energy, subject to negotiated terms, and authorizing the RPU Project Manager to perform the acts to execute Phase One.

*Passed by the Public Utility Board of the City of Rochester, Minnesota, this 27th day of July, 2021.*

<b>RESULT:</b>	<b>ADOPTED [UNANIMOUS]</b>
<b>MOVER:</b>	Brian Morgan, Board Member
<b>SECONDER:</b>	Patrick Keane, Board Member
<b>AYES:</b>	Gorden, Keane, Haskin, Johnson, Morgan

## 5. Informational

### 1. 2020 Water Engineering, Operations and Environmental Update

Staff presented the 2020 Water Engineering, Operations and Environmental Update to the board. Senior Civil Engineer Luke Payne said RPU has a total of 31 wells in its system that pump from a total of five aquifers and run from 400 to 1,000 feet deep. The total annual pumpage within the system was 4.4 billion gallons of water in 2020 and the peak day demand occurred on July 8, 2020 with 22 million gallons pumped. Rochester has 20 water storage facilities holding 16.95 million gallons of water. The system serves a population of 120,000 and RPU has 41,000 water customers. In 2020, water crews performed the following work: added 258 new water meters, replaced over 8,220 lineal feet of old water main, completed a total rehab of protective coatings to the Northern Heights High Level standpipe #85, and completed 4,304 hydrant operations and 5,737 valve operations.

Environmental and Regulatory Affairs Coordinator Todd Osweiler said RPU tests water from its distribution system and its municipal wells annually. The distribution system is tested in an on-site lab for fluoride, bacteria, e-coli and total chlorine, as well as miscellaneous testing requested by customers. In 2020, 3,189 fluoride tests were performed and 1,232 tests for bacteria, e-coli and chlorine levels were performed. The municipal wells are tested through the Minnesota Department of Health (MDH) for presence of nitrates,

*radiological substances, radon, inorganic compounds, volatile organic compounds, synthetic organic compounds, unregulated contaminants and pharmaceuticals. Typically no detects are found, said Mr. Osweiler.*

*RPU's Water Conservation Program consists of water rebates for customers, education and community outreach, leak detection evaluations and water conservation rates. In 2020, RPU processed 1,664 water rebates totaling \$41,155 back to customers. This resulted in 7.3 million gallons saved. RPU provides water conservation tips and information in its water quality report (made available annually to customers), in the Plugged In newsletter, and at school presentations. Crews performed leak detection evaluations on 88% of the distribution system in 2020, detecting 13 leaks. RPU reported a 4.8% rate of unaccounted water loss to the DNR in 2020, well below the department's goal of less than 10% per year. RPU offers lower rates to customers who use less water, and customers who use more will pay slightly more through an incremental increasing block rate, said Mr. Osweiler.*

*RPU's Wellhead Protection Plan protects the areas around each of its wells from potential contaminants to the public water supply and determines the risks in each area. In 2020, RPU submitted a 10-year plan to the MDH identifying its wellhead protection area with assigned vulnerability assessments, an inventory of potential contaminants and objectives and goals for implementation which was approved in May 2020. Implementation will be ongoing through 2030.*

*RPU is currently conducting a water sustainability project at Well #16, said Mr. Osweiler, where an unused municipal well is being converted into a monitoring well nest that will monitor four separate aquifers and provide data and samples to assess potential future water sources for Rochester. RPU is partnering with Olmsted County on the project and received a \$165,000 grant from the Minnesota Board of Water and Soil Resources. The project is the first of its kind in the state of Minnesota.*

*Mr. Osweiler reported that the Minnesota DNR issued a state-wide drought warning for the first time since 2012. Currently, southeastern Minnesota is not part of the warning, however RPU is prepared with a Water Supply Plan should this area become affected.*

*Board Member Patrick Keane stated that the conservation goals seem to be working since 2010 and asked if the goals are consistent state-wide. Pumpage amounts depend on the area and weather, said Mr. Osweiler, but RPU does a good job of keeping customers informed about water conservation.*

## **6. Board Liaison Reports**

No board committees have met since last month's meeting. General Manager Mark Kotschevar will reach out the board's Policy Committee to determine which board policies should next be revised

## **7. General Managers Report**

General Manager Mark Kotschevar asked the board to consider a change to its Service Assured program for water service. Most RPU water customers do not realize they own the pipe that runs from the house to the street, and when a break occurs in that pipe, it is their responsibility

to hire a contractor and pay for the repairs. The Service Assured program, at \$1.99 per month, covers the cost of the repair similar to an insurance policy for the customer. Currently, 30% of RPU residential water customers are enrolled in the program, and 70% are not, meaning they are financially responsible for any repairs. Since a broken service may cost \$5,000-\$7,000 to fix, and many customers are unaware of the program, staff is proposing that instead of an opt-in program, it become an opt-out program. That means RPU would provide the service by enrolling all customers at a charge of \$1.99 and giving them the choice to opt-out. The cities of Owatonna and Austin have a similar opt-out programs for their customers, said Mr. Kotschevar, which has worked well. The program also covers the cost of any leaks or defects to the meter shut-off valve, which can cost \$400 to repair, said Mr. Kotschevar, making the \$23.76 annual program cost well worth it. RPU would provide the education and opportunity for customers to opt-out of the program. Mr. Kotschevar asked the board to think about this program change prior to the upcoming budget and rates discussions. Implementation would require time for changes to the customer care and billing system, so it would likely not become effective until 2022.

Board Member Patrick Keane asked if the program would be part of the water utility or be a separate insurance program. Mr. Kotschevar said it will be part of the water utility. RPU would monitor expenses over time and adjust the monthly customer fee to equate to cost of service, said Mr. Kotschevar. President Johnson stated she supports the program as long as it is clearly communicated to the customer through multiple channels including clear instructions to opt-out on the bill. She asked if new customers are made aware of the program before service is hooked up. Manager of Marketing and Energy Services Patty Hanson said customer service reps tell new customers about Service Assured and give them the option to sign up. President Johnson asked if this could also be considered for electric customers. Electric services are different because some are owned by RPU and some are owned by the homeowner, said Mr. Kotschevar. Specifically, electric service installed after 1981 is owned by the homeowner and before 1981 is owned by RPU. Additionally, electric services are much cheaper to fix. The board will re-visit this topic next month.

Mr. Kotschevar gave kudos to Director of Core Services Scott Nickels, the IT team and Tech Services team on completion of the SCADA system upgrade which came in on schedule and under budget. The system is up and running and passed a 1,000-hour test.

With pandemic restrictions lifted, Mr. Kotschevar accepted an invitation to speak on RPU's Resource Plan at the Rochester Area Chamber of Commerce Government Relations Committee on July 13. Mr. Kotschevar also presented to Consul General Wolfgang Mossinger of Germany on July 19 about RPU's 100% renewable energy plan. In attendance were City staff and Senator Dave Senjem.

RPU's executive team will finalize the 2022 budget the first week of August, and the board's Finance Committee will meet August 24 for a budget review. The preliminary budget will be presented to the full board for review at the August 31, 2021 RPU Board meeting. RPU staff will then present the preliminary budget with board input at a Rochester City Council study session in September. In October, the final budget will return to the RPU Board for approval, and will then go to the City Council for final approval in December.

Director of Customer Relations Krista Boston provided an update on RPU's return to normal service operations and customer disconnects for non-payment which will resume on August 2. Director of Corporate Relations Peter Hogan presented some accounts receivable statistics, showing that past due balances have increased for both residential and



commercial customers since the beginning of the pandemic. Comparing records from February 29, 2020 to June 30, 2021, the average past due balance for residential customers has increased by \$242 (from \$153 to \$394) and by \$1,567 for commercial customers (from \$986 to \$2,553). Additionally, RPU's total past due of \$3 million represents an increase of over \$1 million past due for residential customers, and of \$636,000 for commercial customers. RPU customer care reps have been busy making outreach calls to past due customers informing them of the August 2 deadline and encouraging them to make payment arrangements. Customer postcards regarding the August 2 deadline were sent out, an article was published in Plugged In, and word got out via social media and local news outlets. Customer payment arrangements have already been made for about one-third of the past due balances, said Mr. Hogan. RPU will not perform disconnects on customers who have established a payment arrangement or who have applied for energy assistance and show proof. When disconnects kick off on August 2, RPU will disconnect 40-50 electric customers and 8-10 water customers per day. Ms. Boston stated water assistance is also available through a new federal water program being introduced, LIWAP, low-income water assistance program. Currently anyone on energy assistance with a water bill delinquency will not be disconnected for water, she said. Legislative changes have occurred to the Cold Weather Rule requiring RPU to notify Three Rivers Energy Assistance and the Minnesota Department of Commerce if a customer is disconnected during the cold weather months, which will then prompt outreach workers to connect customers with assistance.

President Johnson suggested that the board's Communications Committee review its Involuntary Disconnection policy in light of these changes. Board Member Tim Haskin asked for the breakdown of the total amount of bad debt by commercial customers and residential customers, noting that a disconnection can be just as devastating to a commercial customer. Residential customer debt is roughly \$1.9 million and commercial customer debt amounts to \$1 million, said Mr. Hogan. There are some customers who have not paid their bill in three years, said Ms. Boston, making it very difficult for them to catch up. Regarding the ratio of daily electric and water disconnects, Board Member Patrick Keane asked if some customers pay their water bill but not their electric or vice versa. Ms. Boston stated that energy assistance is available for electric customers, but not for water customers, and also electric customers who have applied for assistance will not have their water shut off, which has created the imbalance. Will disconnections start with the longest overdue customers, asked Patrick Keane? Balances over \$500 will be the first customers considered for disconnection, said Mr. Hogan. About 1,600 customers will initially be impacted, said Ms. Boston.

Mr. Kotschevar asked board members to update their addresses and phone numbers for the City website, as well as their Ethics Disclosure forms.

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

Board Member Brian Morgan stated, in looking at the RPU OSHA incidents and recordable cases, he is happy to see that injuries are not occurring and agreed to report on the Safety Moment next month.

## **9. Other Business**

## **10. Adjourn**

---

Regular Meeting

Tuesday, July 27, 2021

4:00 PM

---

*The agenda and board packet for Utility Board meetings are available on-line at [www.rpu.org](http://www.rpu.org) and <http://rochestercitymn.ig2.com/Citizens/Default.aspx>*

Submitted by:

\_\_\_\_\_  
Secretary

Approved by the Board

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

\_\_\_\_\_  
Date

Minutes Acceptance: Minutes of Jul 27, 2021 4:00 PM (Consent Agenda)

## FOR BOARD ACTION

Agenda Item # (ID # 13781)

Meeting Date: 8/31/2021

---

**SUBJECT: Review of Accounts Payable**

---

**PREPARED BY: Colleen Keuten**

---

ITEM DESCRIPTION:

UTILITY BOARD ACTION REQUESTED:

**ROCHESTER PUBLIC UTILITIES**  
**A/P Board Listing By Dollar Range**  
For 07/13/2021 To 08/12/2021  
**Consolidated & Summarized Below 1,000**

**Greater than 50,000 :**

SOUTHERN MN MUNICIPAL POWER A	July SMMPA Bill	8,571,918.94
CONSTELLATION NEWENERGY-GAS D	July Gas-Westside Energy	308,523.48
CONSTELLATION NEWENERGY-GAS D	July Gas-Cascade Creek	275,707.02
CONSTELLATION NEWENERGY-GAS D	June Gas for SLP	255,880.93
CONSTELLATION NEWENERGY-GAS D	June Gas for Westside Energy	254,803.35
CONSTELLATION NEWENERGY-GAS D	June Gas for Cascade Creek	251,965.65
THE ENERGY AUTHORITY INC	July TEA Transmission Service	212,391.00
NEW AGE TREE SERVICE INC	813 Tree Clearance	160,150.05
STUART C IRBY CO INC	8957FT-Wire, CU, 15kV, 500 MCM CMPT, FLT	129,527.18
PETROTECH INC	SLP CC Controls Upgrade	125,638.10
KFI ENGINEERS	Marion Rd Duct Bank Design	109,953.90
ELCOR CONSTRUCTION INC	Watermain Reconstruction 20th St NW	106,218.30
PEOPLES ENERGY COOPERATIVE (P	Scenic Oaks West Annexation	105,165.25
STUART C IRBY CO INC	26989FT-Wire, AL, 15kV, 750 Str, 1/C, 22	183,829.01
CITY OF ROCHESTER	Water Main Break Repairs by RPW	86,569.12
CARL BOLANDER & SONS LLC	Marion Rd Sub Grading, Excavation, Fence	76,142.00
STUART C IRBY CO INC	28350FT-Wire, AL, 15kV, 1/0 Solid, 1/C,	65,488.50
STUART C IRBY CO INC	8000FT-Conduit, HDPE, 5.00, Empty, SDR 1	55,200.00
PAYMENTUS CORPORATION	June Credit/Debit/ACH Processing Fees	50,049.08
<b>Price Range Total:</b>		<b>11,385,120.86</b>

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

WERNER ELECTRIC SUPPLY	5320FT-Conduit, PVC Sch 40, 5.00, 20' le	48,844.30
AVI SYSTEMS, INC.	System Operations Video Wall System	48,677.60
ASPLUNDH TREE EXPERT LLC (P)	Hourly Tree Trimming	46,138.67
USIC HOLDINGS INC	June & July 2021 Locating Services	45,094.87
CENTRAL MINNESOTA MUNICIPAL P	July Capacity	44,000.00
EPLUS TECHNOLOGY INC	IP System Equipment for Substations	42,854.73
MAYO CLINIC	CIP-Lighting (C&I)-Incentives/Rebates	40,905.99
RESCO	6000FT-Conduit, HDPE, 5.00, Empty, SDR 1	31,560.00
BORDER STATES ELECTRIC SUPPLY	24EA-Arrester, 106kV, Station, W/ Ring,	30,758.88
MASTEC NORTH AMERICA INC	2021 Joint Trench Directional Boring	30,414.20
TRAUT COMPANIES	Construction of Well #42	29,107.75
EPLUS TECHNOLOGY INC	12EA-Transceiver	28,722.36
CIVIC CENTER HOTEL JV LLC	CIP-Lighting (C&I)-Incentives/Rebates	28,078.00
MINNESOTA ENERGY RESOURCES CO	July Gas-Westside Energy	27,935.84
FIRST BROADWAY ROCHESTER LLC	CIP-Lighting (C&I)-Incentives/Rebates	27,469.00
XYLO TECHNOLOGIES INC	May & June 2021 IT Helpdesk Support	27,456.00
DOXIM UTILITEC LLC	July Bill Print/Mail Services/Postage	27,354.42
MINNESOTA ENERGY RESOURCES CO	June Gas for Westside Energy	26,072.81
TRIPWIRE INC	36-Enterprise Licenses & Support	25,602.69
CRESCENT ELECTRIC SUPPLY CO	8000FT-Wire, AL, 600V, 350-4/0 NEU YS Tr	25,480.00
ULTEIG ENGINEERS INC	Marion Rd Sub Proposal (3001,7001,8601)	24,815.00
A & A ELECT & UNDERGROUND CON	2017-2022 Directional Boring	24,468.15
PEOPLES ENERGY COOPERATIVE (P	July Territory Compensation	23,589.08

Attachment: AP Board CrMo 08 2021 (13781 : Review of Accounts Payable)



**ROCHESTER PUBLIC UTILITIES**  
**A/P Board Listing By Dollar Range**  
For 07/13/2021 To 08/12/2021  
**Consolidated & Summarized Below 1,000**

50	BURNS & MCDONNELL INC (P)	Demand Response Study	23,393.70
51	SOLID WASTE OLMSTED COUNTY	June Electricity Purchased by RPU	23,066.53
52	ATTANE INC	September/October RPU Plugged In Contract	22,783.38
53	WELLS FARGO BANK ACCT ANALYSI	June & July 2021 Banking Services	21,229.36
54	US BANK - VOYAGER	July Fuel Purchases	20,228.24
55	VIKING ELECTRIC SUPPLY INC	5000FT-Conduit, HDPE, 4.00, Empty, SDR 1	18,650.00
56	PEOPLES ENERGY COOPERATIVE (P	June Territory Compensation	18,389.24
57	DOYLE CONNER CO INC (P)	Watermain Break Repair	18,130.00
58	MOODYS INVESTORS SERVICE INC	Annual Bond Rating Agency Fee	17,000.00
59	S L CONTRACTING INC	Water Main Break Repair-Excavator	16,756.00
60	NEW LINE MECHANICAL INC	Replace Heat Pumps	16,437.38
61	FORBROOK LANDSCAPING SERVICES	Service Center Island Landscaping	15,046.41
62	MN MUNICIPAL UTILITIES ASSN C	MMUA Legal & Legislative Contribution	15,000.00
63	CUSTOM COMMUNICATIONS INC	Fire Alarm System Upgrade	14,695.31
64	VISION COMPANIES LLC (P)	Employee Development	14,512.50
65	OSMOSE UTILITIES SERVICES INC	2020-24 Pole Testing & Treatment	13,706.94
66	GATEWAY PRODUCTS GROUP	62EA-Spark plug	13,140.90
67	AMERICAN FENCE COMPANY	Fence Project Around Dry Cooler	12,758.74
68	A B M EQUIPMENT (P)	Fiberglass Service Body for V699	12,654.00
69	CENTURYLINK (P)	21 Monthly Telecommunications	12,438.60
70	CLARK CONCRETE INC	Intersection Paving	12,206.00
71	GATEWAY PRODUCTS GROUP	56EA-Spark plug	11,869.20
72	RESCO	12000FT-Conduit, HDPE, 2.00, Empty	11,280.00
73	KANTOLA CONSULTING	Cayenta, Time of Use & SEW Project Meetings	11,250.00
74	PARAGON DEVELOPMENT SYSTEMS I	June & July 2021 IT Help Desk Consultant	10,960.00
75	EPLUS TECHNOLOGY INC	Substation Network Pilot Project	10,726.00
76	STUART C IRBY CO INC	10EA-Metal Sec. Encl, 3ph, 30" x 67" x 2	9,600.00
77	MAYOWOOD COMMONS LLC	Customer Deposit Refunds 7231	9,503.13
78	WARTSILA NORTH AMERICA	Freight Costs for Wartsilla Order	9,363.71
79	BURNS & MCDONNELL INC (P)	Resource Plan 2021	9,233.80
80	CORE & MAIN LP (P)	4EA-WB67 Hydrant Bonnet	8,819.52
81	McGRANN SHEA CARNIVAL STRAUGH	Q2 Retainer	8,500.00
82	ADVANTAGE DIST LLC (P)	5312GAL-Urea 32, WES	8,499.20
83	ELEVATE MARKETING SOLUTIONS L	June & July 2021 Advertising	8,350.00
84	INSPEC INC.	2017-22 Water Pavement Assessment Insp	8,000.00
85	ULTEIG ENGINEERS INC	21 Engineering T&D	7,884.50
86	WARTSILA NORTH AMERICA	1EA-Manifold, Main Gas, A Bank, WS NGS	7,693.44
87	WARTSILA NORTH AMERICA	1EA-Manifold, Main Gas, B Bank, WS NGS	7,693.44
88	ARCHKEY TECHNOLOGIES dba	Cable Relocation (TC6)	7,605.23
89	TWIN CITY SECURITY INC	2021 Security Services	7,531.48
90	ULTEIG ENGINEERS INC	Substation Arc Flash Study	7,250.00
91	CONSOLIDATED COMMUNICATIONS d	July & August Network and Co-location Services	7,157.78
92	EXPRESS SERVICES INC	2021 Seasonal staff facilities	7,023.80
93	FORBROOK LANDSCAPING SERVICES	Landscaping CSC-North of Gated Entrance	7,005.00
94	INNOVYZE INC	InfoWater Floating Renewal-7/10/21-7/9/2	6,940.46
95	NESCO LLC	Hauler Track 5500 and Trailer Rental-1 Month	6,796.74
96	GLOBAL RENTAL COMPANY INC	Truck Rental-Altec AT41M Aerial Device	6,412.50
97	HAWKINS INC	65EA-Chlorine Gas	6,150.46
98	SAHIBA HOSPITALITY GROUP LLC	Customer Deposit Refund 7364	6,142.34
99	QUADIENT INC	Postage	6,000.00

Attachment: AP Board CrMo 08 2021 (13781 : Review of Accounts Payable)

**ROCHESTER PUBLIC UTILITIES**  
**A/P Board Listing By Dollar Range**  
For 07/13/2021 To 08/12/2021  
**Consolidated & Summarized Below 1,000**

100	STUART C IRBY CO INC	1EA-Trans, PM, 3ph, 75kVA, 13.8/8, 480	5,987.00
101	CULVER COMPANY INC	1YR-Public Safety Website for Contractor	5,878.13
102	DUNCAN COMPANY INC	2EA-Meter, JS11-09S6020-3D/4A-0-0	5,864.00
103	ROCHESTER HOTEL PARTNERS LLC	CIP-Custom (C&I)-Incentives/Rebates	5,736.31
104	HAWKINS INC	15032.15LB-Hydrofluosilicic Acid	5,712.22
105	HAWKINS INC	596GAL-Carus 8500 Aqua Mag Phosphate	5,513.00
106	VERIZON WIRELESS	2021 Cell & Ipad Monthly Service	5,486.54
107	IDEXX DISTRIBUTION CORP	4CAS-Chem, Colilert, 100ml	5,357.28
108	ADVANTAGE DIST LLC (P)	55GAL-Oil, Syn., Mobil Jet 254, (55 Gal	5,236.82
109	VIKING ELECTRIC SUPPLY INC	7500FT-Conduit, HDPE, 1.50, Empty, Orang	5,025.00
110			
111		<b>Price Range Total:</b>	1,404,661.60
112			

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

113			
114			
115	ADVANTAGE DIST LLC (P)	55GAL-Oil, Syn., Mobil Jet 254, (55 Gal	4,899.95
116	MINNESOTA ENERGY RESOURCES CO	July Gas-SLP	4,704.48
117	KATS EXCAVATING LLC	SA Service Break Repair	4,500.00
118	MINNESOTA ENERGY RESOURCES CO	July Gas-Cascade Creek	4,480.86
119	BARR ENGINEERING COMPANY (P)	Groundwater Consulting Services	4,255.00
120	PAAPE ENERGY SERVICE INC	Continuum System Service Agreement	4,237.59
121	MINNESOTA ENERGY RESOURCES CO	June Gas for Cascade Creek	4,210.30
122	MINNESOTA ENERGY RESOURCES CO	June Gas for SLP	4,207.47
123	OPEN ACCESS TECHNOLOGY	2021 NERC Web Compliance Software	4,137.52
124	MAVERICK DRONE SYSTEMS	2EA-Drone w/Controller	4,098.00
125	ELCOR CONSTRUCTION INC	Watermain Reconstruction	3,940.00
126	BORDER STATES ELECTRIC SUPPLY	83EA-Meter, FM2S CL200 240V AMR	3,887.11
127	HSI WORKPLACE COMPLIANCE SOLU	Vivid SCORM Courses	3,740.63
128	NATIONWIDE DI WATER SOLUTIONS	12EA-DI Vessels, Mixed Bed, CC	3,600.00
129	SPECTRUM PRO-AUDIO dba	Comm Rm Speakers,Ntwk Dock Stat,Battery,	3,558.94
130	WESCO DISTRIBUTION INC	48EA-Cutout, 15KV, 100A, NLB, Poly	3,359.04
131	POWER SYSTEMS ENGINEERING INC	System Study and Transient Analysis	3,352.00
132	STUART C IRBY CO INC	24EA-Junction, LB, 200A, 4 Pos, w/Strap	3,313.20
133	EPLUS TECHNOLOGY INC	CISCO FPR1120 THREAT DEFENSE	3,260.76
134	ZIEGLER INC	DG1 Inspection	3,220.96
135	QUANTITATIVE MARKET INTELLIGE	2021 Qtly Customer Satisfaction Survey	3,206.25
136	BARON USA LLC	Oil De-Gasification Rental	3,200.00
137	IHEART MEDIA dba	June Advertising Ads	3,174.00
138	STONE BY STONE PLUS LLC	100KVA Transformer Pad/3 Bollards	3,000.00
139	DAKOTA SUPPLY GROUP	220GAL-Cable Pulling Lube	2,990.04
140	BADGER METER INC (P)	5EA-Meter, Bare 2" Badger Disc	2,965.09
141	KNXR - FM	June Solar Ads	2,900.00
142	ROSEMOUNT INC	1EA-Pressure transmitter	2,799.79
143	SCHAEFFER ACADEMY	CIP-Lighting (C&I)-Incentives/Rebates	2,793.00
144	BORDER STATES ELECTRIC SUPPLY	100EA-Elbow, 15kV, 200A, LB, 1/0 Sol,175-	2,772.00
145	GDS ASSOCIATES INC	MISO Attch O Consulting Service	2,750.63
146	SHI INTERNATIONAL CORP (P)	2021-22 Nessus renewal	2,737.30
147	ONLINE INFORMATION SERVICES I	July 2021 Utility Exchange Report	2,663.12
148	HATHAWAY TREE SERVICE INC	Brush Dumps	2,600.00
149	KNXR - FM	July Radio Ads	2,600.00

Attachment: AP Board CrMo 08 2021 (13781 : Review of Accounts Payable)

**ROCHESTER PUBLIC UTILITIES**  
**A/P Board Listing By Dollar Range**  
For 07/13/2021 To 08/12/2021  
**Consolidated & Summarized Below 1,000**

150	GPM INC	1EA-Pump/Motor, Evaporator Cooler, GT-2	2,542.00
151	SCHMIDT GOODMAN OFFICE PRODUC	Office Furniture	2,524.58
152	MIDCONTINENT ISO INC	July MISO Fees	2,520.39
153	HSI WORKPLACE COMPLIANCE SOLU	3/8/21-3/7/22 Training Software	2,436.75
154	HARRIS ROCHESTER INC (HIMEC)	VFD Installation - WES	2,395.00
155	CRESCENT ELECTRIC SUPPLY CO	48EA-Anchor Bolt, 1.00" x 40.00", Street	2,388.02
156	CITY OF ROCHESTER	Safety System	2,377.11
157	SHOREWOOD SENIOR LIVING	CIP-Lighting (C&I)-Incentives/Rebates	2,349.18
158	BARR ENGINEERING COMPANY (P)	Water Quality Database Project	2,346.50
159	WERNER ELECTRIC SUPPLY	3150FT-Wire, Copper, #6 SD Solid, Bare	2,335.22
160	STUART C IRBY CO INC	32EA-Pedestal, Dome Cover, Box Style	2,320.00
161	MINNESOTA PUMP WORKS dba	1EA-Pump, Chemical, 39.6 GPD 150PSI Fluo	2,287.00
162	PW POWER SYSTEMS INC	1EA-G2, GG8 Brg Drain, Ball Bearing, 0.7	2,273.18
163	MERIT CONTRACTING INC (P)	1YR-SLP Roof Asset Program 20-22	2,248.00
164	WESCO DISTRIBUTION INC	1EA-SL Pole, 20' Decorative Residential	2,209.11
165	GFL SOLID WASTE MIDWEST LLC	2021 Waste removal SC	2,176.79
166	STUART C IRBY CO INC	32EA-Pedestal, Base, Secondary, w/o Cove	2,160.00
167	ARCHKEY TECHNOLOGIES dba	DC to Switch Room Connections	2,104.19
168	MN SUPPLY COMPANY INC (P)	Handle Assembly	2,082.51
169	IDEAL SERVICE COMPANY INC	Annual Preventative Maintenance	2,067.08
170	DEGROTE BRUCE	CIP-Geothermal (R)-Incentives/Rebates	2,060.00
171	GOPHER SEPTIC SERVICE INC	Water Main Break	2,060.00
172	STEVENS-ROYER LUKE	CIP-AirSrc Heat Pumps-Incentives/Rebates	2,045.00
173	MAYO EMPLOYEES FEDERAL CREDIT	CIP-VSDs-Incintivs/Rebates	2,003.11
174	ENVIRONMENTAL INITIATIVE	RPU Annual Membership for Environmental	2,000.00
175	SKB ENVIRONMENTAL	Contaminated Soil	1,971.06
176	MERIT CONTRACTING INC (P)	1YR-SLP Off Site Roof Asset Program 20-2	1,947.00
177	WESCO DISTRIBUTION INC	12EA-Arrester, 10kV, Dist, Parking Stan	1,942.80
178	BORDER STATES ELECTRIC SUPPLY	3ROL-Rubber Cover Up	1,916.95
179	EPLUS TECHNOLOGY INC	Phone Update for PCI Compliance	1,908.00
180	ZIEGLER INC	DG2 Inspection	1,877.74
181	EPLUS TECHNOLOGY INC	IP system Equipment for Substations	1,837.67
182	PALMER SODERBERG INC	CIP-Heat Pumps (C&I)-Incentives/Rebates	1,776.00
183	BARR ENGINEERING COMPANY (P)	General Groundwater Consulting	1,769.50
184	GENERAL REPAIR SERVICE	1EA-Pump, Chemical, w/adaptor kit	1,702.00
185	VIKING ELECTRIC SUPPLY INC	100EA-Meter Hub Close Off Plate	1,674.73
186	TORRES-MORA JORGE	CIP-AirSrc Heat Pumps-Incentives/Rebates	1,655.00
187	HANK'S SPECIALTIES	CIP-Lighting (C&I)-Incentives/Rebates	1,635.55
188	ELITE CARD PAYMENT CENTER	Refrigerator	1,625.53
189	VERIZON CONNECT NWF INC	2021 Monthly Charge - GPS Fleet Tracking	1,586.62
190	ELITE CARD PAYMENT CENTER	2-Di-Icer & Float Kit	1,563.40
191	ROCHESTER DEVELOPMENT INC	CIP-HVAC Tune-up Progrm-Incintivs/Rebates	1,560.00
192	ADVANTAGE DIST LLC (P)	15GAL-Oil, WES, Instr. Air Comp. Rarus 4	1,551.60
193	CDW GOVERNMENT INC	1EA-Console, KVM, 17"	1,534.88
194	BADGER METER INC (P)	24EA-Badger M35HRE CFReg Wired Itron	1,493.28
195	MERIT CONTRACTING INC (P)	1YR-Substation Roof Asset Program 20-22	1,483.00
196	PARAGON DEVELOPMENT SYSTEMS I	21 Technical Support Services	1,462.50
197	CITY OF ROCHESTER	Cost Share-USGS 37th Ave Gauging Station	1,459.12
198	STUART C IRBY CO INC	20EA-Arrester, 10kV, Dist, Elbow MOV	1,435.00
199	ROCHESTER CHEVROLET CADILLAC	Sensor Light-Cat. Converter Defective Mt	1,433.40

Attachment: AP Board CrMo 08 2021 (13781 : Review of Accounts Payable)

**ROCHESTER PUBLIC UTILITIES**  
**A/P Board Listing By Dollar Range**  
For 07/13/2021 To 08/12/2021  
**Consolidated & Summarized Below 1,000**

200	RESCO	200EA-Fuselink, 50A, KS	1,422.00
201	ELITE CARD PAYMENT CENTER	Registration-MWirkus-Electrical Safety	1,420.00
202	RESCO	4EA-Tran, Pad Extension Vertical, 1500A	1,412.72
203	WARNING LITES OF MN INC (P)	Warning Lites Rental	1,383.55
204	WERNER ELECTRIC SUPPLY	250FT-Wire, Copper, 4/0 Str, Bare, 19 St	1,381.12
205	U S A SAFETY SUPPLY	4EA-Lanyard, ARC Rated Shock Absorbing,	1,365.22
206	WIESER PRECAST STEPS INC (P)	1EA-Grd Sleeve, Switch Basement, PME	1,355.00
207	LIFELINE INCORPORATED	1EA-AED, Zoll	1,350.00
208	ELITE CARD PAYMENT CENTER	Standard Calibrations-6	1,339.16
209	HAWKINS INC	2EA-Auto Switchover Module 771, 100ppd m	1,333.20
210	LOCATORS AND SUPPLIES	1EA-Locator & Receiver, Fault, A-Frame	1,333.00
211	CRESCENT ELECTRIC SUPPLY CO	1EA-Ammeter, Digital	1,313.19
212	WESCO DISTRIBUTION INC	36EA-U-Guard, 2.0" Steel Boot	1,302.12
213	CUSTOMER REFUND	Customer refunds 7168	1,293.86
214	ROCHESTER PROPERTY OWNER, LLC	CIP-Heat Pumps (C&I)-Incentives/Rebates	1,282.00
215	MAILE ENTERPRISES INC	60EA-Flag, Hydrant-2.5in. Loop	1,258.80
216	STUART C IRBY CO INC	20EA-Anchor Rod Extension, 1.50" Sq. x	1,250.00
217	ARCHKEY TECHNOLOGIES dba	Installed Bracket for 65" Monitor	1,211.10
218	U S A SAFETY SUPPLY	48PR-Gloves, Leather, Lite Duty, Large & XL	2,372.62
219	ATLAS COPCO COMPRESSORS LLC	1EA-Valve, Blow Down LD200, WES	1,185.36
220	REBATES	CIP-AirSrc Heat Pumps-Incentives/Rebates	1,170.00
221	EPLUS TECHNOLOGY INC	2021 Network maintenance services	1,166.00
222	CUSTOMER REFUND	Customer refunds 7182	1,124.25
223	CDW GOVERNMENT INC	1EA-TV, LED, 75"	1,116.00
224	REBATES	CIP-AirSrc Heat Pumps-Incentives/Rebates	1,106.00
225	ELITE CARD PAYMENT CENTER	Electromagnetic Drill Press for WES	1,080.17
226	OPEN ACCESS TECHNOLOGY	August NERC Compliance Tag Agent	1,078.57
227	STUART C IRBY CO INC	72EA-Conn, Ped, 350, 6-Tap, Deadfront, C	1,069.20
228	CORE & MAIN LP (P)	1EA-Valve, Gate, MJ, 8.0	1,043.00
229	CITY OF ROCHESTER	Medical Services	1,026.39
230	CLARK CONCRETE INC	City Sidewalk Panels	1,023.00
231	VIKING ELECTRIC SUPPLY INC	Locknuts,Bushings,Conduit Nipples	1,019.02
232	ALLIED VALVE INC	1EA-Transmitter, Pressure, Rosemount 305	1,019.00
233	BORDER STATES ELECTRIC SUPPLY	50EA-Guy,Steel Deadend, .375", EHS, Long	1,011.50
234			
235		<b>Price Range Total:</b>	262,844.20
236			
237	<b><u>0 to 1,000 :</u></b>		
238			
239	REBATES	Summarized transactions: 144	36,962.74
240	ELITE CARD PAYMENT CENTER	Summarized transactions: 63	17,340.87
241	BORDER STATES ELECTRIC SUPPLY	Summarized transactions: 34	10,518.27
242	Customer Refunds (CIS)	Summarized transactions: 97	10,164.06
243	STUART C IRBY CO INC	Summarized transactions: 36	7,833.28
244	CORE & MAIN LP (P)	Summarized transactions: 22	7,353.36
245	EXPRESS SERVICES INC	Summarized transactions: 8	6,861.28
246	WESCO DISTRIBUTION INC	Summarized transactions: 19	5,509.11
247	RESCO	Summarized transactions: 17	5,037.11
248	CRETEX SPECIALTY PRODUCTS INC	Summarized transactions: 15	4,504.86
249	WERNER ELECTRIC SUPPLY	Summarized transactions: 25	4,496.73

Attachment: AP Board CrMo 08 2021 (13781 : Review of Accounts Payable)

**ROCHESTER PUBLIC UTILITIES**  
**A/P Board Listing By Dollar Range**  
For 07/13/2021 To 08/12/2021  
**Consolidated & Summarized Below 1,000**

250	LAWSON PRODUCTS INC (P)	Summarized transactions: 20	4,247.61
251	NETWORK SERVICES COMPANY	Summarized transactions: 20	3,872.09
252	U S A SAFETY SUPPLY	Summarized transactions: 35	3,708.25
253	GRAINGER INC	Summarized transactions: 21	3,377.27
254	CRESCENT ELECTRIC SUPPLY CO	Summarized transactions: 43	3,263.54
255	GARCIA GRAPHICS INC	Summarized transactions: 25	3,175.00
256	VIKING ELECTRIC SUPPLY INC	Summarized transactions: 16	2,721.89
257	FIRST CLASS PLUMBING & HEATIN	Summarized transactions: 9	2,668.95
258	MAVERICK DRONE SYSTEMS	Summarized transactions: 8	1,814.86
259	NEXT DOOR	Summarized transactions: 2	1,780.54
260	CDW GOVERNMENT INC	Summarized transactions: 10	1,766.90
261	ROCHESTER CHEVROLET CADILLAC	Summarized transactions: 12	1,667.85
262	MASON TED	Summarized transactions: 7	1,664.56
263	ADVANCE AUTO PARTS	Summarized transactions: 39	1,522.16
264	MODEM EXPRESS INC	Summarized transactions: 4	1,440.00
265	AMAZON.COM	Summarized transactions: 20	1,439.62
266	ULTEIG ENGINEERS INC	Summarized transactions: 2	1,366.00
267	MORGAN BRIAN	Summarized transactions: 3	1,340.01
268	SCHUMACHER ELEVATOR COMPANY	Summarized transactions: 2	1,330.95
269	MSC INDUSTRIAL SUPPLY CO INC	Summarized transactions: 15	1,326.61
270	ARCHKEY TECHNOLOGIES dba	Summarized transactions: 4	1,309.70
271	CITY OF ROCHESTER	Summarized transactions: 7	1,299.35
272	SUPERIOR COMPANIES OF MINNESO	Summarized transactions: 2	1,242.57
273	AIRGAS SAFETY INC	Summarized transactions: 2	1,218.38
274	HAWKINS INC	Summarized transactions: 6	1,196.28
275	THOMAS TOOL & SUPPLY INC	Summarized transactions: 8	1,184.53
276	MINNESOTA ENERGY RESOURCES CO	Summarized transactions: 7	1,177.70
277	ULINE	Summarized transactions: 6	1,164.10
278	ELITE CARD PAYMENT CENTER	Summarized transactions: 2	1,120.00
279	DAKOTA SUPPLY GROUP	Summarized transactions: 22	1,079.67
280	AMARIL UNIFORM COMPANY	Summarized transactions: 9	1,052.42
281	INNOVATIVE OFFICE SOLUTIONS L	Summarized transactions: 10	987.38
282	WARTSILA NORTH AMERICA	Summarized transactions: 4	982.54
283	MERIT CONTRACTING INC (P)	Summarized transactions: 1	978.00
284	ROCHESTER ARMORED CAR CO INC	Summarized transactions: 1	967.82
285	PAAPE ENERGY SERVICE INC	Summarized transactions: 2	965.39
286	USA BLUE BOOK DBA	Summarized transactions: 4	944.61
287	J J KELLER & ASSOCIATES INC	Summarized transactions: 2	938.53
288	ERC WIPING PRODUCTS INC	Summarized transactions: 3	929.66
289	CENTURYLINK (P)	Summarized transactions: 4	921.95
290	WABASHA IMPLEMENT	Summarized transactions: 2	919.29
291	WINKELS ELECTRIC INC	Summarized transactions: 4	901.13
292	MCMASTER CARR SUPPLY COMPANY	Summarized transactions: 35	899.50
293	ON SITE SANITATION INC	Summarized transactions: 2	875.43
294	BENSON ANTHONY	Summarized transactions: 2	872.70
295	WIRKUS MIKE	Summarized transactions: 4	870.51
296	FASTENAL COMPANY	Summarized transactions: 28	863.04
297	CITY LAUNDERING COMPANY	Summarized transactions: 5	821.56
298	HAWKINS INC	Summarized transactions: 5	820.95
299	KANTOLA CONSULTING	Summarized transactions: 1	810.00

Attachment: AP Board CrMo 08 2021 (13781 : Review of Accounts Payable)



**ROCHESTER PUBLIC UTILITIES**  
**A/P Board Listing By Dollar Range**  
For 07/13/2021 To 08/12/2021  
**Consolidated & Summarized Below 1,000**

300	RDO EQUIPMENT COMPANY (P)	Summarized transactions: 3	808.97
301	A T & T	Summarized transactions: 1	805.24
302	ATTANE INC	Summarized transactions: 1	796.75
303	ROSEMOUNT INC	Summarized transactions: 4	783.67
304	BARR ENGINEERING COMPANY (P)	Summarized transactions: 2	772.50
305	NEW AGE TREE SERVICE INC	Summarized transactions: 1	771.00
306	LANGUAGE LINE SERVICES INC	Summarized transactions: 2	754.50
307	THE ENERGY AUTHORITY INC	Summarized transactions: 1	753.80
308	WSB & ASSOCIATES	Summarized transactions: 1	740.00
309	POWER SYSTEMS ENGINEERING INC	Summarized transactions: 1	731.00
310	GFL SOLID WASTE MIDWEST LLC	Summarized transactions: 2	713.23
311	ROCHESTER SWEEPING SERVICE LL	Summarized transactions: 1	700.00
312	JOHNSON PRINTING CO INC	Summarized transactions: 3	698.42
313	LOCATORS AND SUPPLIES	Summarized transactions: 11	693.51
314	ROOT RIVER HARDWOODS INC	Summarized transactions: 1	670.38
315	DAKOTA SUPPLY GROUP	Summarized transactions: 1	664.82
316	AMER PUBLIC POWER ASSN	Summarized transactions: 1	635.00
317	BADGER METER INC (P)	Summarized transactions: 5	629.15
318	APPLIED AIR SYSTEMS INC	Summarized transactions: 2	589.36
319	TAILGATER INC	Summarized transactions: 2	585.94
320	JOHN HENRY FOSTER MN INC (P)	Summarized transactions: 2	574.86
321	NORTHERN / BLUETARP FINANCIAL	Summarized transactions: 11	563.07
322	ZEE MEDICAL SERVICE INC (P)	Summarized transactions: 4	560.09
323	REINHAUSEN MANUFACTURING INC	Summarized transactions: 2	558.58
324	REINDERS INC	Summarized transactions: 5	539.93
325	BOB THE BUG MAN LLC	Summarized transactions: 2	538.66
326	SOLAR CONNECTION INC	Summarized transactions: 2	537.50
327	GREAT RIVER ENERGY	Summarized transactions: 1	529.46
328	HOGAN PETER	Summarized transactions: 1	524.96
329	NUVERA	Summarized transactions: 1	501.45
330	NORTH CENTRAL INTERNATIONAL L	Summarized transactions: 4	490.65
331	PEOPLES ENERGY COOPERATIVE	Summarized transactions: 3	489.86
332	GRAYBAR ELECTRIC COMPANY INC	Summarized transactions: 2	481.90
333	CORPORATE WEB SERVICES INC	Summarized transactions: 1	478.50
334	ACCURATE CALIBRATION SERVICES	Summarized transactions: 1	467.00
335	SPECTRUM PRO-AUDIO dba	Summarized transactions: 1	450.00
336	BOSTON KRISTA	Summarized transactions: 3	434.00
337	PEOPLES ENERGY COOPERATIVE	Summarized transactions: 2	388.40
338	EPLUS TECHNOLOGY INC	Summarized transactions: 4	385.09
339	MENARDS ROCHESTER NORTH	Summarized transactions: 7	382.62
340	FEDEX FREIGHT INC	Summarized transactions: 1	379.27
341	SEEME PRODUCTIONS LLC	Summarized transactions: 1	375.00
342	ALTERNATIVE TECHNOLOGIES INC	Summarized transactions: 1	375.00
343	SWAGELOK MN INC (P)	Summarized transactions: 4	360.24
344	ADVANTAGE DIST LLC (P)	Summarized transactions: 1	351.51
345	GRAINGER INC	Summarized transactions: 5	344.28
346	SUTTON JEREMY	Summarized transactions: 3	340.15
347	QUALITROL CORPORATION LLC (P)	Summarized transactions: 2	333.33
348	FASTSIGNS	Summarized transactions: 2	331.13
349	TOKAY SOFTWARE dba	Summarized transactions: 1	327.00

Attachment: AP Board CrMo 08 2021 (13781 : Review of Accounts Payable)

**ROCHESTER PUBLIC UTILITIES**  
**A/P Board Listing By Dollar Range**  
For 07/13/2021 To 08/12/2021  
**Consolidated & Summarized Below 1,000**

350	WARNING LITES OF MN INC (P)	Summarized transactions: 1	322.60
351	CURVATURE INC	Summarized transactions: 6	317.91
352	MCNEILUS STEEL INC	Summarized transactions: 1	309.24
353	THOMPSON GARAGE DOOR CO INC	Summarized transactions: 2	298.50
354	GPM INC	Summarized transactions: 3	297.23
355	SEMA EQUIPMENT INC	Summarized transactions: 4	294.22
356	VIKING ELECTRIC SUPPLY INC	Summarized transactions: 1	289.92
357	LOCATORS AND SUPPLIES	Summarized transactions: 2	289.35
358	SHERWIN WILLIAMS CO	Summarized transactions: 1	283.44
359	STRUVES PAINT & DECORATING (P	Summarized transactions: 1	280.15
360	CLAREY'S SAFETY EQUIPMENT dba	Summarized transactions: 1	277.50
361	SHERWIN WILLIAMS CO	Summarized transactions: 4	276.16
362	AMERICAN ENGINEERING TESTING	Summarized transactions: 1	275.00
363	MCMASTER CARR SUPPLY COMPANY	Summarized transactions: 6	268.02
364	MENARDS ROCHESTER NORTH	Summarized transactions: 6	265.01
365	DAVE SYVERSON TRUCK CENTER IN	Summarized transactions: 2	261.50
366	VANCO SERVICES LLC	Summarized transactions: 1	257.64
367	ESSENTA COMPONENTS dba	Summarized transactions: 2	250.32
368	GILLUND ENTERPRISES	Summarized transactions: 2	240.02
369	HARRIS ROCHESTER INC (HIMEC)	Summarized transactions: 1	231.50
370	MN VALLEY TESTING LABS INC	Summarized transactions: 1	220.00
371	J HARLEN CO INC	Summarized transactions: 3	213.27
372	GOODIN COMPANY	Summarized transactions: 2	210.11
373	MAILE ENTERPRISES INC	Summarized transactions: 1	208.79
374	MILESTONE MATERIALS	Summarized transactions: 1	198.20
375	PW POWER SYSTEMS INC	Summarized transactions: 12	196.27
376	FRONTIER	Summarized transactions: 1	191.01
377	1SOURCE	Summarized transactions: 3	185.93
378	FEDEX SHIPPING	Summarized transactions: 11	175.81
379	VIRTEVA LLC	Summarized transactions: 1	175.00
380	A B M EQUIPMENT (P)	Summarized transactions: 3	171.64
381	SOLID WASTE OLMSTED COUNTY	Summarized transactions: 1	169.60
382	NATIONWIDE DI WATER SOLUTIONS	Summarized transactions: 2	165.00
383	VERIZON WIRELESS	Summarized transactions: 1	161.70
384	MENARDS ROCHESTER SOUTH	Summarized transactions: 4	154.21
385	STAR ENERGY SERVICES LLC	Summarized transactions: 1	143.00
386	PROPERTY RECORDS OLMSTED COUN	Summarized transactions: 3	142.00
387	CITY LAUNDERING COMPANY	Summarized transactions: 1	139.28
388	WATER SYSTEMS COMPANY	Summarized transactions: 2	129.30
389	T E C INDUSTRIAL INC	Summarized transactions: 1	127.50
390	CHARTER COMMUNICATIONS	Summarized transactions: 1	125.12
391	BATTERIES PLUS	Summarized transactions: 4	119.87
392	CREDIT MANAGEMENT LP	Summarized transactions: 1	116.38
393	LIFELINE INCORPORATED	Summarized transactions: 2	113.92
394	U S PLASTIC CORP	Summarized transactions: 3	112.64
395	LEAGUE OF MN CITIES INS TRUST	Summarized transactions: 1	112.07
396	RONCO ENGINEERING SALES INC	Summarized transactions: 2	111.95
397	ALS LABORATORY GROUP TRIBOLOG	Summarized transactions: 1	107.50
398	REBATES	Summarized transactions: 3	100.00
399	ZIEGLER INC	Summarized transactions: 2	90.92

Attachment: AP Board CrMo 08 2021 (13781 : Review of Accounts Payable)

**ROCHESTER PUBLIC UTILITIES**  
**A/P Board Listing By Dollar Range**  
For 07/13/2021 To 08/12/2021  
**Consolidated & Summarized Below 1,000**

400	OVERHEAD DOOR CO OF OLMSTED C	Summarized transactions: 1	88.92
401	SLEEPY EYE TELEPHONE CO	Summarized transactions: 1	84.76
402	WARREN WILL	Summarized transactions: 1	77.00
403	GLOBAL RENTAL COMPANY INC	Summarized transactions: 2	75.00
404	HY VEE	Summarized transactions: 2	74.94
405	SCHEEL LAWRENCE	Summarized transactions: 1	74.33
406	NEWARK	Summarized transactions: 5	72.46
407	BERKLEYS INCORPORATED	Summarized transactions: 1	66.10
408	MISSISSIPPI WELDERS SUPPLY CO	Summarized transactions: 1	62.00
409	LACEY JAMES V	Summarized transactions: 1	60.00
410	DRUGG JESSICA	Summarized transactions: 1	56.35
411	A T & T MOBILITY	Summarized transactions: 2	53.39
412	GENERAL REPAIR SERVICE	Summarized transactions: 1	51.83
413	DUNCAN COMPANY INC	Summarized transactions: 1	51.72
414	U S BANK	Summarized transactions: 1	45.62
415	FERGUSON ENTERPRISES INC #165	Summarized transactions: 1	45.21
416	CITY OF ROCHESTER	Summarized transactions: 2	40.00
417	MINNESOTA PUMP WORKS dba	Summarized transactions: 1	39.00
418	BOWMANS DOOR SOLUTIONS	Summarized transactions: 1	35.27
419	CENTRAL FINANCE OLMSTED COUNT	Summarized transactions: 1	33.74
420	MN DEPT OF HEALTH	Summarized transactions: 1	32.00
421	FEDEX SHIPPING	Summarized transactions: 3	26.59
422	CENTER FOR ENERGY AND ENVIRON	Summarized transactions: 1	25.65
423	BROCK WHITE COMPANY LLC (P)	Summarized transactions: 1	25.49
424	MINNESOTA ENERGY RESOURCES CO	Summarized transactions: 1	25.25
425	MN SUPPLY COMPANY INC (P)	Summarized transactions: 1	24.36
426	MENARDS ROCHESTER SOUTH	Summarized transactions: 2	23.64
427	ALLIED VALVE INC	Summarized transactions: 1	22.70
428	BUCHOLZ MICHAEL	Summarized transactions: 1	19.00
429	ATLAS COPCO COMPRESSORS LLC	Summarized transactions: 1	16.62
430	T E C INDUSTRIAL INC	Summarized transactions: 1	16.28
431	NAPA AUTO PARTS dba	Summarized transactions: 2	15.40
432	TOWNE MELANI	Summarized transactions: 1	14.05
433	WARNING LITES OF MN INC (P)	Summarized transactions: 1	6.47
434	ARROW ACE HARDWARE (P)	Summarized transactions: 1	3.58
435			
436		<b>Price Range Total:</b>	231,739.69
437			
438			
439		<b>Grand Total:</b>	13,284,366.35

Attachment: AP Board CrMo 08 2021 (13781 : Review of Accounts Payable)



## FOR BOARD ACTION

Agenda Item # (ID # 13708)

Meeting Date: 8/31/2021

---

**SUBJECT: Site Construction & Control Building - Marion Road Substation**

---

**PREPARED BY: Mona Hoeft**

---

ITEM DESCRIPTION:

Staff is recommending rejection of all bids received on July 14, 2021 for the site construction and control building for the Marion Road Substation. This portion of the project was estimated to cost around \$1,000,000 and the one bid received was twice this amount. There was also concern over the availability and pricing of materials that would have impacted the schedule. These concerns factored into management's decision to put the project on a 6 month pause. Staff plans to re-bid the project later this year or early 2022 in hopes that availability and pricing of materials will level off.

UTILITY BOARD ACTION REQUESTED:

Approve resolution rejecting the Site Construction and Control Building Bids for the Marion Road Substation.

## RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to reject the bids received on July 14, 2021 for site construction and control building.

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 31st day of August, 2021.

---

President

---

Secretary

## FOR BOARD ACTION

Agenda Item # (ID # 13678)

Meeting Date: 8/31/2021

---

**SUBJECT: Structural Steel Supports - Marion Road Substation**

---

**PREPARED BY: Mona Hoeft**

---

ITEM DESCRIPTION:

Staff is recommending the rejection of all bids received on July 8, 2021 for the purchase of steel structures and anchor bolts for the Marion Road Substation. Only one bid was received, 8% higher than expected. These structures relied on the construction portion of the project to be complete prior to delivery, and given that portion of the project was also paused, staff determined little value would be gained moving forward at this time. These will be re-bid later this year or early 2022, also hopeful that the volatility of the steel market will level off.

UTILITY BOARD ACTION REQUESTED:

Approve a resolution rejecting the Structural Steel Support bids for the Marion Road Substation.

## RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to reject the bids received on July 8, 2021 for structural steel supports.

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 31st day of August, 2021.

---

President

---

Secretary

## FOR BOARD ACTION

Agenda Item # (ID # 13776)

Meeting Date: 8/31/2021

---

**SUBJECT: Preliminary 2022 Water and Electric Utility Budgets**

---

**PREPARED BY: Peter Hogan**

---

ITEM DESCRIPTION:

Attached is a copy of the preliminary 2022 Electric and Water Capital and Operating Budgets. A presentation of these budgets was given to the Board's Finance Committee on August 24, 2021.

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 was conducted in 2020, and presented at the September 29, 2020 RPU Board meeting. The Board will be asked for final approval of the operating budgets, capital projects for 2022, multi-year projects continuing beyond 2022 and proposed rate adjustments at the October 26, 2021 Board meeting. Following input at this meeting, management will forward the recommended budgets and rate adjustments to be updated in the full recommended City budget documents for the Council.

In the Water Utility, management is recommending a 2.5 percent overall rate adjustment for 2022. As part of the budget, management is also recommending that the Service Assured program (\$1.99/month), which provides insurance for the potential failure of water lines from the street to the house which the resident owns, be applied to all residential customers. Customers will be able to decline coverage.

Historically, the Water Utility has funded capital projects each year between \$2.5M and \$3.0M. Within the Water Utility, we have three major capital initiatives that are putting upward pressure on our rates. These are DMC-related projects which have ranged from \$600K to \$2.1M; a potential Automated Metering system (AMI) project which is currently estimated at \$10.9M, and Water Main Replacement, which we are working to increase to \$1M per year to address the aging water infrastructure.

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.

To date, the Water Utility has funded the financial impacts of the DMC projects.

Similarly, the current Water Utility budget is also modeling borrowing for the AMI project over 10 years, which increases debt service by \$1.5M per year. This would increase our metering cost by \$3 per customer per month, which would be added to the customer charge over time.

The main drivers for the Water budget are:

- Zero percent rate increase in 2020
- Growth in customers 1.0% and no appreciable growth in total consumption for

## FOR BOARD ACTION

**Agenda Item # (ID # 13776)**

**Meeting Date: 8/31/2021**

---

2022 due to conservation and the assumption of average weather and rainfall; 2022 average cooling degree days are 530; 679 cooling degree days are projected for 2022

- Water main replacements to address aging infrastructure
- City planned street reconstruction
- DMC development affecting water infrastructure
- Distribution system expansion
- Water conservation programs and education

In the Electric Utility, management is recommending a budget showing a 2.5% overall rate increase for 2022 to be allocated between customer classes based on the cost of service study.

The current Electric Utility budget shows a return to pre-pandemic levels, followed by slow growth in subsequent years. Reaching the targeted change in net assets (Net Income) in 2023, which is a return to the pre-pandemic forecast.

There are two major capital projects that impact our projections. The Marion Road Substation and related feeder systems have seen significant increases in the estimated cost of construction. This may result in a decision to delay this project during 2022. The projected use of cash reserves in 2022 is tied to this project. The second large project is the AML metering system. This project is projected at \$15.4M. The current budget is modeling borrowing to fund the AML project over 10 years, which increases debt service by \$2.3M per year. The customer impact would be \$3.30 per month, which would be added to the customer charge over time.

Cash reserves are above the minimum target in 2022 and are projected to grow modestly in 2023 - 2027. Our reserves will support our post-2030 infrastructure and funding plan. Management will be bringing forward a recommendation to select an overall direction for a post-2030 infrastructure plan during the next year. The two plans currently under consideration anticipated a significant capital investment, which is expected to impact our 2027 and beyond projections.

The Debt Coverage Ratio is just below target of 3.0 times in 2022, however this ratio is projected to be above the target in 2023 through 2026. This is an important metric when considering future borrowing needs.

Electric Utility significant business drivers for 2022 are:

- 2030 Energy Resource Plan
- No rate increase in 2020 or 2021
- Internally funded capital project requests for 2022 were cut by \$1.350M, major maintenance requests by \$248K, and cost centers by \$210K to enable management's recommendation for a 2.5 percent overall rate adjustment

## FOR BOARD ACTION

**Agenda Item # (ID # 13776)**

**Meeting Date: 8/31/2021**

- 
- The Marion Road substation and feeder system is a major project with a planned expenditure of reserves in 2022
  - Management has included a total of \$15.4M in the Electric Utility as a place holder for an Automated Metering system (AMI) in 2023 through 2026; the budget includes debt financing in 2023 over 10 years for this project
  - Continued investments in distribution system expansion and reliability, including the 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:

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

As discussed during the March 24, 2020 Board meeting, management will be recommending adjustment based on the 2020 cost of service study. This includes a reduction to 25kW in the demand threshold for small general service customers, adjusting the collection period for the power cost adjustment from twelve months to one month, and closing the Residential Dual Fuel rate, Residential High Efficiency rate, General Service High Efficiency rate and Medium General Service High Efficiency rate to additional customers.

Management will review the proposed rate design for Electric Utility customer classes and seek Board approval to give public notice of the proposed rate changes.

### UTILITY BOARD ACTION REQUESTED:

Request Board approval to give public notice of the proposed rate changes for the Water and Electric Utilities. Staff will be available to present and receive input on the proposed budgets.

Final budget approval is scheduled for the October 26, 2021 Board meeting followed by final Council approval.

# **ROCHESTER PUBLIC UTILITIES**

**2022**

## **ELECTRIC UTILITY**

### **OPERATING BUDGET**



**ROCHESTER PUBLIC UTILITIES  
ELECTRIC UTILITY  
2022 OPERATING BUDGET**

**INDEX**

<b><u>Title</u></b>	<b><u>Pages</u></b>
Basic Assumptions	1
Forecast by Year 2021 through 2026	2
Condensed Income Statement	3
Revenue Sources & Expense Categories	4
Operating Expenditures Graph	5
Production & Sales Statistics Forecast	6

**ROCHESTER PUBLIC UTILITIES  
ELECTRIC UTILITY  
2022 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: 3.5%  
(excluding headcount additions) (consists of COLA, merit and promotion increases)
- Anticipated Bonding \$18,000,000 in 2023 (AMI)
- Change in Full-time Equivalents: 1 incremental, 2 contract conversions
- SMMPA Wholesale Power Cost: 2.0% decrease
- SMMPA CROD Level: 216 MW
- Minimum Cash Reserve Requirement: Current policy amount \$52,102,400

**RETAIL REVENUES / SALES**

- Revenue Adjustment: 2.5% proposed
- Electric KWH Sales Forecast: 1.0 % Increase from 2021 Year End Projected Sales
- Total Electric Utility Customers: 1.6% Increase over Year End 2021 Projected Customers
- Forecast Assumes Normal Weather : 30 Yr Average Heating/Cooling Degree Days per Year

**WHOLESALE FUEL COSTS**

- Estimated Cost of Fuel 2022 \$3.61 / mcf
- Budgeted Cost of Fuel 2021 F2 \$4.77 / mcf

**OTHER ITEMS**

- In Lieu of Tax forecast increasing \$303,803 to a total of \$9,009,578.

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

	Historical Data		2021 F2					
	2019	2020		2022	2023	2024	2025	2026
in 000's								
	RPU Rate Increase	1.9%	0.0%	0.0%	2.5%	2.5%	2.5%	2.5%
1 <b>Revenue</b>								
2 Retail Electric	\$147,940	\$143,975	\$151,713	\$151,849	\$157,688	\$161,913	\$165,848	\$169,759
3 Wholesale Electric	\$2,503	\$1,939	\$3,880	\$3,310	\$3,856	\$3,856	\$3,856	\$3,856
4 Wholesale Steam	\$3,810	\$4,812	\$5,951	\$4,167	\$3,824	\$3,824	\$3,824	\$3,824
5 Transmission	\$5,580	\$11,152	\$6,148	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000
6 Other Services & Fees	\$5,061	\$7,315	\$3,543	\$5,212	\$5,257	\$5,305	\$5,353	\$5,402
7 <b>Total Revenue</b>	<b>\$164,893</b>	<b>\$169,193</b>	<b>\$171,236</b>	<b>\$170,538</b>	<b>\$176,625</b>	<b>\$180,898</b>	<b>\$184,881</b>	<b>\$188,841</b>
8 <b>Cost of Revenue</b>								
9 Power Supply	\$89,722	\$85,673	\$90,253	\$89,013	\$89,435	\$90,050	\$90,552	\$91,016
10 Generation Fuel	\$3,780	\$3,784	\$6,187	\$4,328	\$4,179	\$4,163	\$4,166	\$4,170
11 <b>Total Cost of Revenue</b>	<b>\$93,502</b>	<b>\$89,456</b>	<b>\$96,440</b>	<b>\$93,341</b>	<b>\$93,614</b>	<b>\$94,213</b>	<b>\$94,719</b>	<b>\$95,186</b>
12 <b>Gross Margin</b>								
13 Retail Electric	\$58,218	\$58,302	\$61,460	\$62,835	\$68,252	\$71,862	\$75,295	\$78,743
14 Wholesale	\$2,532	\$2,967	\$3,645	\$3,150	\$3,502	\$3,518	\$3,514	\$3,511
15 Transmission	\$5,580	\$11,152	\$6,148	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000
16 Other Services & Fees	\$5,061	\$7,315	\$3,543	\$5,212	\$5,257	\$5,305	\$5,353	\$5,402
17 <b>TOTAL GROSS MARGIN</b>	<b>\$71,391</b>	<b>\$79,737</b>	<b>\$74,795</b>	<b>\$77,197</b>	<b>\$83,011</b>	<b>\$86,685</b>	<b>\$90,163</b>	<b>\$93,655</b>
18 <b>Controllable Costs</b>								
19 Salaries & Benefits	\$24,151	\$24,042	\$24,660	\$28,023	\$29,495	\$30,790	\$31,857	\$33,314
20 Other Operating Expenses	\$9,149	\$8,859	\$10,379	\$10,951	\$11,042	\$11,070	\$11,327	\$11,532
21 Major Maintenance	\$2,881	\$3,112	\$4,606	\$7,549	\$6,489	\$4,414	\$4,445	\$4,151
22 Non-Bonded Capital Projects	\$11,902	\$12,441	\$17,722	\$32,477	\$22,983	\$10,415	\$11,226	\$17,920
23 <b>TOTAL CONTROLLABLE COSTS</b>	<b>\$48,083</b>	<b>\$48,453</b>	<b>\$57,366</b>	<b>\$79,000</b>	<b>\$70,010</b>	<b>\$56,689</b>	<b>\$58,854</b>	<b>\$66,917</b>
24 Depreciation & Amortization	\$14,005	\$14,959	\$15,353	\$15,176	\$15,367	\$15,450	\$16,098	\$16,336
25 Less Non Bonded Projects (capitalized)	(\$11,902)	(\$12,441)	(\$17,722)	(\$32,477)	(\$22,983)	(\$10,415)	(\$11,226)	(\$17,920)
26 Less Total Internal Costs (capitalized)	(\$4,968)	(\$3,696)	(\$6,406)	(\$5,423)	(\$6,389)	(\$6,146)	(\$5,850)	(\$6,745)
27 Interutility Allocation	(\$1,534)	(\$1,737)	(\$1,875)	(\$1,862)	(\$1,899)	(\$1,937)	(\$1,976)	(\$2,016)
28 <b>Total Operating Expenses</b>	<b>\$43,685</b>	<b>\$45,538</b>	<b>\$46,716</b>	<b>\$54,414</b>	<b>\$54,107</b>	<b>\$53,641</b>	<b>\$55,900</b>	<b>\$56,573</b>
29 <b>Net Operating Income (Loss)</b>	<b>\$27,706</b>	<b>\$34,199</b>	<b>\$28,079</b>	<b>\$22,782</b>	<b>\$28,904</b>	<b>\$33,044</b>	<b>\$34,263</b>	<b>\$37,083</b>
30 <b>Financing &amp; Other Non-Operating Items:</b>								
31 Bond & Interest Related Expenses	(\$6,473)	(\$6,421)	(\$5,677)	(\$5,494)	(\$5,325)	(\$6,017)	(\$5,748)	(\$5,459)
32 Interest Income	\$2,685	\$2,180	\$1,490	\$1,934	\$1,948	\$2,121	\$2,292	\$2,459
33 Misc Non-Operating Income (Expense)	(\$201)	(\$6)	(\$17)	(\$24)	(\$24)	(\$25)	(\$25)	(\$26)
34 <b>Total Financing &amp; Non-Operating Items</b>	<b>(\$3,989)</b>	<b>(\$4,248)</b>	<b>(\$4,204)</b>	<b>(\$3,584)</b>	<b>(\$3,401)</b>	<b>(\$3,921)</b>	<b>(\$3,481)</b>	<b>(\$3,026)</b>
35 <b>Income Before Transfers or Capital Contributions</b>	<b>\$23,717</b>	<b>\$29,951</b>	<b>\$23,876</b>	<b>\$19,199</b>	<b>\$25,503</b>	<b>\$29,122</b>	<b>\$30,782</b>	<b>\$34,057</b>
36 Transfers (In Lieu of Taxes)	(\$8,714)	(\$8,370)	(\$8,706)	(\$9,010)	(\$9,240)	(\$9,476)	(\$9,711)	(\$9,948)
37 Capital Contributions/Intercompany	\$736	\$2,363	\$6,566	\$14,204	\$11,843	\$366	\$377	\$3,138
38 <b>NET INCOME</b>	<b>\$15,739</b>	<b>\$23,944</b>	<b>\$21,735</b>	<b>\$24,393</b>	<b>\$28,107</b>	<b>\$20,013</b>	<b>\$21,448</b>	<b>\$27,248</b>
39 <b>NET INCOME (Excluding Capital Contributions)</b>			<b>\$15,170</b>	<b>\$10,189</b>	<b>\$16,263</b>	<b>\$19,647</b>	<b>\$21,071</b>	<b>\$24,109</b>
40 <b>TARGET NET INCOME</b>			<b>\$ 15,539</b>	<b>\$ 15,415</b>	<b>\$ 16,675</b>	<b>\$ 18,865</b>	<b>\$ 19,723</b>	<b>\$ 20,992</b>
41 <b>Excess (Deficit) from Target</b>			<b>\$ (369)</b>	<b>\$ (5,225)</b>	<b>\$ (412)</b>	<b>\$ 782</b>	<b>\$ 1,348</b>	<b>\$ 3,118</b>
42 <b>1/01 Cash Balance</b>	<b>\$ 88,728</b>	<b>\$ 90,413</b>	<b>\$ 98,117</b>	<b>\$ 93,713</b>	<b>\$ 100,043</b>	<b>\$ 109,218</b>	<b>\$ 119,401</b>	<b>\$ 127,739</b>
43 Change in Net Assets	23,944	21,735	24,393	28,107	20,013	21,448	27,248	
44 Depreciation & Amortization	14,959	15,353	15,176	15,367	15,450	16,098	16,336	
45 Capital Additions/Service Territory Comp	(16,138)	(24,128)	(37,900)	(32,356)	(22,283)	(22,105)	(26,315)	
46 Bond Principal Payments	(6,015)	(6,515)	(7,085)	(7,395)	(9,195)	(9,536)	(9,905)	
47 Bond Proceeds	-	0	-	18,000	0	0	(0)	
48 Net Change in Other Assets/Liabilities	(15,065)	1,259	1,012	(15,392)	5,189	4,278	972	
49 <b>Net Changes in Cash</b>	<b>1,685</b>	<b>7,704</b>	<b>(4,403)</b>	<b>6,330</b>	<b>9,174</b>	<b>10,183</b>	<b>8,337</b>	
50 <b>12/31 Cash Balance</b>	<b>\$ 90,413</b>	<b>\$ 98,117</b>	<b>\$ 93,713</b>	<b>\$ 100,043</b>	<b>\$ 109,218</b>	<b>\$ 119,401</b>	<b>\$ 127,739</b>	
51 <b>Minimum Cash Reserve</b>	<b>\$ 57,408</b>	<b>\$ 52,569</b>	<b>\$ 52,102</b>	<b>\$ 52,834</b>	<b>\$ 53,074</b>	<b>\$ 53,479</b>	<b>\$ 53,175</b>	
52 <b>Excess (Deficit) from Minimum Cash Reserve</b>	<b>\$ 33,005</b>	<b>\$ 45,548</b>	<b>\$ 41,611</b>	<b>\$ 47,209</b>	<b>\$ 56,144</b>	<b>\$ 65,922</b>	<b>\$ 74,564</b>	
53 <b>Debt Service Coverage Ratio</b>	<b>3.6</b>	<b>3.4</b>	<b>2.9</b>	<b>3.4</b>	<b>3.2</b>	<b>3.3</b>	<b>3.5</b>	

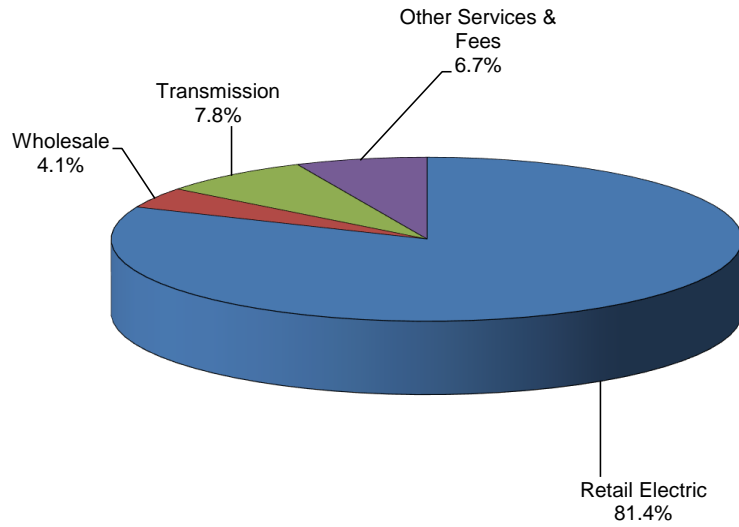
**ROCHESTER PUBLIC UTILITIES  
ELECTRIC UTILITY  
Management Reporting P&L**

	Historical Data		2021		2022		Variance	%
	2019	2020	Orig Bdgt	2021 F2	2022	Orig Bdgt	2022 to Orig Bdgt	
in 000's								
1 <b><u>Revenue</u></b>								
2 Retail Electric	\$147,940	\$143,975	\$144,960	\$151,713	\$151,849	\$149,421	\$2,428	1.6%
3 Wholesale Electric	\$2,503	\$1,939	\$2,753	\$3,880	\$3,310	\$2,932	\$378	12.9%
4 Wholesale Steam	\$3,810	\$4,812	\$5,422	\$5,951	\$4,167	\$6,213	(\$2,046)	-32.9%
5 Transmission	\$5,580	\$11,152	\$6,000	\$6,148	\$6,000	\$6,000	\$0	0.0%
6 Other Services & Fees	\$5,061	\$7,315	\$3,744	\$3,543	\$5,212	\$3,792	\$1,420	37.4%
7 <b>Total Revenue</b>	<b>\$164,893</b>	<b>\$169,193</b>	<b>\$162,879</b>	<b>\$171,236</b>	<b>\$170,538</b>	<b>\$168,358</b>	<b>\$2,180</b>	<b>1.3%</b>
8 <b><u>Cost of Revenue</u></b>								
9 Power Supply	\$89,722	\$85,673	\$88,818	\$90,253	\$89,013	\$88,857	\$156	0.2%
10 Generation Fuel	\$3,780	\$3,784	\$4,828	\$6,187	\$4,328	\$5,079	(\$751)	-14.8%
11 <b>Total Cost of Revenue</b>	<b>\$93,502</b>	<b>\$89,456</b>	<b>\$93,646</b>	<b>\$96,440</b>	<b>\$93,341</b>	<b>\$93,936</b>	<b>(\$595)</b>	<b>-0.6%</b>
12 <b><u>Gross Margin</u></b>								
13 Retail Electric	\$58,218	\$58,302	\$56,142	\$61,460	\$62,835	\$60,563	\$2,272	3.8%
14 Wholesale	\$2,532	\$2,967	\$3,347	\$3,645	\$3,150	\$4,066	(\$916)	-22.5%
15 Transmission	\$5,580	\$11,152	\$6,000	\$6,148	\$6,000	\$6,000	\$0	0.0%
16 Other Services & Fees	\$5,061	\$7,315	\$3,744	\$3,543	\$5,212	\$3,792	\$1,420	37.4%
17 <b>TOTAL GROSS MARGIN</b>	<b>\$71,391</b>	<b>\$79,737</b>	<b>\$69,233</b>	<b>\$74,795</b>	<b>\$77,197</b>	<b>\$74,422</b>	<b>\$2,775</b>	<b>3.5%</b>
18 <b><u>Controllable Costs</u></b>								
19 Salaries & Benefits	\$24,151	\$24,042	\$24,702	\$24,660	\$28,023	\$27,497	\$526	1.9%
20 Other Operating Expenses	\$9,149	\$8,859	\$10,270	\$10,379	\$10,951	\$10,513	\$438	4.2%
21 Major Maintenance	\$2,881	\$3,112	\$3,815	\$4,606	\$7,549	\$7,462	\$87	1.2%
22 Non-Bonded Capital Projects	\$11,902	\$12,441	\$26,108	\$17,722	\$32,477	\$17,431	\$15,046	86.3%
23 <b>TOTAL CONTROLLABLE COSTS</b>	<b>\$48,083</b>	<b>\$48,453</b>	<b>\$64,895</b>	<b>\$57,366</b>	<b>\$79,000</b>	<b>\$62,903</b>	<b>\$16,097</b>	<b>25.6%</b>
24 Depreciation & Amortization	\$14,005	\$14,959	\$15,045	\$15,353	\$15,176	\$14,993	\$184	1.2%
25 Less Non Bonded Projects (capitalized)	(\$11,902)	(\$12,441)	(\$26,108)	(\$17,722)	(\$32,477)	(\$17,431)	(\$15,046)	86.3%
26 Less Total Internal Costs (capitalized)	(\$4,968)	(\$3,696)	(\$8,100)	(\$6,406)	(\$5,423)	(\$5,653)	\$230	-4.1%
27 Interutility Allocation	(\$1,534)	(\$1,737)	(\$1,719)	(\$1,875)	(\$1,862)	(\$1,753)	(\$109)	6.2%
28 <b>Total Operating Expenses</b>	<b>\$43,685</b>	<b>\$45,538</b>	<b>\$44,013</b>	<b>\$46,716</b>	<b>\$54,414</b>	<b>\$53,059</b>	<b>\$1,355</b>	<b>2.6%</b>
29 <b>Net Operating Income (Loss)</b>	<b>\$27,706</b>	<b>\$34,199</b>	<b>\$25,220</b>	<b>\$28,079</b>	<b>\$22,782</b>	<b>\$21,363</b>	<b>\$1,419</b>	<b>6.6%</b>
30 <b><u>Financing &amp; Other Non-Operating Items:</u></b>								
31 Bond & Interest Related Expenses	(\$6,473)	(\$6,421)	(\$6,268)	(\$5,677)	(\$5,494)	(\$6,098)	\$604	-9.9%
32 Interest Income	\$2,685	\$2,180	\$1,746	\$1,490	\$1,934	\$1,700	\$234	13.8%
33 Misc Non-Operating Income (Expense)	(\$201)	(\$6)	(\$17)	(\$17)	(\$24)	(\$18)	(\$6)	33.2%
34 <b>Total Financing &amp; Non-Operating Items</b>	<b>(\$3,989)</b>	<b>(\$4,248)</b>	<b>(\$4,540)</b>	<b>(\$4,204)</b>	<b>(\$3,584)</b>	<b>(\$4,415)</b>	<b>\$832</b>	<b>-18.8%</b>
35 <b>Income Before Transfers or Capital Contributions</b>	<b>\$23,717</b>	<b>\$29,951</b>	<b>\$20,680</b>	<b>\$23,876</b>	<b>\$19,199</b>	<b>\$16,948</b>	<b>\$2,251</b>	<b>13.3%</b>
36 Transfers (In Lieu of Taxes)	(\$8,714)	(\$8,370)	(\$8,617)	(\$8,706)	(\$9,010)	(\$8,813)	(\$197)	2.2%
37 Capital Contributions/Intercompany	\$736	\$2,363	\$10,861	\$6,566	\$14,204	\$4,423	\$9,781	221.1%
38 <b>NET INCOME</b>	<b>\$15,739</b>	<b>\$23,944</b>	<b>\$22,924</b>	<b>\$21,735</b>	<b>\$24,393</b>	<b>\$12,558</b>	<b>\$11,835</b>	<b>94.2%</b>
39 <b>1/01 Cash Balance</b>	<b>\$ 88,728</b>		<b>\$ 85,048</b>	<b>\$ 90,413</b>	<b>\$ 98,117</b>	<b>\$ 83,997</b>	<b>\$ 14,120</b>	<b>16.8%</b>
40 Change in Net Assets		23,944		22,924		12,558	11,835	94.2%
41 Depreciation & Amortization		14,959		15,045		14,993	184	1.2%
42 Capital Additions/Service Territory Comp		(16,138)		(34,208)		(23,084)	(14,816)	64.2%
43 Bond Principal Payments		(6,015)		(6,315)		(6,625)	(460)	6.9%
44 Bond Proceeds		-		-		0	(0)	0.0%
45 Net Change in Other Assets/Liabilities		(15,065)		1,503		(1,866)	2,878	-154.3%
46 <b>Net Changes in Cash</b>		<b>1,685</b>		<b>(1,051)</b>		<b>(4,403)</b>	<b>(379)</b>	<b>9.4%</b>
47 <b>12/31 Cash Balance</b>	<b>\$ 90,413</b>		<b>\$ 83,997</b>	<b>\$ 98,117</b>	<b>\$ 93,713</b>	<b>\$ 79,973</b>	<b>\$ 13,740</b>	<b>17.2%</b>
48 <b>Minimum Cash Reserve</b>	<b>\$ 57,408</b>		<b>\$ 52,569</b>	<b>\$ 52,569</b>	<b>\$ 52,102</b>	<b>\$ 55,011</b>	<b>\$ (2,909)</b>	<b>-5.3%</b>
49 <b>Excess (Deficit) from Minimum Cash Reserve</b>	<b>\$ 33,005</b>		<b>\$ 31,428</b>	<b>\$ 45,548</b>	<b>\$ 41,611</b>	<b>\$ 24,962</b>	<b>\$ 16,649</b>	<b>66.7%</b>

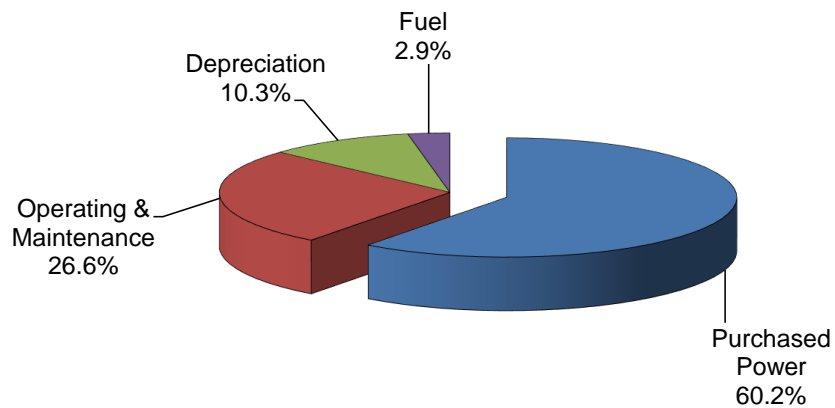
Attachment: 2022 Preliminary Board Packet Etc (13776 : Preliminary 2022 Water and Electric Utility Budgets)

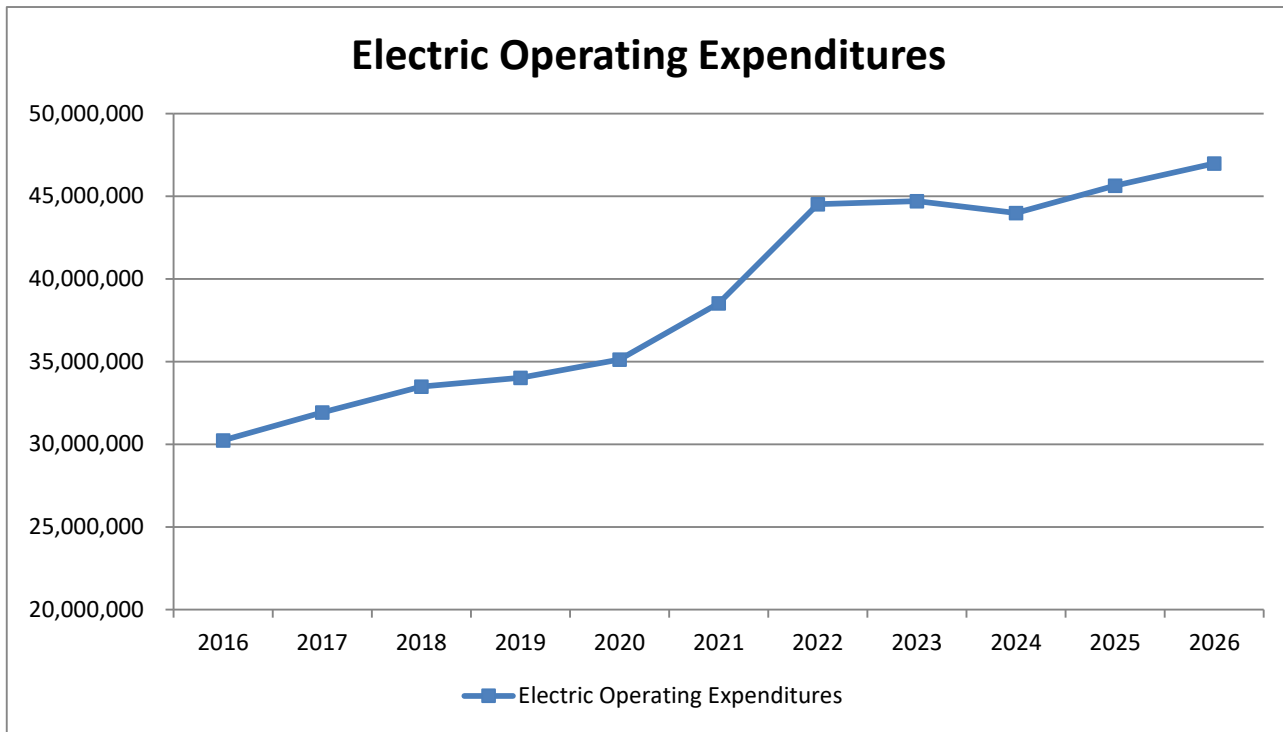
**ROCHESTER PUBLIC UTILITIES  
ELECTRIC UTILITY  
2022 OPERATING BUDGET**

**GROSS MARGIN  
\$77,196,698**



**EXPENSE USES  
\$147,755,508**





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

	2021 F2	2022	2023	2024	2025	2026
1 Peak MW						
2 SMMPA	216	216	216	216	216	216
3 Self Generation	-	-	-	-	-	-
4 Market	54	59	61	62	64	66
5 Total Peak MW	270	275	277	278	280	282
6 % Change	1.9%	1.6%	0.7%	0.6%	0.6%	0.6%
7 Retail MWH	1,178,107	1,190,420	1,196,939	1,203,386	1,209,093	1,214,274
8 % Change	4.4%	1.0%	0.5%	0.5%	0.5%	0.4%
9 Purchased Power MWH						
10 SMMPA	1,192,067	1,203,977	1,210,388	1,216,732	1,222,292	1,227,326
11 Other	3,661	2,426	2,698	2,962	3,251	3,528
12 Total Purchased Power MWH	1,195,728	1,206,404	1,213,085	1,219,694	1,225,543	1,230,853
13 % Change	3.8%	0.9%	0.6%	0.5%	0.5%	0.4%
14 Generation MWH						
15 Total Generation MWH	59,180	68,749	68,749	68,749	68,749	68,749
16 % Change	-10.2%	16.2%	0.0%	0.0%	0.0%	0.0%
17 Number of Customers						
18 Residential	53,382	54,292	55,209	56,126	57,043	57,959
19 Small General Service	4,663	4,709	4,756	4,804	4,852	4,902
20 Medium General Service	479	487	495	503	511	520
21 Large General Service	13	13	13	13	13	13
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	58,542	59,506	60,478	61,451	62,424	63,399
26 % Change	1.6%	1.6%	1.6%	1.6%	1.6%	1.6%
27 Blended cost per MWH for retail supply	\$ 75.48	\$ 73.78	\$ 73.73	\$ 73.83	\$ 73.89	\$ 73.95
28 Steam Generation MLBS	487,711	490,221	449,884	449,884	449,884	449,884
29 % Change	-2.1%	0.5%	-8.2%	0.0%	0.0%	0.0%

**ROCHESTER PUBLIC UTILITIES**

**2022**

**ELECTRIC UTILITY**

**CAPITAL IMPROVEMENT AND  
MAJOR MAINTENANCE BUDGET**



**ROCHESTER PUBLIC UTILITIES  
ELECTRIC UTILITY  
2022 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

**Rochester Public Utilities  
Electric Utility  
2022 - 2026 Major Maintenance Plan**

**5.1.a**

	A	B	C	D	E	F	G	H
	Description	Multi Year Project Total	2022	2023	2024	2025	2026	Total
4	Compliance							
6	152 - Compliance							
7	WESEmissionsTesting	-	-	66,900	-	-	71,000	137,900
8	<b>152 - Compliance Total</b>	-	-	<b>66,900</b>	-	-	<b>71,000</b>	<b>137,900</b>
9	Compliance Total	-	-	66,900	-	-	71,000	137,900
10	Core Services							
11	113 - Construction, Maintenance and Field Operations							
12	Tree Trimming	-	1,700,000	1,700,000	1,700,000	1,700,000	1,700,000	8,500,000
13	Asbestos Manhole Mitigation	-	70,000	85,000	85,000	85,000	85,000	410,000
14	<b>113 - Construction, Maintenance and Field Operations Total</b>	-	<b>1,770,000</b>	<b>1,785,000</b>	<b>1,785,000</b>	<b>1,785,000</b>	<b>1,785,000</b>	<b>8,910,000</b>
15	114 - Technical Services							
17	Capacitor Bank Controls Replacement	-	10,000	-	-	-	-	10,000
19	<b>114 - Technical Services Total</b>	-	<b>10,000</b>	-	-	-	-	<b>10,000</b>
20	116 - Engineering							
21	Distribution System Planning Study	-	60,000	-	-	-	-	60,000
23	DER Hosting Capacity Study	-	-	100,000	-	-	-	100,000
24	Downtown Duct & Feeder Routing Study	90,000	30,000	60,000	-	-	-	90,000
25	DER Software Portal	-	-	-	50,000	-	-	50,000
26	Transmission LIDAR and Clearance Analysis	-	-	-	100,000	100,000	-	200,000
27	PLS-CAD Model of K1	-	40,000	-	-	-	-	40,000
28	Pole Attachment & Clearance Violation Survey	-	-	50,000	-	-	-	50,000
29	Stray Voltage Survey	-	-	40,000	-	-	-	40,000
30	Downtown Electric Reconfiguration Study	-	70,000	-	-	-	-	70,000
31	<b>116 - Engineering Total</b>	<b>90,000</b>	<b>200,000</b>	<b>250,000</b>	<b>150,000</b>	<b>100,000</b>	-	<b>700,000</b>
32	119 - Metering							
33	AMI-Timing Study	-	514,733	-	-	-	-	514,733
34	<b>119 - Metering Total</b>	-	<b>514,733</b>	-	-	-	-	<b>514,733</b>
35	113 - Allocation							
36	Alloc-Transmission Asset Management	-	45,000	45,000	45,000	45,000	45,000	225,000
37	Alloc-Distribution Lines & Equipment	-	250,003	257,500	265,250	196,685	202,595	1,172,033
38	<b>113 - Allocation Total</b>	-	<b>295,003</b>	<b>302,500</b>	<b>310,250</b>	<b>241,685</b>	<b>247,595</b>	<b>1,397,033</b>
39	114 - Allocation	-	169,400	167,000	167,000	167,000	167,000	837,400
40	<b>Core Services Total</b>	<b>90,000</b>	<b>2,959,136</b>	<b>2,504,500</b>	<b>2,412,250</b>	<b>2,293,685</b>	<b>2,199,595</b>	<b>12,369,166</b>
41	Corporate Services							
42	138 - Finance & Accounting							
43	Electric Cost-of-Srvcs/Rate Design Study	-	-	83,000	-	-	83,000	166,000
44	Rates Modeling	-	20,000	20,000	20,000	20,000	20,000	100,000
45	Budgeting System	-	75,000	50,000	50,000	50,000	50,000	275,000
46	<b>138 - Finance &amp; Accounting Total</b>	-	<b>95,000</b>	<b>153,000</b>	<b>70,000</b>	<b>70,000</b>	<b>153,000</b>	<b>541,000</b>
47	144 - Information Technology							
48	SCADA Pen Test	-	25,000	25,000	25,000	25,000	25,000	125,000
49	Integration(HPC) Support Contract	-	75,000	75,000	75,000	75,000	75,000	375,000
50	SAP Technical Upgrade	-	-	100,000	-	-	100,000	200,000
53	ImageNow Upgrade	-	30,000	-	30,000	-	30,000	90,000
54	Symantec Replacement	-	60,000	-	-	-	-	60,000
55	<b>144 - Information Technology Total</b>	-	<b>190,000</b>	<b>200,000</b>	<b>130,000</b>	<b>100,000</b>	<b>230,000</b>	<b>850,000</b>
56	144 - Allocation Information Technology							
57	Alloc-Info Risk & Security/City Shared Infra	-	4,500	4,500	4,500	14,500	4,500	32,500
58	Alloc-Business Systems / Applications	-	40,000	40,000	40,000	40,000	40,000	200,000
59	<b>144 - Allocation Information Technology Total</b>	-	<b>44,500</b>	<b>44,500</b>	<b>44,500</b>	<b>54,500</b>	<b>44,500</b>	<b>232,500</b>
60	<b>Corporate Services Total</b>	-	<b>329,500</b>	<b>397,500</b>	<b>244,500</b>	<b>224,500</b>	<b>427,500</b>	<b>1,623,500</b>
61	Customer Relations							
62	137 - Marketing							
63	Customer Experience Mapping	-	160,000	-	-	-	-	160,000
65	DSM - EV TOU Rate	-	126,127	90,845	111,168	127,300	164,906	620,346
66	DSM - DLC Smart Thermostat Program	-	147,851	142,880	164,606	186,998	210,089	852,424
67	<b>137 - Marketing Total</b>	-	<b>433,978</b>	<b>233,725</b>	<b>275,774</b>	<b>314,298</b>	<b>374,995</b>	<b>1,632,770</b>
68	150 - Customer Care							
69	Data Lake	-	35,640	-	-	-	-	35,640
70	RPU Program Changes	-	50,000	106,400	51,000	52,020	53,060	312,480
71	SEW Modifications	-	73,900	75,378	76,886	78,423	79,992	384,579
74	Cayenta-Bill Redesign	-	150,000	-	-	-	-	150,000
76	Cayenta Upgrade	-	-	-	250,000	-	-	250,000
77	Allocation Cayenta Application Enhancements	-	172,000	175,440	178,949	182,528	186,178	895,095
78	<b>150 - Customer Care Total</b>	-	<b>481,540</b>	<b>357,218</b>	<b>556,835</b>	<b>312,971</b>	<b>319,230</b>	<b>2,027,794</b>
79	Customer Relations Total	-	<b>915,518</b>	<b>590,943</b>	<b>832,609</b>	<b>627,269</b>	<b>694,225</b>	<b>3,660,564</b>
80	Power Resources							
81	108 - Power Production							
82	SLP Decommissioning	-	100,000	480,000	175,000	450,000	250,000	1,455,000
83	GT1 Major Overhaul	-	2,500,000	-	-	-	-	2,500,000
84	Silver Lake Dam Ownership	-	-	1,240,000	-	-	-	1,240,000
85	<b>108 - Power Production Total</b>	-	<b>2,600,000</b>	<b>1,720,000</b>	<b>175,000</b>	<b>450,000</b>	<b>250,000</b>	<b>5,195,000</b>
86	111 - Allocation Power Production	-	245,000	710,000	285,000	345,000	120,000	1,705,000
87	147 - Allocation Facilities	-	200,000	199,600	164,292	204,077	88,958	856,927
88	<b>Power Resources Total</b>	-	<b>3,045,000</b>	<b>2,629,600</b>	<b>624,292</b>	<b>999,077</b>	<b>458,958</b>	<b>7,756,927</b>
89	General Manager							
90	134 - Electric Operating Contingency	-	300,000	300,000	300,000	300,000	300,000	1,500,000
91	<b>General Manager Total</b>	-	<b>300,000</b>	<b>300,000</b>	<b>300,000</b>	<b>300,000</b>	<b>300,000</b>	<b>1,500,000</b>
92	<b>Total Major Maintenance - External Expenditures</b>	<b>90,000</b>	<b>7,549,154</b>	<b>6,489,443</b>	<b>4,413,651</b>	<b>4,444,531</b>	<b>4,151,278</b>	<b>27,048,056</b>

**Rochester Public Utilities  
Electric Utility  
2022 - 2026 Capital Improvement Plan**

**5.1.a**

	A	B	C	D	E	F	G	H
	Description	Multi Year Project	2022	2023	2024	2025	2026	Total
4								
5	Core Services							
6	107 - System Operations & Transmission							
7	OSI SCADA Version Upgrade	-	-	-	100,000	-	300,000	400,000
9	<b>107 - System Operations &amp; Transmission Total</b>	-	-	-	<b>100,000</b>	-	<b>300,000</b>	<b>400,000</b>
10	113 - Construction, Maintenance and Field Operations							
13	Alloc-New Service Installations	-	625,000	643,750	663,055	682,950	703,400	3,318,155
14	Alloc-Distribution Lines & Equipment Capital	-	240,000	247,200	254,620	262,260	270,125	1,274,205
15	Alloc-Property Damage - Repair/Replace	-	110,000	113,300	116,700	120,205	123,805	584,010
16	Alloc-T&D Equipment Upgrade/Replace	-	75,000	55,000	50,000	50,000	50,000	280,000
17	<b>113 - Construction, Maintenance and Field Operations Total</b>	-	<b>1,050,000</b>	<b>1,059,250</b>	<b>1,084,375</b>	<b>1,115,415</b>	<b>1,147,330</b>	<b>5,456,335</b>
18	114 - Technical Services							
19	Load Management Installations - Res&Comm	-	7,500	7,500	7,500	7,500	7,500	37,500
20	Substation/Shop Test Equip Upgr & Repl	-	90,000	70,000	40,000	40,000	40,000	280,000
21	Substation Spares and Replacements	-	33,000	20,000	20,000	20,000	20,000	113,000
22	Web-Based Service Application	-	10,000	-	-	-	-	10,000
23	Northern Hills Circuit Breaker Replacement	-	90,000	-	-	-	-	90,000
24	Zumbro River Sub Control Bldg Improvements	-	50,000	-	-	-	-	50,000
25	Magne Blast Breaker Replacement	-	290,000	290,000	290,000	-	-	870,000
26	<b>114 - Technical Services Total</b>	-	<b>570,500</b>	<b>387,500</b>	<b>357,500</b>	<b>67,500</b>	<b>67,500</b>	<b>1,450,500</b>
27	114 - Allocation Technical Services							
28	Alloc-Substation Asset Management Capital	-	130,000	150,000	120,000	120,000	120,000	640,000
29	<b>114 - Allocation Technical Services Total</b>	-	<b>130,000</b>	<b>150,000</b>	<b>120,000</b>	<b>120,000</b>	<b>120,000</b>	<b>640,000</b>
30	116 - Engineering							
31	48th St NE Feeder Ext	600,000	350,000	250,000	-	-	-	600,000
32	60th Ave NW Right of Way Purchase	-	50,000	50,000	50,000	-	100,000	250,000
33	Capacitor Control Replacement (10 controllers/yr)	-	35,000	-	-	-	-	35,000
36	NorthernHills 65th St Feeder	-	-	-	-	-	550,000	550,000
37	Feeder 306 Install	-	-	-	-	-	300,000	300,000
38	Feeder 615 Install	-	-	-	350,000	-	-	350,000
39	Feeder 715 Install	490,000	340,000	150,000	-	-	-	490,000
40	Feeder 913 Install	-	-	-	-	300,000	-	300,000
41	Feeder 914 Install	-	-	-	-	-	300,000	300,000
42	Feeder 1315 Install	-	-	-	400,000	-	-	400,000
43	Feeder 1602 Install	-	-	-	-	300,000	-	300,000
44	Feeder 1733 Install	-	-	-	200,000	-	-	200,000
45	Feeder 1911 Install	-	-	-	140,000	-	-	140,000
46	Feeder 1912 Install	-	-	500,000	500,000	-	-	1,000,000
47	Feeder 1913 Install	-	-	-	-	-	1,000,000	1,000,000
48	Downtown New Duct Systems	-	-	-	-	560,000	1,100,000	1,660,000
49	Downtown New Feeder Extensions	-	-	-	-	-	2,000,000	2,000,000
50	65th St - 50th Ave To 60th Ave	-	510,000	-	-	-	-	510,000
51	65th St - 34th To 50th AveNW	-	-	900,000	-	-	-	900,000
52	Q2-Rebuild From Bear Creek - RCTC	-	-	-	-	-	350,000	350,000
53	Q4-Rebuild From BV Sub To Salem Rd	-	-	-	450,000	450,000	-	900,000
54	Q7-Rebuild To Grade B	-	-	-	-	400,000	400,000	800,000
55	Q11-W.C.To New St.Bridget Sub ROW	-	260,000	-	-	-	-	260,000
56	IBM Substation Upgrade	-	-	-	-	200,000	200,000	400,000
58	Fiber OWEF Splice To Chester	-	-	-	-	300,000	-	300,000
59	Small Cell Antennas	-	-	100,000	-	-	-	100,000
61	Marion Rd Substation & Feeder Buildout	30,625,806	20,298,869	10,326,937	-	-	-	30,625,806
62	Hydro Line Reconfig For New Hydro Sub	-	-	-	-	-	200,000	200,000
63	New Padmount Hydro Sub	-	-	-	-	300,000	-	300,000
64	New Mayo Feeders	2,700,000	200,000	2,500,000	-	-	-	2,700,000
65	Mayo-Feeders To St.Mary's	-	-	-	-	-	2,000,000	2,000,000
66	Substation Communication	-	1,250,000	-	-	-	-	1,250,000
67	Volt/VAR Optimization	-	-	-	-	200,000	200,000	400,000
69	Solar DER Feeder Interconnections	-	50,000	-	-	-	-	50,000
70	BRT Charging Stations	-	-	200,000	300,000	-	-	500,000
71	Substation Capacitor Bank Bamber Valley	-	-	-	-	150,000	-	150,000
72	PLS-CAD Distribution Modeling Software	-	-	50,000	-	-	-	50,000
73	<b>116 - Engineering Total</b>	<b>34,415,806</b>	<b>23,343,869</b>	<b>15,026,937</b>	<b>2,390,000</b>	<b>3,160,000</b>	<b>8,700,000</b>	<b>52,620,812</b>
74	116 - Allocation Engineering							
75	Alloc-Feeder Extensions	-	278,600	50,000	56,000	275,000	575,000	1,234,600
76	Alloc-Feeder Rebuilds	-	130,000	145,000	275,000	145,000	190,000	885,000
77	Alloc-Transmission Projects	-	40,000	40,000	45,000	45,000	50,000	220,000
78	Alloc-Substation Projects	-	75,000	110,000	145,000	215,000	220,000	765,000
79	Alloc-Road Projects	-	225,000	200,000	450,000	425,000	550,000	1,850,000
80	Alloc-Road Projects DMC	-	600,000	750,000	500,000	450,000	550,000	2,850,000
81	Alloc-Manhole Switch Replacement	-	90,000	95,000	100,000	100,000	105,000	490,000
82	Alloc-Cable Replacement	-	250,000	250,000	400,000	450,000	500,000	1,850,000
83	Alloc-Manhole Repair/Replacement	-	275,000	300,000	300,000	325,000	350,000	1,550,000
84	Alloc-Capacitor Bank Installations	-	20,000	20,000	50,000	20,000	50,000	160,000
85	Alloc-FiberOptic Projects	-	115,000	90,000	90,000	90,000	90,000	475,000
86	Alloc-Distribution Transformers	-	650,000	675,000	700,000	725,000	750,000	3,500,000
87	Alloc-Overhead To Underground Conversions	-	325,000	375,000	475,000	400,000	450,000	2,025,000
88	Alloc-Pole Replacements	-	44,000	48,000	53,000	60,000	70,000	275,000
89	<b>116 - Allocation Engineering Total</b>	-	<b>3,117,600</b>	<b>3,148,000</b>	<b>3,639,000</b>	<b>3,725,000</b>	<b>4,500,000</b>	<b>18,129,600</b>
90	117 - GIS							
91	Dual Sensor Drone	-	-	30,000	-	-	-	30,000
92	Survey GPS Replacement	-	-	40,000	-	-	-	40,000
94	GIS Utility Network Implementation	-	80,000	-	-	-	-	80,000
95	<b>117 - GIS Total</b>	-	<b>80,000</b>	<b>70,000</b>	-	-	-	<b>150,000</b>
96	119 - Metering							
98	AMI - Bond Funded	-	-	2,985,004	5,721,868	5,028,342	1,650,000	15,385,214
99	Metering/Shop Test Equip Upgr & Repl	-	15,000	25,000	20,000	55,000	20,000	135,000
100	Allocation-Electric Metering	-	146,200	130,000	20,000	20,000	100,000	416,200
101	<b>119 - Metering Total</b>	-	<b>161,200</b>	<b>3,140,004</b>	<b>5,761,868</b>	<b>5,103,342</b>	<b>1,770,000</b>	<b>15,936,426</b>
102	135 - Director							
103	Service Territory Payments	-	233,360	225,000	229,500	234,090	238,772	1,160,722
104	Service Territory Payments-SMMPA Reimb	-	(116,185)	(112,500)	(114,750)	(117,045)	(119,386)	(579,866)
105	<b>135 - Director Total</b>	-	<b>117,175</b>	<b>112,500</b>	<b>114,750</b>	<b>117,045</b>	<b>119,386</b>	<b>580,856</b>

Attachment: 2022 Preliminary Board Packet Etc (13776 : Preliminary 2022 Water and Electric Utility Budgets)

**Rochester Public Utilities  
Electric Utility  
2022 - 2026 Capital Improvement Plan**

**5.1.a**

	A	B	C	D	E	F	G	H
4	Description	Multi Year Project	2022	2023	2024	2025	2026	Total
106	<b>Core Services Total</b>	<b>34,415,806</b>	<b>28,570,344</b>	<b>23,094,191</b>	<b>13,567,493</b>	<b>13,408,302</b>	<b>16,724,216</b>	<b>95,364,5</b>
107	Corporate Services							
108	141 - Inventory Management							
109	Racking Replacement In Stockyard	-	-	20,000	20,000	-	-	40,0
110	<b>141 - Inventory Management Total</b>	<b>-</b>	<b>-</b>	<b>20,000</b>	<b>20,000</b>	<b>-</b>	<b>-</b>	<b>40,0</b>
111	144 - Information Technology							
112	Change Management Tool	50,000	25,000	25,000	-	-	-	50,0
113	NSX Implementation	142,000	42,000	100,000	-	-	-	142,0
114	Business Intelligence/Reporting	-	45,000	45,000	45,000	45,000	45,000	225,0
115	Phone System - PRI to SIP	-	-	50,000	-	-	-	50,0
116	<b>144 - Information Technology Total</b>	<b>192,000</b>	<b>112,000</b>	<b>220,000</b>	<b>45,000</b>	<b>45,000</b>	<b>45,000</b>	<b>467,0</b>
117	144 - Allocation Information Technology							
118	Alloc-Backup/DR	-	50,000	-	-	35,000	-	85,0
119	Alloc-Network Management	-	96,000	127,000	197,000	110,000	89,000	619,0
120	Alloc-Output Management	-	18,000	16,000	16,000	16,000	16,000	82,0
121	Alloc-Server Management	-	196,000	111,000	61,000	61,000	196,000	625,0
122	Alloc-Workstation Management	-	138,000	138,000	148,000	128,000	128,000	680,0
123	Alloc-Storage Management	-	-	-	-	175,000	-	175,0
124	Alloc-Operation Technology	-	80,000	80,000	180,000	130,000	240,000	710,0
125	<b>144 - Allocation Information Technology Total</b>	<b>-</b>	<b>578,000</b>	<b>472,000</b>	<b>602,000</b>	<b>655,000</b>	<b>669,000</b>	<b>2,976,0</b>
126	<b>Corporate Services Total</b>	<b>192,000</b>	<b>690,000</b>	<b>712,000</b>	<b>667,000</b>	<b>700,000</b>	<b>714,000</b>	<b>3,483,0</b>
127	Customer Relations							
128	150 - Customer Care							
130	Payment Kiosk	-	50,800	-	-	-	-	50,8
131	<b>150 - Customer Care Total</b>	<b>-</b>	<b>50,800</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>50,8</b>
132	<b>Customer Relations Total</b>	<b>-</b>	<b>50,800</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>50,8</b>
133	Power Resources							
134	108 - Power Production							
135	GT2 Controls Upgrade	-	500,000	-	-	-	-	500,0
137	<b>108 - Power Production Total</b>	<b>-</b>	<b>500,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>500,0</b>
138	111 - Allocation Power Production							
139	Allocation-Power Resources Capital	-	550,000	535,000	325,000	495,000	750,000	2,655,0
140	<b>111 - Allocation Power Production Total</b>	<b>-</b>	<b>550,000</b>	<b>535,000</b>	<b>325,000</b>	<b>495,000</b>	<b>750,000</b>	<b>2,655,0</b>
141	146 - Fleet							
142	Allocation-Fleet	-	694,848	631,624	677,364	751,250	651,286	3,406,3
143	Pickup - T&D Lead Lineman	-	50,000	-	-	-	-	50,0
144	Pickup-SLPI & C	-	82,682	-	-	-	-	82,6
145	Underground Tool Truck/Trailer	-	-	65,000	-	-	-	65,0
146	TSE Cable Puller	-	195,000	-	-	-	-	195,0
147	3-Reel Cable Trailer	-	135,000	-	-	-	-	135,0
148	<b>146 - Fleet Total</b>	<b>-</b>	<b>1,157,530</b>	<b>696,624</b>	<b>677,364</b>	<b>751,250</b>	<b>651,286</b>	<b>3,934,0</b>
149	147 - Facilities							
151	A-Wing Renovation	-	228,340	200,000	170,000	170,000	-	768,3
152	Allocation-Facilities Capital	-	30,000	30,000	30,000	30,000	30,000	150,0
153	<b>147 - Facilities Total</b>	<b>-</b>	<b>258,340</b>	<b>230,000</b>	<b>200,000</b>	<b>200,000</b>	<b>30,000</b>	<b>918,3</b>
154	<b>Power Resources Total</b>	<b>-</b>	<b>2,465,870</b>	<b>1,461,624</b>	<b>1,202,364</b>	<b>1,446,250</b>	<b>1,431,286</b>	<b>8,007,3</b>
155	General Manager	-	700,000	700,000	700,000	700,000	700,000	3,500,0
156	<b>Total External Expenditures</b>	<b>34,607,806</b>	<b>32,477,014</b>	<b>25,967,815</b>	<b>16,136,857</b>	<b>16,254,552</b>	<b>19,569,502</b>	<b>110,405,7</b>
157								
158	<b>Less: Bonding</b>		-	(2,985,004)	(5,721,868)	(5,028,342)	(1,650,000)	(15,385,2
159	<b>Less: Contribution in Aid of Construction</b>		(14,204,097)	(11,843,346)	(366,015)	(377,000)	(3,138,290)	(29,928,7
160								
161	<b>Net Capital External Expenditures (Rate Funded)</b>		<b>18,272,917</b>	<b>11,139,465</b>	<b>10,048,974</b>	<b>10,849,210</b>	<b>14,781,212</b>	<b>65,091,7</b>
162								
163	<b>Total Internal Expenditures (Capital Labor)</b>		<b>5,423,293</b>	<b>6,388,557</b>	<b>6,146,306</b>	<b>5,850,423</b>	<b>6,745,117</b>	<b>30,553,6</b>
164								
165	<b>Net Capital Expenditures</b>		<b>23,696,210</b>	<b>17,528,022</b>	<b>16,195,280</b>	<b>16,699,633</b>	<b>21,526,329</b>	<b>95,645,4</b>

Attachment: 2022 Preliminary Board Packet EIC (13776 : Preliminary 2022 Water and Electric Utility Budgets)

# **ROCHESTER PUBLIC UTILITIES**

**2022**

## **WATER UTILITY**

### **OPERATING BUDGET**

**ROCHESTER PUBLIC UTILITIES  
WATER UTILITY  
2022 OPERATING BUDGET**

**INDEX**

<b><u>Title</u></b>	<b><u>Pages</u></b>
Basic Assumptions	1
Forecast by Year 2021 through 2026	2
Condensed Income Statement	3
Revenue Sources & Expense Categories	4
Operating Expenditures Graph	5
Production & Sales Statistics Forecast	6

**ROCHESTER PUBLIC UTILITIES  
WATER UTILITY  
2022 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
- Anticipated Bonding: \$12,150,000 - 2023 (AMI)
- Minimum Cash Reserve Requirement: Policy Amount \$6,473,800

**RETAIL REVENUES / SALES**

- Revenue Adjustment: 2.5% proposed
- Water CCF Sales Forecast: 4.87% Decrease from 2021 Projected Sales
- Total Water Utility Customers: 1.0% Increase over Y/E 2021 Projected Customers
- Forecast Assumes Normal Weather : 530 Cooling Degree Days,  
20.6 Inches Summer Rainfall

**OTHER ITEMS**

- In Lieu of Tax forecast decreasing \$26,656 to a total of \$369,480.

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

	Historical Data		2021 F2					
	2019	2020		2022	2023	2024	2025	2026
in 000's								
	RPU Rate Increase	6.0%	3.5%	0.0%	2.5%	6.5%	6.5%	6.5%
1 <b>Revenue</b>								
2 Retail Water	\$9,959	\$10,665	\$11,083	\$10,854	\$11,653	\$12,481	\$13,370	\$14,271
3 Other Services & Fees	\$1,698	\$1,423	\$1,440	\$1,959	\$1,991	\$2,023	\$2,056	\$2,090
4 <b>Total Revenue</b>	<b>\$11,657</b>	<b>\$12,088</b>	<b>\$12,523</b>	<b>\$12,812</b>	<b>\$13,643</b>	<b>\$14,504</b>	<b>\$15,426</b>	<b>\$16,361</b>
5 <b>Cost of Revenue</b>								
6 Water Supply	\$1,682	\$1,758	\$1,928	\$1,847	\$1,889	\$1,925	\$1,962	\$1,988
7 <b>Total Cost of Revenue</b>	<b>\$1,682</b>	<b>\$1,758</b>	<b>\$1,928</b>	<b>\$1,847</b>	<b>\$1,889</b>	<b>\$1,925</b>	<b>\$1,962</b>	<b>\$1,988</b>
8 <b>Gross Margin</b>								
9 Retail Water	\$8,277	\$8,908	\$9,155	\$9,007	\$9,764	\$10,556	\$11,408	\$12,283
10 Other Services & Fees	\$1,698	\$1,423	\$1,440	\$1,959	\$1,991	\$2,023	\$2,056	\$2,090
11 <b>TOTAL GROSS MARGIN</b>	<b>\$9,975</b>	<b>\$10,331</b>	<b>\$10,595</b>	<b>\$10,965</b>	<b>\$11,754</b>	<b>\$12,579</b>	<b>\$13,464</b>	<b>\$14,372</b>
12 <b>Controllable Costs</b>								
13 Salaries & Benefits	\$3,026	\$3,065	\$3,200	\$3,364	\$3,631	\$3,751	\$3,959	\$4,100
14 Other Operating Expenses	\$1,310	\$1,145	\$1,355	\$1,587	\$1,597	\$1,628	\$1,652	\$1,689
15 Major Maintenance	\$323	\$521	\$374	\$745	\$410	\$255	\$460	\$495
16 Non-Bonded Capital Projects	\$1,712	\$2,441	\$5,765	\$3,437	\$7,435	\$3,722	\$3,553	\$4,680
17 <b>TOTAL CONTROLLABLE COSTS</b>	<b>\$6,371</b>	<b>\$7,172</b>	<b>\$10,695</b>	<b>\$9,133</b>	<b>\$13,073</b>	<b>\$9,357</b>	<b>\$9,624</b>	<b>\$10,964</b>
18 Depreciation & Amortization	\$2,742	\$2,745	\$2,861	\$2,968	\$3,077	\$3,176	\$3,229	\$3,377
19 Less Non Bonded Projects (capitalized)	(\$1,712)	(\$2,441)	(\$5,765)	(\$3,437)	(\$7,435)	(\$3,722)	(\$3,553)	(\$4,680)
20 Less Total Internal Costs (capitalized)	(\$270)	(\$426)	(\$578)	(\$374)	(\$301)	(\$355)	(\$340)	(\$288)
21 Interutility Allocation	\$1,534	\$1,737	\$1,875	\$1,862	\$1,899	\$1,937	\$1,976	\$2,016
22 <b>Total Operating Expenses</b>	<b>\$8,664</b>	<b>\$8,788</b>	<b>\$9,088</b>	<b>\$10,153</b>	<b>\$10,313</b>	<b>\$10,392</b>	<b>\$10,936</b>	<b>\$11,389</b>
23 <b>Net Operating Income (Loss)</b>	<b>\$1,311</b>	<b>\$1,543</b>	<b>\$1,507</b>	<b>\$813</b>	<b>\$1,442</b>	<b>\$2,187</b>	<b>\$2,528</b>	<b>\$2,983</b>
24 <b>Financing &amp; Other Non-Operating Items:</b>								
25 Bond & Interest Related Expenses	(\$1)	(\$1)	(\$0)	\$0	\$0	(\$547)	(\$502)	(\$456)
26 Interest Income	\$201	\$223	\$203	\$200	\$206	\$238	\$237	\$249
27 Misc Non-Operating Income (Expense)	(\$31)	(\$5)	\$0	\$0	\$0	\$0	\$0	\$0
28 <b>Total Financing &amp; Non-Operating Items</b>	<b>\$169</b>	<b>\$218</b>	<b>\$203</b>	<b>\$200</b>	<b>\$206</b>	<b>(\$309)</b>	<b>(\$266)</b>	<b>(\$206)</b>
29 <b>Income Before Transfers or Capital Contributions</b>	<b>\$1,480</b>	<b>\$1,761</b>	<b>\$1,710</b>	<b>\$1,013</b>	<b>\$1,647</b>	<b>\$1,878</b>	<b>\$2,262</b>	<b>\$2,777</b>
30 Transfers (In Lieu of Taxes)	(\$358)	(\$385)	(\$396)	(\$369)	(\$379)	(\$387)	(\$394)	(\$398)
31 Capital Contributions	\$891	\$1,283	\$1,106	\$1,100	\$1,100	\$1,100	\$1,100	\$1,100
32 Cash Transfers from City/Intercompany	\$0	\$0	\$0	\$90	\$4,010	\$0	\$0	\$1,550
33 <b>NET INCOME</b>	<b>\$2,013</b>	<b>\$2,660</b>	<b>\$2,420</b>	<b>\$1,834</b>	<b>\$6,378</b>	<b>\$2,592</b>	<b>\$2,968</b>	<b>\$5,028</b>
34 <b>NET INCOME (Excluding Contrib &amp; Cash Tfrs from City)</b>			<b>\$1,314</b>	<b>\$644</b>	<b>\$1,268</b>	<b>\$1,492</b>	<b>\$1,868</b>	<b>\$2,378</b>
35 <b>TARGET NET INCOME</b>			<b>\$ 5,029</b>	<b>\$ 5,159</b>	<b>\$ 5,399</b>	<b>\$ 5,525</b>	<b>\$ 5,646</b>	<b>\$ 5,800</b>
36 <b>Excess (Deficit) from Target</b>			<b>\$ (3,715)</b>	<b>\$ (4,515)</b>	<b>\$ (4,131)</b>	<b>\$ (4,034)</b>	<b>\$ (3,778)</b>	<b>\$ (3,422)</b>
37 <b>1/01 Cash Balance</b>	<b>\$ 10,529</b>	<b>\$ 11,975</b>	<b>\$ 11,283</b>	<b>\$ 11,194</b>	<b>\$ 11,866</b>	<b>\$ 11,511</b>	<b>\$ 11,682</b>	
38 Change in Net Assets	2,659	2,420	1,834	6,378	2,592	2,968	5,028	
39 Depreciation & Amortization	2,745	2,861	2,968	3,077	3,176	3,229	3,377	
40 Capital Additions	(2,866)	(6,343)	(3,811)	(7,881)	(10,018)	(8,308)	(4,968)	
41 Non-Cash Contributions	(1,283)	(1,106)	(1,100)	(1,100)	(1,100)	(1,100)	(1,100)	
42 Debt Principal Payments	-	(0)	0	-	(989)	(1,033)	(1,080)	
43 Debt Proceeds	-	(0)	0	12,150	-	-	0	
44 Net Change in Other Assets/Liabilities	191	1,476	20	(11,953)	5,984	4,415	-	
45 <b>Net Changes in Cash</b>	<b>1,446</b>	<b>(693)</b>	<b>(88)</b>	<b>672</b>	<b>(355)</b>	<b>171</b>	<b>1,257</b>	
46 <b>12/31 Cash Balance</b>	<b>\$ 11,975</b>	<b>\$ 11,283</b>	<b>\$ 11,194</b>	<b>\$ 11,866</b>	<b>\$ 11,511</b>	<b>\$ 11,682</b>	<b>\$ 12,939</b>	
47 <b>Minimum Cash Reserve</b>	<b>\$ 7,908</b>	<b>\$ 8,529</b>	<b>\$ 6,474</b>	<b>\$ 6,449</b>	<b>\$ 6,326</b>	<b>\$ 6,321</b>	<b>\$ 6,417</b>	
48 <b>Excess (Deficit) from Minimum Cash Reserve</b>	<b>\$ 4,067</b>	<b>\$ 2,753</b>	<b>\$ 4,720</b>	<b>\$ 5,417</b>	<b>\$ 5,185</b>	<b>\$ 5,361</b>	<b>\$ 6,522</b>	



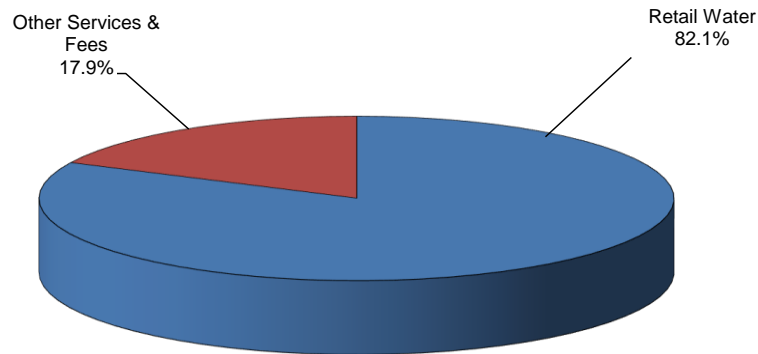
**ROCHESTER PUBLIC UTILITIES  
WATER UTILITY  
Management Reporting P&L**

	Historical Data		2021		2022		Variance	%
	2019	2020	Orig Bdgt	2021 F2	2022	Orig Bdgt	2022 to Orig Bdgt	Variance
in 000's								
1 <b>Revenue</b>								
2 Retail Water	\$9,959	\$10,665	\$10,993	\$11,083	\$10,854	\$11,431	(\$578)	-5.1%
3 Other Services & Fees	\$1,698	\$1,423	\$1,449	\$1,440	\$1,959	\$1,476	\$483	32.7%
4 <b>Total Revenue</b>	<b>\$11,657</b>	<b>\$12,088</b>	<b>\$12,442</b>	<b>\$12,523</b>	<b>\$12,812</b>	<b>\$12,907</b>	<b>(\$94)</b>	<b>-0.7%</b>
5 <b>Cost of Revenue</b>								
6 Water Supply	\$1,682	\$1,758	\$1,822	\$1,928	\$1,847	\$1,822	\$25	1.4%
7 <b>Total Cost of Revenue</b>	<b>\$1,682</b>	<b>\$1,758</b>	<b>\$1,822</b>	<b>\$1,928</b>	<b>\$1,847</b>	<b>\$1,822</b>	<b>\$25</b>	<b>1.4%</b>
8 <b>Gross Margin</b>								
9 Retail Water	\$8,277	\$8,908	\$9,171	\$9,155	\$9,007	\$9,610	(\$603)	-6.3%
10 Other Services & Fees	\$1,698	\$1,423	\$1,449	\$1,440	\$1,959	\$1,476	\$483	32.7%
11 <b>TOTAL GROSS MARGIN</b>	<b>\$9,975</b>	<b>\$10,331</b>	<b>\$10,620</b>	<b>\$10,595</b>	<b>\$10,965</b>	<b>\$11,085</b>	<b>(\$120)</b>	<b>-1.1%</b>
12 <b>Controllable Costs</b>								
13 Salaries & Benefits	\$3,026	\$3,065	\$3,108	\$3,200	\$3,364	\$3,451	(\$87)	-2.5%
14 Other Operating Expenses	\$1,310	\$1,145	\$1,281	\$1,355	\$1,587	\$1,306	\$281	21.5%
15 Major Maintenance	\$323	\$521	\$528	\$374	\$745	\$455	\$290	63.7%
16 Non-Bonded Capital Projects	\$1,712	\$2,441	\$6,808	\$5,765	\$3,437	\$8,396	(\$4,959)	-59.1%
17 <b>TOTAL CONTROLLABLE COSTS</b>	<b>\$6,371</b>	<b>\$7,172</b>	<b>\$11,725</b>	<b>\$10,695</b>	<b>\$9,133</b>	<b>\$13,608</b>	<b>(\$4,475)</b>	<b>-32.9%</b>
18 Depreciation & Amortization	\$2,742	\$2,745	\$2,910	\$2,861	\$2,968	\$3,041	(\$73)	-2.4%
19 Less Non Bonded Projects (capitalized)	(\$1,712)	(\$2,441)	(\$6,808)	(\$5,765)	(\$3,437)	(\$8,396)	\$4,959	-59.1%
20 Less Total Internal Costs (capitalized)	(\$270)	(\$426)	(\$484)	(\$578)	(\$374)	(\$360)	(\$13)	3.7%
21 Interutility Allocation	\$1,534	\$1,737	\$1,719	\$1,875	\$1,862	\$1,753	\$109	6.2%
22 <b>Total Operating Expenses</b>	<b>\$8,664</b>	<b>\$8,788</b>	<b>\$9,063</b>	<b>\$9,088</b>	<b>\$10,153</b>	<b>\$9,646</b>	<b>\$507</b>	<b>5.3%</b>
23 <b>Net Operating Income (Loss)</b>	<b>\$1,311</b>	<b>\$1,543</b>	<b>\$1,558</b>	<b>\$1,507</b>	<b>\$813</b>	<b>\$1,439</b>	<b>(\$626)</b>	<b>-43.5%</b>
24 <b>Financing &amp; Other Non-Operating Items:</b>								
25 Bond & Interest Related Expenses	(\$1)	(\$1)	\$0	(\$0)	\$0	\$0	\$0	0.0%
26 Interest Income	\$201	\$223	\$169	\$203	\$200	\$154	\$47	30.3%
27 Misc Non-Operating Income (Expense)	(\$31)	(\$5)	\$0	\$0	\$0	\$0	\$0	0.0%
28 <b>Total Financing &amp; Non-Operating Items</b>	<b>\$169</b>	<b>\$218</b>	<b>\$169</b>	<b>\$203</b>	<b>\$200</b>	<b>\$154</b>	<b>\$47</b>	<b>30.3%</b>
29 <b>Income Before Transfers or Capital Contributions</b>	<b>\$1,480</b>	<b>\$1,761</b>	<b>\$1,727</b>	<b>\$1,710</b>	<b>\$1,013</b>	<b>\$1,593</b>	<b>(\$580)</b>	<b>-36.4%</b>
30 Transfers (In Lieu of Taxes)	(\$358)	(\$385)	(\$383)	(\$396)	(\$369)	(\$391)	\$21	-5.5%
31 Capital Contributions	\$891	\$1,283	\$1,100	\$1,106	\$1,100	\$1,100	\$0	0.0%
32 Cash Transfers from City	\$0	\$0	\$85	\$0	\$90	\$4,030	(\$3,940)	-97.8%
33 <b>NET INCOME</b>	<b>\$2,013</b>	<b>\$2,660</b>	<b>\$2,529</b>	<b>\$2,420</b>	<b>\$1,834</b>	<b>\$6,332</b>	<b>(\$558)</b>	<b>-8.8%</b>
34 <b>1/01 Cash Balance</b>	<b>\$ 10,529</b>		<b>\$ 10,109</b>	<b>\$ 11,975</b>	<b>\$ 11,283</b>	<b>\$ 8,878</b>	<b>\$ 2,404</b>	<b>27.1%</b>
35 Change in Net Assets		2,659	2,529	2,420	1,834	6,332	(4,498)	-71.0%
36 Depreciation & Amortization		2,745	2,910	2,861	2,968	3,041	(73)	-2.4%
37 Capital Additions/Service Territory Comp		(2,866)	(7,292)	(6,343)	(3,811)	(8,756)	4,945	-56.5%
38 Non-Cash Contributions		(1,283)	(1,100)	(1,106)	(1,100)	(1,100)	-	0.0%
39 Debt Principal Payments		-	0	(0)	0	-	0	0.0%
40 Debt Proceeds		-	0	(0)	0	-	0	0.0%
41 Net Change in Other Assets/Liabilities		191	980	1,476	20	(30)	50	-168.9%
42 <b>Net Changes in Cash</b>		<b>1,446</b>	<b>(1,973)</b>	<b>(693)</b>	<b>(88)</b>	<b>(513)</b>	<b>424</b>	<b>-82.8%</b>
43 <b>12/31 Cash Balance</b>	<b>\$ 11,975</b>		<b>\$ 8,136</b>	<b>\$ 11,283</b>	<b>\$ 11,194</b>	<b>\$ 8,366</b>	<b>\$ 2,828</b>	<b>33.8%</b>
44 <b>Minimum Cash Reserve</b>	<b>\$ 7,908</b>		<b>\$ 8,529</b>	<b>\$ 8,529</b>	<b>\$ 6,474</b>	<b>\$ 8,803</b>	<b>\$ (2,329)</b>	<b>-26.5%</b>
45 <b>Excess (Deficit) from Minimum Cash Reserve</b>	<b>\$ 4,067</b>		<b>\$ (393)</b>	<b>\$ 2,753</b>	<b>\$ 4,720</b>	<b>\$ (437)</b>	<b>\$ 5,158</b>	<b>-1179.4%</b>

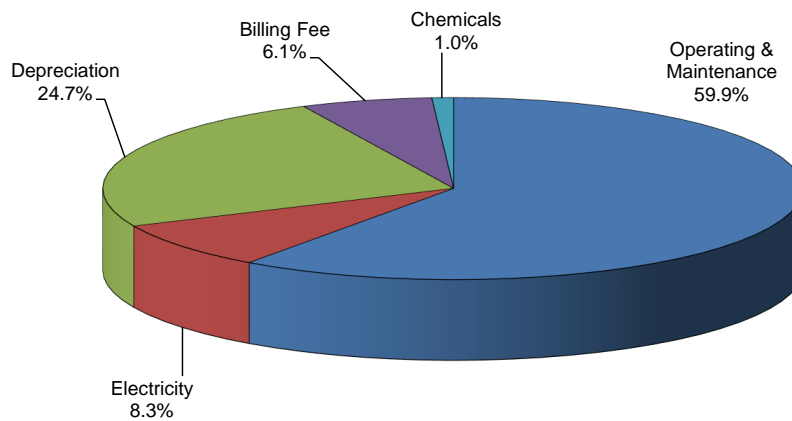
Attachment: 2022 Preliminary Board Packet Wtr (13776 : Preliminary 2022 Water and Electric Utility Budgets)

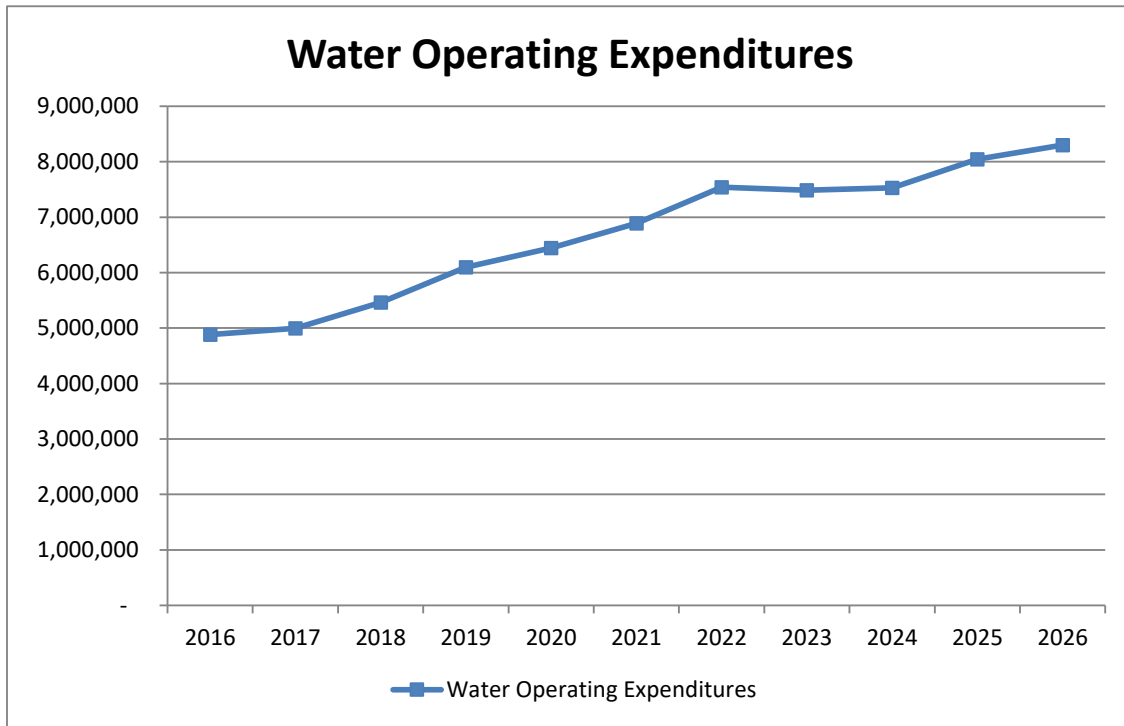
**ROCHESTER PUBLIC UTILITIES  
WATER UTILITY  
2022 OPERATING BUDGET**

**GROSS MARGIN  
\$10,965,331**



**EXPENSE USES  
\$11,999,674**





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

	<b>2021 F2</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>
1 CCF Pumped	5,543,343	5,273,552	5,303,331	5,302,905	5,302,013	5,253,743
2 % Change	-5.6%	-4.9%	0.6%	0.0%	0.0%	-0.9%
3 Retail CCF	5,539,237	5,269,646	5,299,403	5,298,978	5,298,086	5,249,852
4 % Change	-1.0%	-4.9%	0.6%	0.0%	0.0%	-0.9%
5 Number of Customers						
6 Residential	37,586	37,969	38,355	38,745	39,139	39,537
7 Commercial	3,660	3,690	3,720	3,751	3,783	3,815
8 Industrial	23	23	23	23	23	23
9 Interdepartmental	1	1	1	1	1	1
10 Total Customers	41,270	41,683	42,099	42,520	42,946	43,376
11 % Change	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%

**ROCHESTER PUBLIC UTILITIES**

**2022**

**WATER UTILITY**

**CAPITAL IMPROVEMENT AND  
MAJOR MAINTENANCE BUDGET**

**ROCHESTER PUBLIC UTILITIES  
WATER UTILITY  
2022 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

**Rochester Public Utilities**  
**Water Utility**  
**2022 - 2026 Major Maintenance Plan**

5.1.b

	A	B	C	D	E	F	G	H
4	Row Labels	Multi Year Project Total	2022	2023	2024	2025	2026	Total
5	Water Compliance							
6	124 - Water Compliance							
7	Old Municipal Wells Sealing Project		30,000	30,000	30,000	30,000	-	120,000
8	Olmsted County Well Sealing		100,000	-	-	-	-	100,000
10	<b>124 - Water Compliance Total</b>		<b>130,000</b>	<b>30,000</b>	<b>30,000</b>	<b>30,000</b>	<b>-</b>	<b>220,000</b>
11	<b>Water Compliance Total</b>		<b>130,000</b>	<b>30,000</b>	<b>30,000</b>	<b>30,000</b>	<b>-</b>	<b>220,000</b>
12	Water Core Services							
13	127 - Allocation Water Distribution System							
14	Alloc-Water Storage Facility Painting		355,000	295,000	135,000	300,000	400,000	1,485,000
15	<b>127 - Allocation Water Distribution System Total</b>		<b>355,000</b>	<b>295,000</b>	<b>135,000</b>	<b>300,000</b>	<b>400,000</b>	<b>1,485,000</b>
16	128 - Water Engineering							
17	Water Cost-of-Service/Rate Design Study		35,000	-	-	35,000	-	70,000
18	Water Utility Operation Contingency Fund		80,000	85,000	90,000	95,000	95,000	445,000
20	Communication Study		125,000	-	-	-	-	125,000
21	<b>128 - Water Engineering Total</b>		<b>240,000</b>	<b>85,000</b>	<b>90,000</b>	<b>130,000</b>	<b>95,000</b>	<b>640,000</b>
22	<b>Water Core Services Total</b>		<b>595,000</b>	<b>380,000</b>	<b>225,000</b>	<b>430,000</b>	<b>495,000</b>	<b>2,125,000</b>
23	Water Power Resources							
24	123 - Allocation Water Facilities							
25	Alloc-Facilities Maintenance Water		20,000	-	-	-	-	20,000
26	<b>123 - Allocation Water Facilities Total</b>		<b>20,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>20,000</b>
27	<b>Water Power Resources Total</b>		<b>20,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>20,000</b>
28	<b>Total Major Maintenance - External Expenditures</b>		<b>745,000</b>	<b>410,000</b>	<b>255,000</b>	<b>460,000</b>	<b>495,000</b>	<b>2,365,000</b>

Attachment: 2022 Preliminary Board Packet Wtr (13776 : Preliminary 2022 Water and Electric Utility Budgets)

**Rochester Public Utilities**  
**Water Utility**  
**2022 - 2026 Capital Improvement Plan**

**5.1.b**

Row Labels	Multi Year Project Total	2022	2023	2024	2025	2026	Total
<b>Water Compliance</b>							
124 - Water Compliance							
Well 16 Conversion		75,000	-	-	-	-	75,000
Olmsted County Well Conversion		-	80,000	-	-	-	80,000
<b>124 - Water Compliance Total</b>		<b>75,000</b>	<b>80,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>155,000</b>
<b>Water Compliance Total</b>		<b>75,000</b>	<b>80,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>155,000</b>
<b>Water Core Services</b>							
127 - Allocation Water Distribution System							
Alloc-Replacement Of Pumping Units		88,800	90,800	92,000	92,900	94,700	459,200
Alloc-Well Motor Replacements		13,875	19,000	19,500	19,500	20,000	91,875
Alloc-Install Variable Frequency Drive Units		22,650	19,650	19,700	15,250	16,800	94,050
Alloc-Replacement Of Booster Pumps		17,250	23,000	23,000	23,000	23,000	109,250
Alloc-Residential Water Metering/AMR		145,965	198,500	202,500	206,500	210,500	963,965
Alloc-Commercial Water Metering/AMR		93,750	127,500	130,000	132,500	135,250	619,000
<b>127 - Allocation Water Distribution System Total</b>		<b>382,290</b>	<b>478,450</b>	<b>486,700</b>	<b>489,650</b>	<b>500,250</b>	<b>2,337,340</b>
127 - Water Distribution System							
Install New AC Units at Wells and Boosters		36,225	37,493	38,805	40,164	41,569	194,256
Water AMI Implementation		67,291	144,845	5,940,026	4,732,708	-	10,884,870
Well & Booster Station Metering		10,900	11,300	11,675	12,100	12,500	58,475
Chlorine Sensor Replacement		23,801	24,633	-	-	-	48,434
<b>127 - Water Distribution System Total</b>		<b>138,217</b>	<b>218,271</b>	<b>5,990,506</b>	<b>4,784,972</b>	<b>54,069</b>	<b>11,186,033</b>
128 - Water Engineering							
Marion Rd Duct Project		-	580,000	-	-	-	580,000
Center ST to 11th Ave E		-	-	1,084,750	-	-	1,084,750
Center St to 16th Ave West		-	-	-	-	640,000	640,000
New Wells		635,000	-	480,000	750,000	-	1,865,000
Water Utility Project Contingency Fund		175,000	180,000	180,000	185,000	185,000	905,000
New Marion IL1.0MG Reservoir		-	-	-	-	1,550,000	1,550,000
Building Replacement-Well #26		100,000	-	-	-	-	100,000
1.0MG Baihly High Level Tower	4,100,000	90,000	4,010,000	-	-	-	4,100,000
Willow Heights High Level Booster Station		330,000	-	-	-	-	330,000
<b>128 - Water Engineering Total</b>	<b>4,100,000</b>	<b>1,330,000</b>	<b>4,770,000</b>	<b>1,744,750</b>	<b>935,000</b>	<b>2,375,000</b>	<b>11,154,750</b>
128 - Allocation Water Engineering							
Alloc-T&D City Projects		251,000	154,000	200,000	385,000	200,000	1,190,000
Alloc-T&D Developer Projects		100,000	200,000	200,000	200,000	200,000	900,000
Alloc-T&D RPU Projects		200,000	400,000	200,000	800,000	1,000,000	2,600,000
<b>128 - Allocation Water Engineering Total</b>		<b>551,000</b>	<b>754,000</b>	<b>600,000</b>	<b>1,385,000</b>	<b>1,400,000</b>	<b>4,690,000</b>
128 - DMC Water Engineering							
DMC-Discovery Walk	630,500	480,000	150,500	-	-	-	630,500
DMC-Broadway N, Zumbro River Bridge North to Elton Hills Dr		-	-	350,000	350,000	-	700,000
DMC-6th St SE Bridge Construction		-	-	-	-	210,000	210,000
DMC-3rd Ave SW From 2nd To 4th St SW		-	-	160,000	-	-	160,000
DMC-Block 6 Ramp Water Main		221,000	-	-	-	-	221,000
DMC-Rochester Rapid Transit 2nd St SW Recon		-	880,000	150,000	-	-	1,030,000
<b>128 - DMC Water Engineering Total</b>	<b>630,500</b>	<b>701,000</b>	<b>1,030,500</b>	<b>660,000</b>	<b>350,000</b>	<b>210,000</b>	<b>2,951,500</b>
<b>Water Core Services Total</b>	<b>4,730,500</b>	<b>3,102,507</b>	<b>7,251,221</b>	<b>9,481,956</b>	<b>7,944,622</b>	<b>4,539,319</b>	<b>32,319,625</b>
<b>Water Power Resources</b>							
125 - Water Fleet		259,440	248,459	180,480	23,808	141,000	853,187
<b>Total External Expenditures</b>	<b>4,730,500</b>	<b>3,436,947</b>	<b>7,579,680</b>	<b>9,662,436</b>	<b>7,968,430</b>	<b>4,680,319</b>	<b>33,327,812</b>
<b>Total Internal Expenditures</b>		<b>373,711</b>	<b>301,479</b>	<b>355,225</b>	<b>339,954</b>	<b>287,748</b>	<b>1,658,117</b>
<b>Total Contributed Assets</b>		<b>1,100,000</b>	<b>1,100,000</b>	<b>1,100,000</b>	<b>1,100,000</b>	<b>1,100,000</b>	<b>5,500,000</b>
<b>Less: Water Accessibility Funds</b>		<b>(90,000)</b>	<b>(4,010,000)</b>	<b>-</b>	<b>-</b>	<b>(1,550,000)</b>	<b>(5,650,000)</b>
<b>Less: Bond Funded</b>		<b>-</b>	<b>(144,845)</b>	<b>(5,940,026)</b>	<b>(4,415,129)</b>	<b>-</b>	<b>(10,500,000)</b>
<b>Total Net Capital Expenditures</b>		<b>4,820,658</b>	<b>4,826,314</b>	<b>5,177,635</b>	<b>4,993,255</b>	<b>4,518,067</b>	<b>24,335,929</b>

Attachment: 2022 Preliminary Board Packet Wtr (13776 : Preliminary 2022 Water and Electric Utility Budgets)



## RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to approve the issuance of a public notice of the proposed 2022 rate changes for the Water Utility and Electric Utility.

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 31st day of August, 2021.

---

President

---

Secretary

## FOR BOARD ACTION

Agenda Item # (ID # 13782)

Meeting Date: 8/31/2021

---

**SUBJECT: RPU Index of Board Policies**

---

**PREPARED BY: Christina Bailey**

---

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	5/25/2021	Finance
17. Electric Service Availability	10/29/2019	Ops & Admin
18. Water and Electric Metering	6/26/2018	Ops & Admin
19. Adjustment of Utility Services Billed	6/29/2021	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. Joint-Use of Infrastructure and Land Rights	3/30/2021	Ops & Admin
29. Customer Data Policy	10/9/2014	Communications
30. Life Support	9/24/2019	Communications
31. Electric Utility Undergrounding Policy	9/29/2020	Ops & Admin
Red - Currently being worked on		
Yellow - Will be scheduled for revision		

## FOR BOARD ACTION

Agenda Item # (ID # 13783)

Meeting Date: 8/31/2021

---

**SUBJECT: Division Reports & Metrics - August 2021**

---

**PREPARED BY: Christina Bailey**

---

ITEM DESCRIPTION:

UTILITY BOARD ACTION REQUESTED:

# Division Reports & Metrics August 2021

CORE SERVICES  
SAFETY, COMPLIANCE & PUBLIC AFFAIRS  
POWER RESOURCES  
CUSTOMER RELATIONS  
CORPORATE SERVICES  
FINANCIAL REPORTS

Attachment: Division Reports August 2021 (13783 : Division Reports & Metrics - August 2021)

# Division Reports & Metrics

## August 2021

### CORE SERVICES

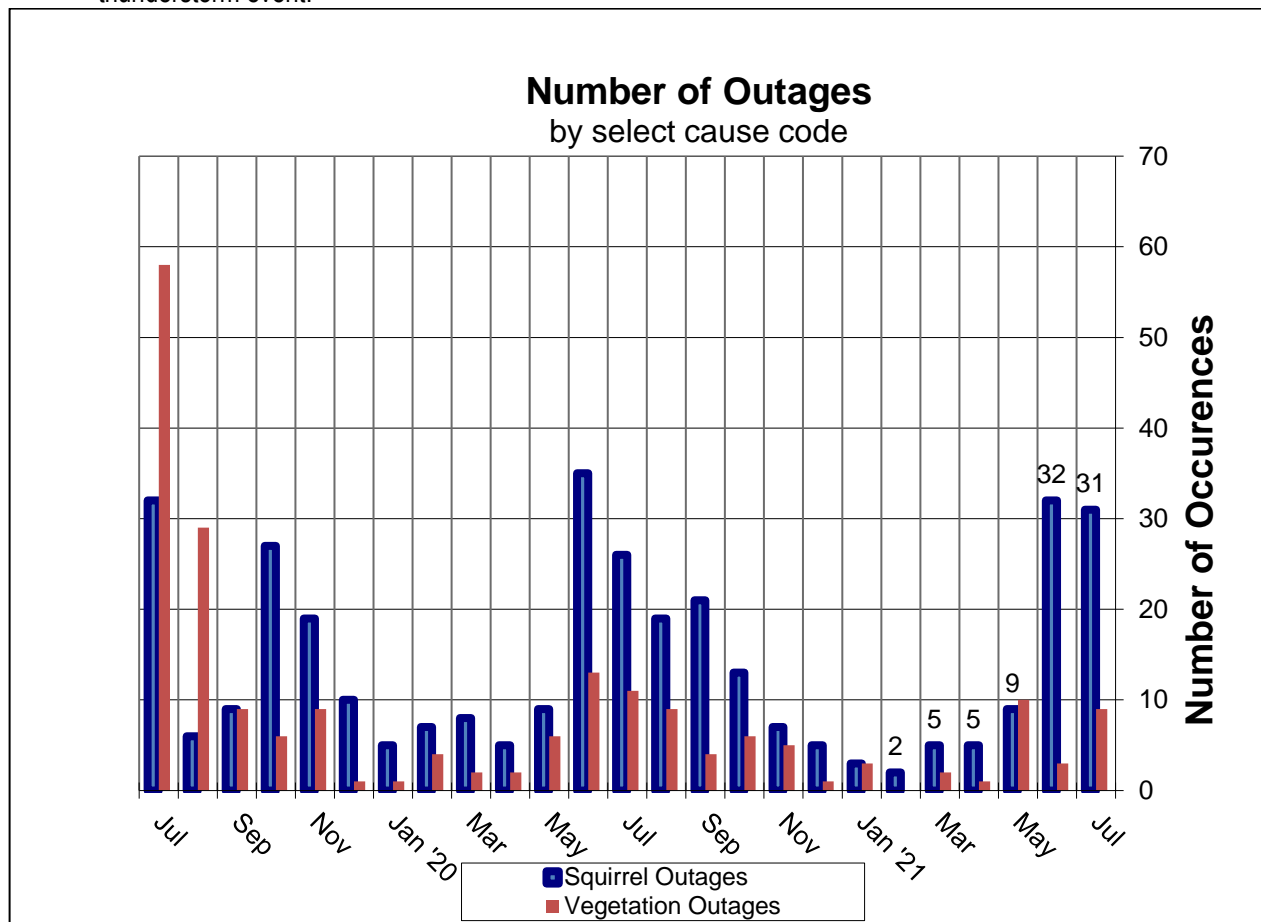
#### Electric Utility:

##### 1. Electric Outage Calculations for the month and year to date (July 2021 Data)

- |  |   |
|--|---|
| a. Reliability = 99.994587%            | Year-to-date Reliability = 99.99194%                |
| b. 2,859 Customers affected by Outages | Year-to-date Customers affected by Outages = 25,988 |
| c. SAIDI = 2.42 min                    | Year-to-date SAIDI = 3.55 min                       |
| d. CAIDI = 47.11 min                   | Year-to-date CAIDI = 51.13 min                      |

##### 2. Electric Utility Operations – T&D, Engineering, System Ops, GIS, Tech Services:

- Design phase of the Marian Road substation and duct projects are on-going on specific equipment.
- Field Crews completed the streetlight fixture change outs to LED.
- Reliability statistics were negatively impacted in June due to animal contact outages and a large thunderstorm event.



Summary of individual electrical outages (greater than 200 customers – July 2021 data)

# Customers	Date	Duration	Cause
846	7/16/21	50m	Vegetation
778	7/1/21	40m	Vehicle Hit Pole

Summary of aggregated incident types (greater than 200 customers – July 2021 data)

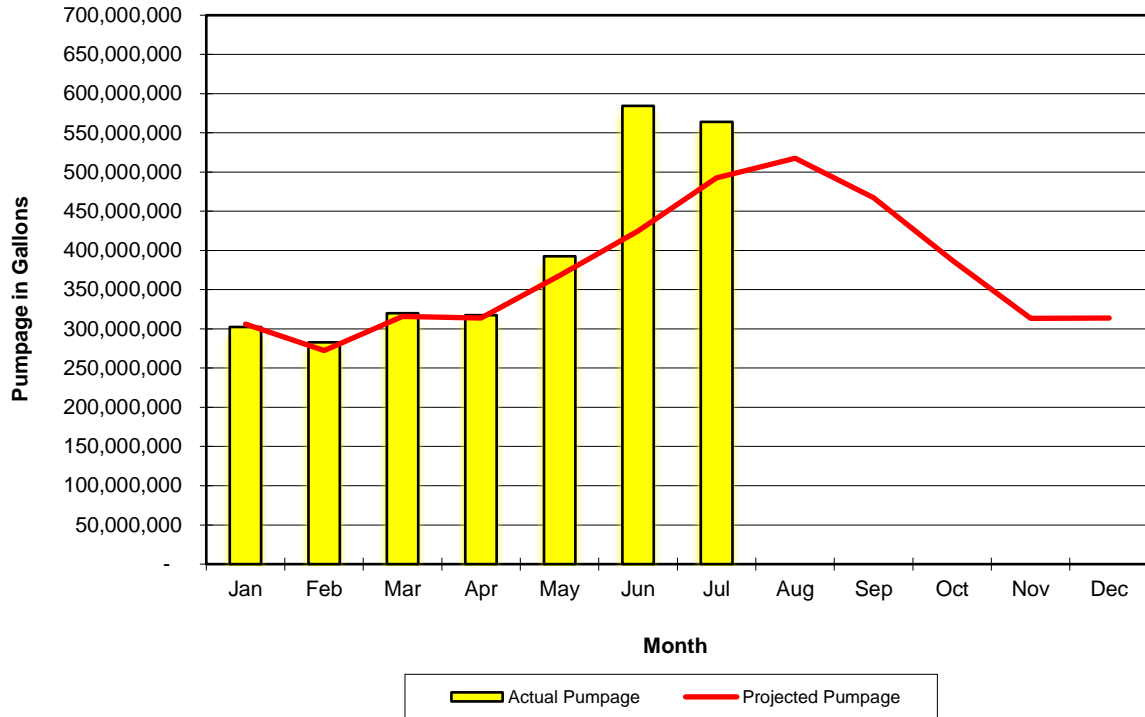
# Customers	Total # of Incidents	Cause
1,113	9	Vegetation
877	4	Vehicle Hit Pole
736	31	Animals

## Water Utility:

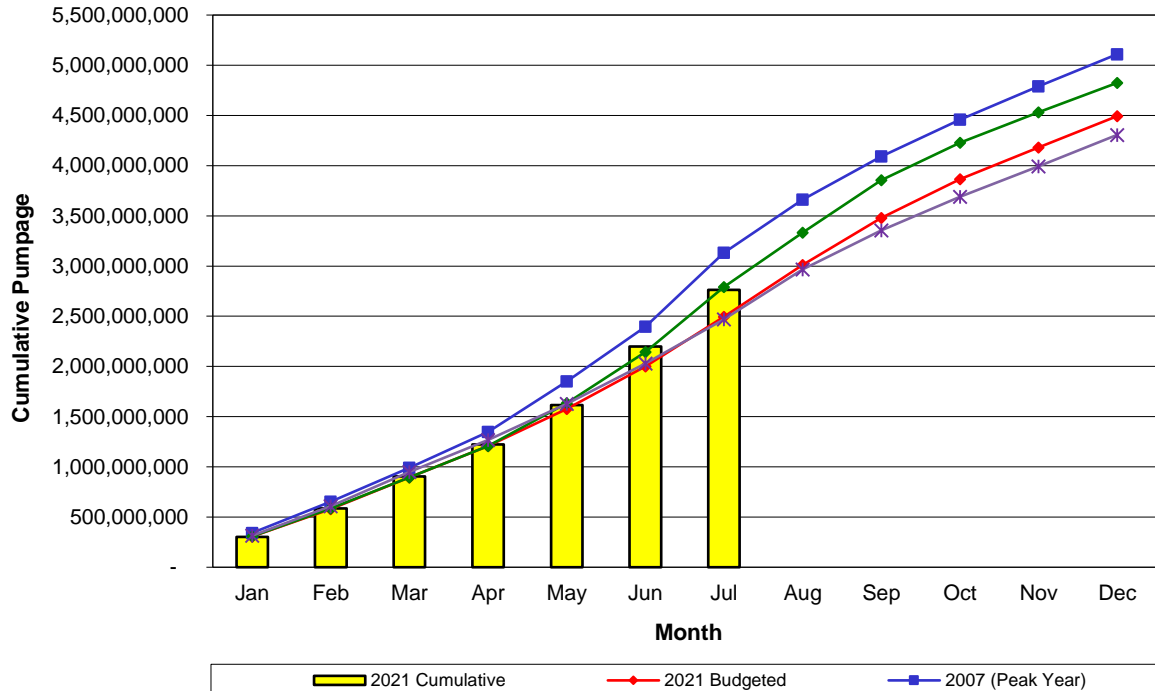
### 1. Water Outage Calculations for the month and year to date (June 2021 data):

- |                                      |  |
|--------------------------------------|--|
| a. Reliability = 99.99838340%        | Year-to-date Reliability = 99.99829695%          |
| b. 215 Customers Affected by Outages | Year-to-date Customers Affected by Outages = 957 |
| c. 496.2 Customer Outage Hours       | Year-to-date Customer Outage Hours = 2,546.0     |
| d. SAIDI = 0.7                       | Year-to-date SAIDI = 3.7                         |
| e. CAIDI = 138.5                     | Year-to-date CAIDI = 159.6                       |
- Performed 2,037 Gopher State water utility locates during the month for a total of 11,619 for the year.
  - Repaired water distribution system failures or maintenance at the following locations during the month. :
    - 20<sup>th</sup> St SE & 11 Ave SE – (main break) – 7/7
    - 804 26<sup>th</sup> St NE – (main break) – 7/8
  - RPU personnel received 63 inquiries during the month by phone, email, and in person related to questions about letters that customers received regarding how to accomplish backflow testing and backflow prevention.

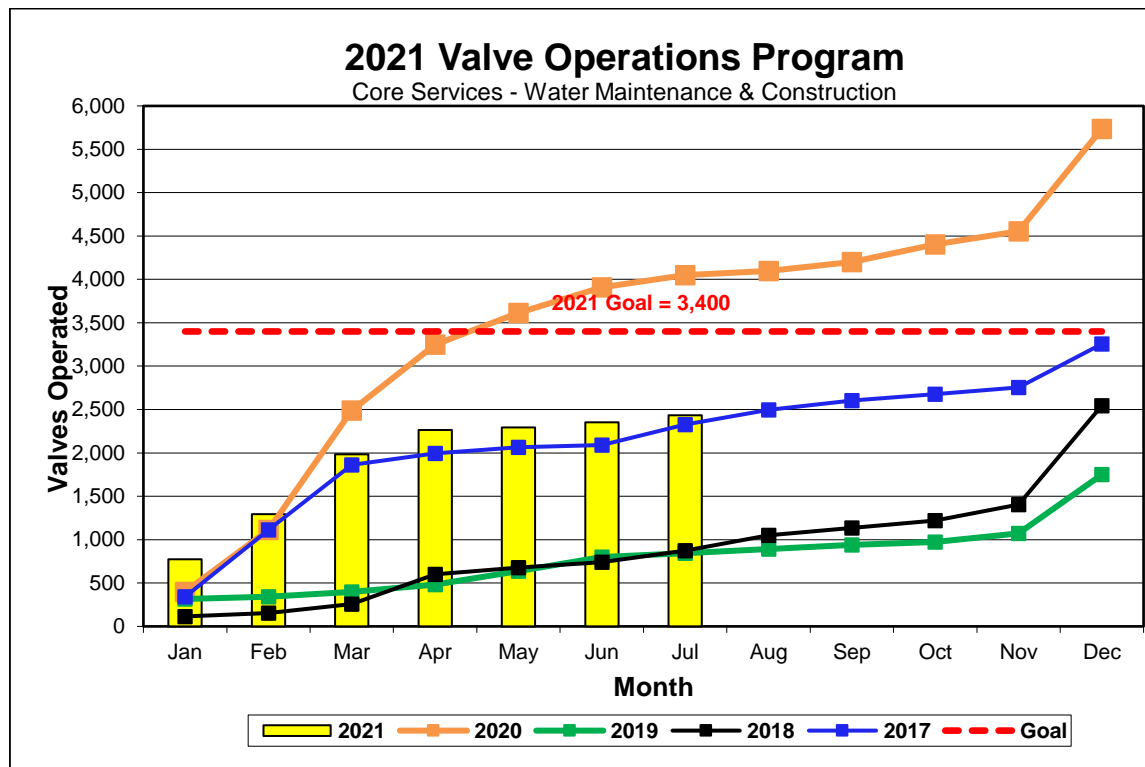
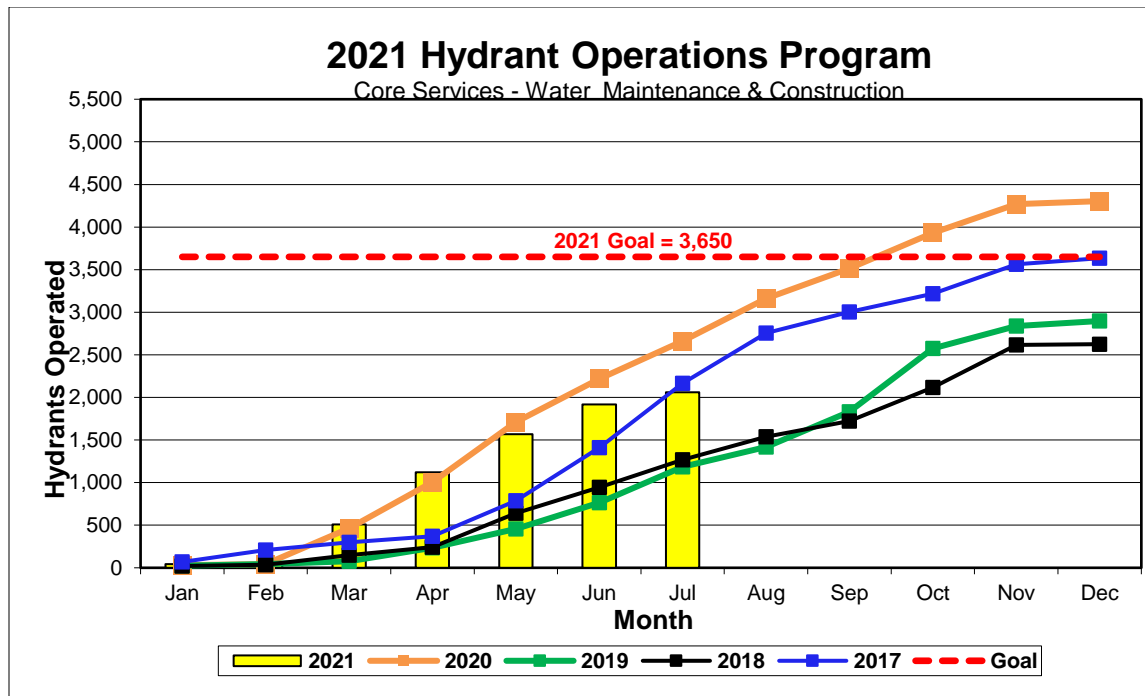
**Actual vs. Projected Pumpage: 2021**  
Core Services - Water Maintenance & Construction



**Cumulative Pumpage Comparison: 2021**  
Core Services - Water Maintenance & Construction







## GIS/Property Rights

- Hydro line LIDAR flight completed utilizing drone technology. Deliverables will include a 3D point cloud of the corridor and also identify vegetation and other clearance issues that need to be addressed.

## SAFETY / COMPLIANCE & PUBLIC AFFAIRS August 2021

### 1. Safety

TRAINING	Total Required Enrollments	Completions as of 7/31/2021	Percent Complete
July 2021	594	584	98.3%
Calendar Year to 7/31/2021	4300	4290	99.8%

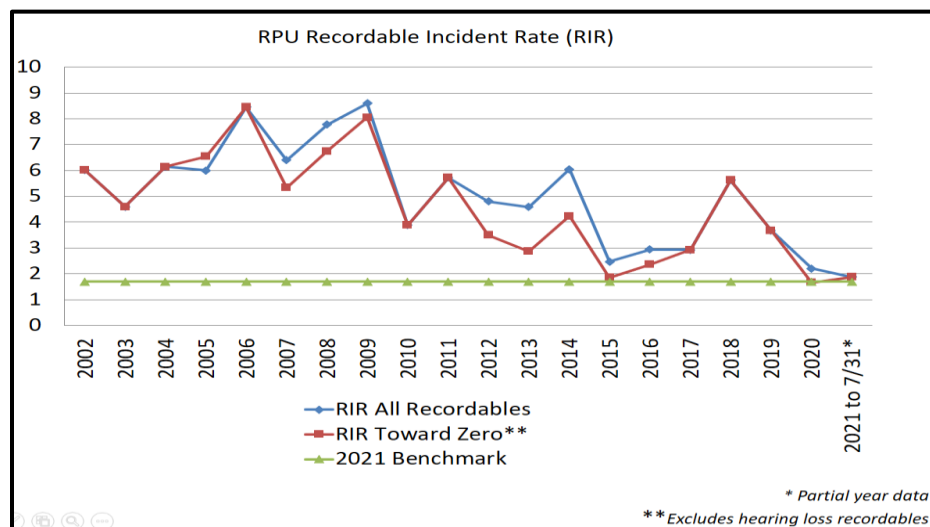
SAFETY TEAMS	Total Members	Members Attending	Percent Attending
July 2021	26	24	92.3%
Calendar Year to 7/31/2021	248	204	82.3%

INCIDENTS	Reports Submitted	OSHA Cases <sup>1</sup>	RPU RIR <sup>2</sup>	BLS RIR <sup>3</sup>
July 2021	2	0	--	--
Calendar Year to 7/31/2021	16	2	1.87	1.7

- <sup>1</sup> Deemed to meet OSHA criteria as a recordable case by RPU Safety Manager, subject to change  
<sup>2</sup> Recordable Incident Rate – Number of OSHA Recordable Cases per 100 employees.  
<sup>3</sup> Bureau of Labor Statistics nonfatal illnesses and injuries in the utility sector



22 of RPU's 24 departments are recordable injury free in 2021  
 211 of RPU's 213 employees are recordable injury free in 2021



2021 OSHA Recordable Case Detail				
Work Area	Incident Date	Description	Primary Reason it's a Recordable	Corrective Action
T&D	2/8/2021	Slipped on ice in parking lot striking head and shoulder (R) on pavement	Restricted Work	Reviewed salting/sanding procedures
Water	3/1/2021	Possible knee (L) injury due to slip on ice	Days Away	Encouraged use of better slip resistant footwear

## SAFETY INITIATIVES

1. Training materials are being reviewed for use for 2021 general safety training and for line worker apprentices
2. Assisted with developing data for the safety section of the APPA Reliable Public Power Provider (RP3) application
3. Worked on updated process to promptly report contacts with underground facilities

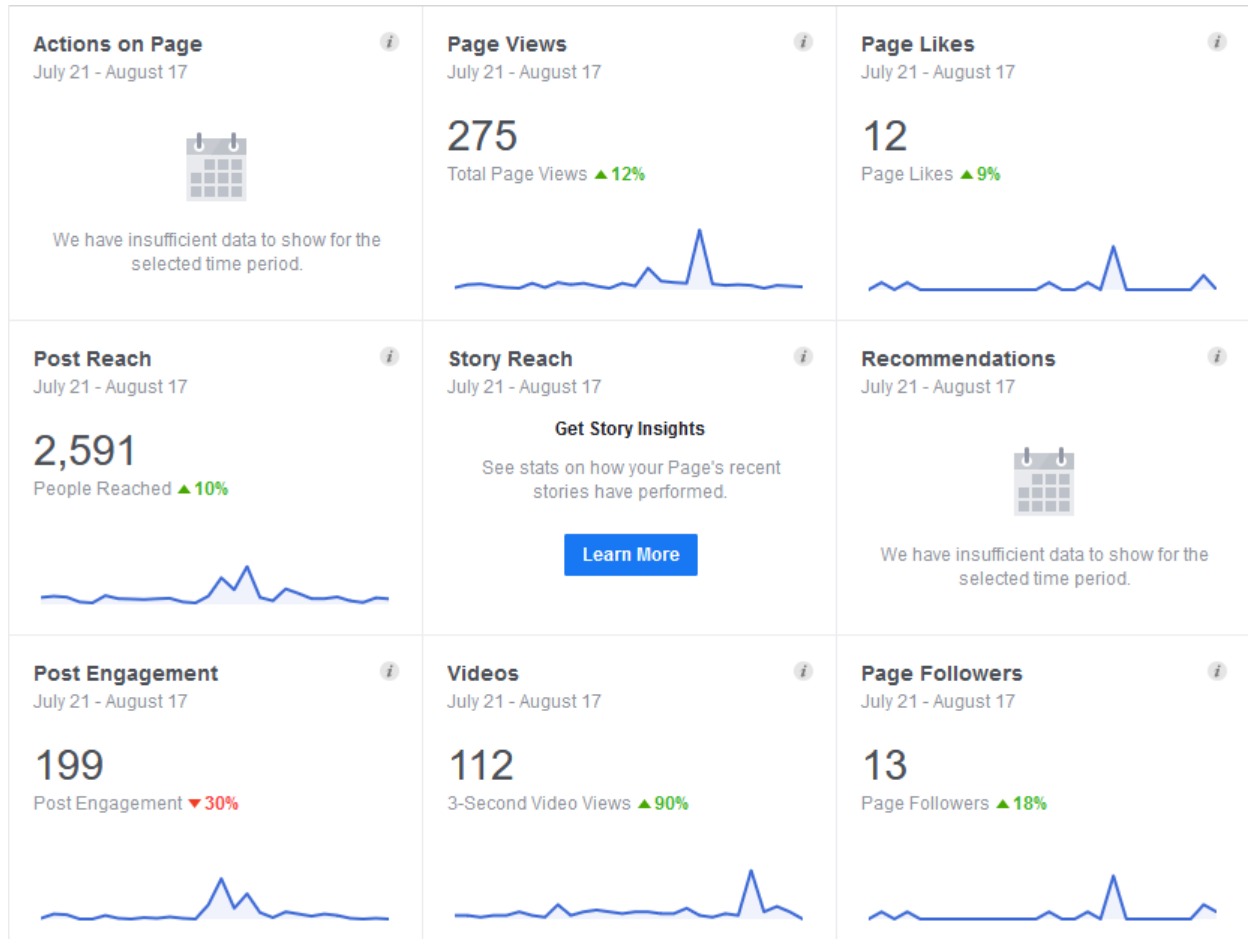
## 2. Environmental & Regulatory Affairs

- All second quarter and semi-annual 2021 air emission monitoring reports for the permitted units at SLP, IBM, Westside Energy Station and Cascade Creek were submitted to EPA and MPCA by their July 30th deadline.
- Biannual relative accuracy test audits were conducted and passed in August on the NOx analyzer for the combustion turbines, CT-2 and CT-3, at the Cascade Creek Station.
- On July 20<sup>th</sup> RPU Water and Environmental staff presented at Folwell School to educate their summer school program students on drinking water. The presentation focused on water source, water quality and water conservation.
- On July 22<sup>nd</sup> RPU Water and Environmental staff gave a well house and water tower tour to approximately 60 students from the Pinewood school summer program. Students were educated on how RPU withdraws the City's drinking water from the ground and how water is stored then distributed to our customers.
- On August 12<sup>th</sup> the City of Rochester Public Works held a kick-off meeting for the development of the Comprehensive Surface Water Management Plan for the city. RPU will be participating on the planning team with a focus on surface water and groundwater interaction.

### 3. Communications

- Water conservation continued to be a hot topic to discuss with the media. Local utilities and other municipalities had water restrictions and advisories, so RPU was asked a number of times about how Rochester can save water and reduce usage.
- The September/October Plugged In was moved up to meet the new notification time for the Minnesota Cold Weather Rule.
- The Q3 Customer Satisfaction Survey was signed off on and will be sent out to 1,000 customers via mail. The link to the online survey will also be made available online.
- We received positive feedback for our timely communication during an outage on August 9th.
- With the help of Water Operations, Environmental & Regulatory Affairs, and Business Services we were able to host a small tour for a local boy's 5th birthday. One of the things he had hoped for was to see the water tower near his home close up.





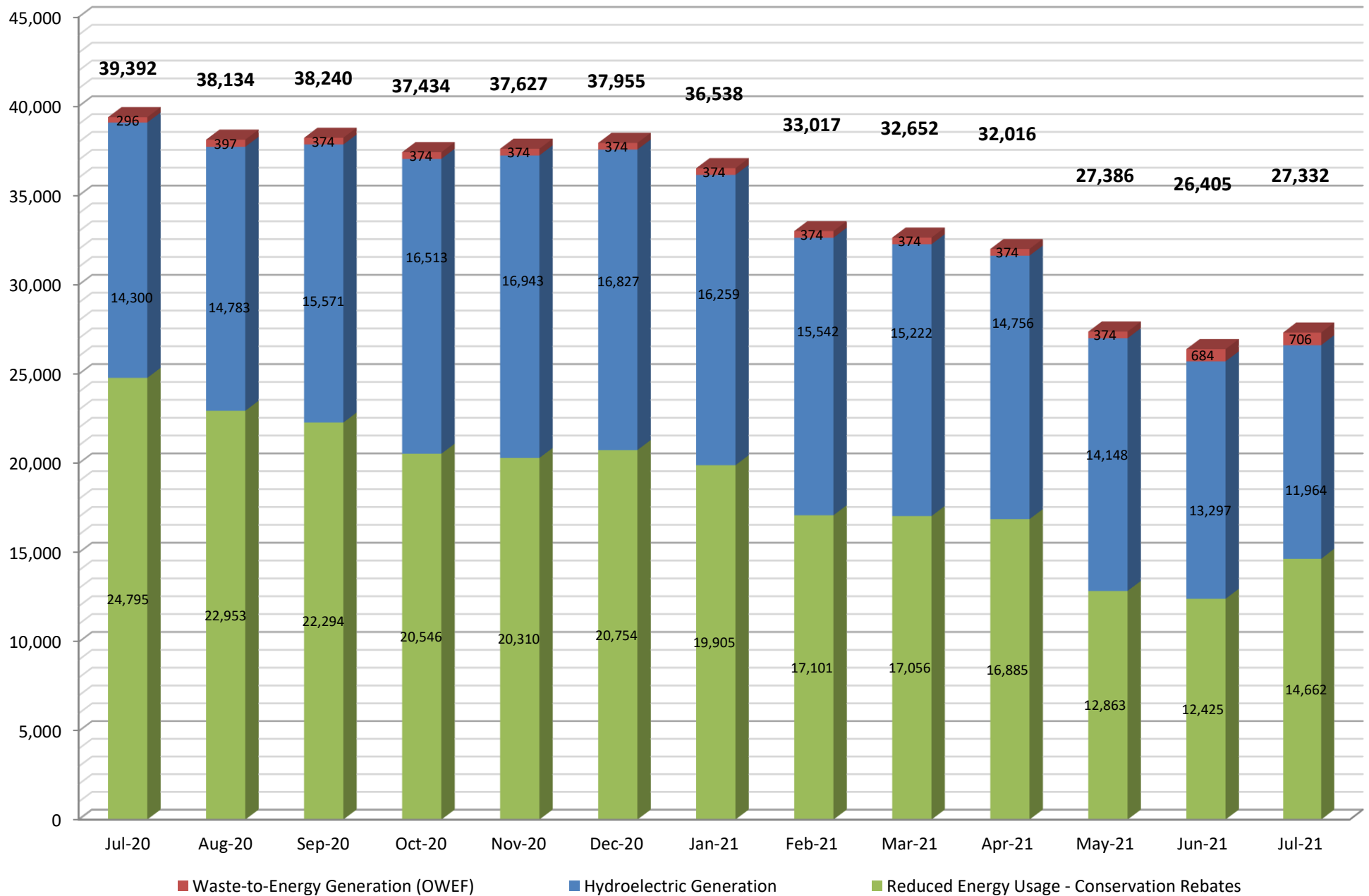
### 28 day summary with change over previous period



# RPU Environmental Stewardship Metric

## Tons CO2 Saved

### 12 Month Rolling Sum



Attachment: Division Reports August 2021 (13783 : Division Reports &amp; Metrics - August 2021)

# POWER RESOURCES MANAGEMENT

AUGUST 2021

## Portfolio Optimization

1. In July, RPU continued to bid GT1, GT2 and WES into the MISO day-ahead and real-time markets. Only GT2 and WES are capable of participating in the ancillary services market.
  - a. Ancillary Service Market – Supplemental Reserves
    - i. Cleared DA
      1. GT2 – 31 days
      2. WES – 31 days
    - ii. Deployment YTD
      1. GT2 – 1
      2. WES – 1
  - b. Dispatched by MISO
 

i. GT1 – 2 times	YTD 19
ii. GT2 – 24 times	YTD 75
iii. WES – 24 times	YTD 83
  - c. Hours of Operation
 

i. GT1 – 12 hours	YTD 121 hours
ii. GT2 – 175 hours	YTD 569 hours
iii. WES – 257 hours	YTD 736 hours
  - d. Electricity Generated
 

i. GT1 – 256 MWh	YTD 2,621 MWh
ii. GT2 – 6,065 MWh	YTD 19,601 MWh
iii. WES – 8,868 MWh	YTD 25,064 MWh
  - e. Forced Outage
 

i. GT1 – 1 hours	YTD 207 hours
ii. GT2 – 4 hours	YTD 7 hours
iii. WES – 0 hours	YTD 168 hours
2. MISO market Real Time Price averaged \$22.42/MWh and Day Ahead Price averaged \$27.68/MWh.

# **CUSTOMER RELATIONS**

*(Contact Center and Marketing, Commercial and Residential)*

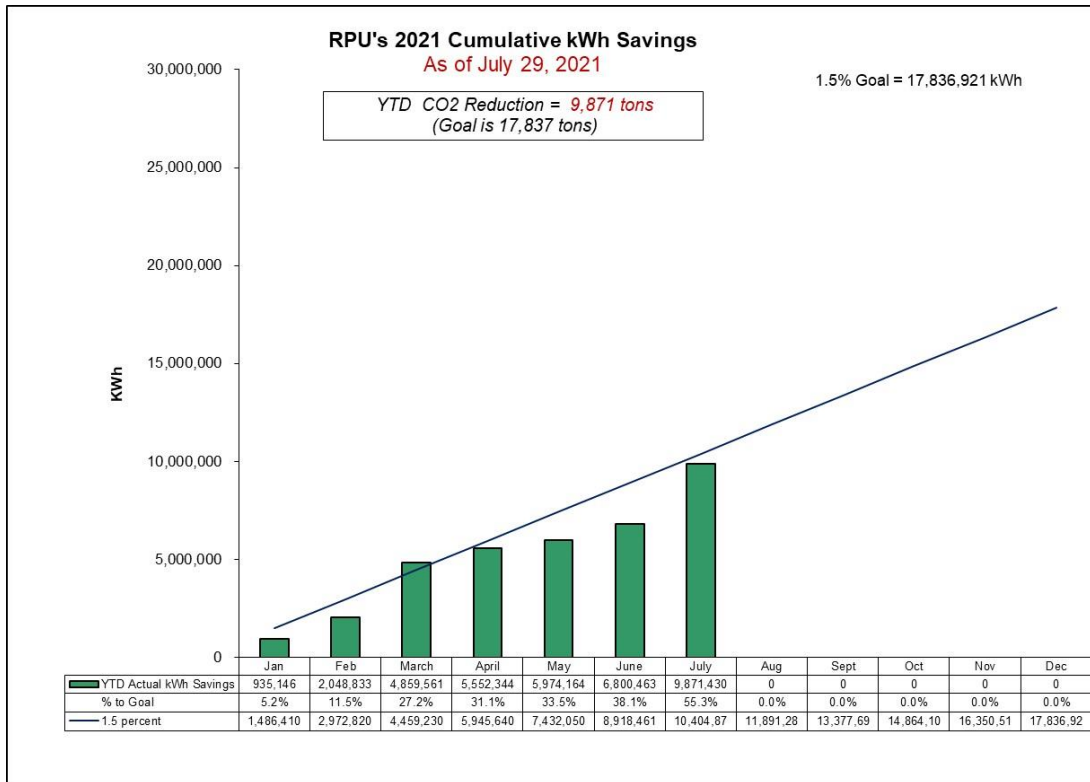
## Stakeholder Engagement, Forums, and Meetings

1. RPU sponsored a hole at the annual ASHRAE golf outing at Willow Creek Golf Course on August 5. We handed out program information and had the opportunity to meet with many of our customers and trade allies.
2. August 12, staff participated in the first stakeholders meeting hosted by TRC and Xcel Energy on a potential MN Building Codes and Standards Program. Additional meetings will be scheduled in the upcoming months.
3. July 29, as part of the Energy and Optimization Act (ECO), staff participated in the MN Department of Commerce's stakeholders meeting to review and update guidelines for determining the eligibility of multifamily buildings to participate in low-income Conservation Improvement Programs (CIP). A second meeting is scheduled for August 31.

## Opportunities for Customers

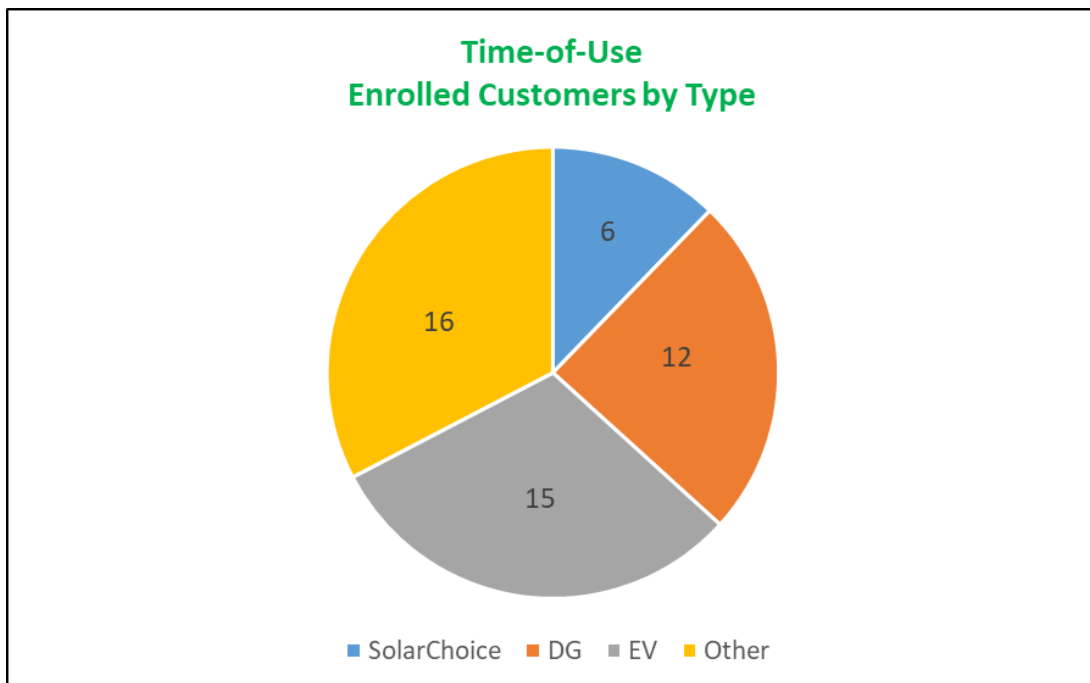
1. On July 28, Customer Care and Collections completed 1,069 outreach calls to customers with past due balances. These calls were initiated before disconnects resumed on August 2. This communication was an attempt to help customers connect with outside resources, make payment arrangements, or make payments on their accounts.
2. As a result of the outreach calls and communication surrounding disconnects resuming, Customer Care Advisors have been assisting our customers in making payment arrangements or providing information for outside resources to help make the bill more manageable.
3. RPU participated in the Rochester Police Department's Safe City Nights event on August 10 at the Edison Building. Marketing staff was there with water information, as well as staff from the water department, with a water truck on site to show attendees.
4. On August 14, staff participated in an electric vehicle (EV) demonstration at the Rochester Farmers Market. The event was well attended.
5. RPU participated in the Rochester Police Department's Safe City Nights event on August 24 at Watson Field. Marketing staff was there with electric information, as well as staff from the T&D department, with a line truck on site to show attendees.



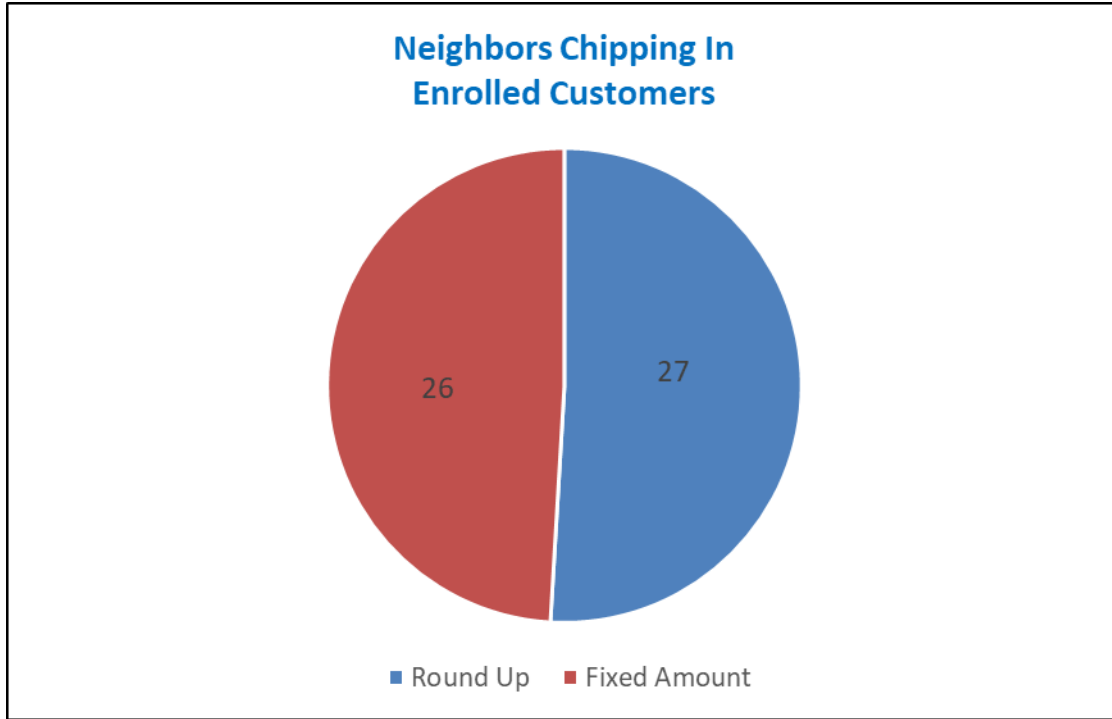


✚ Avoided kW: 1,424 kW

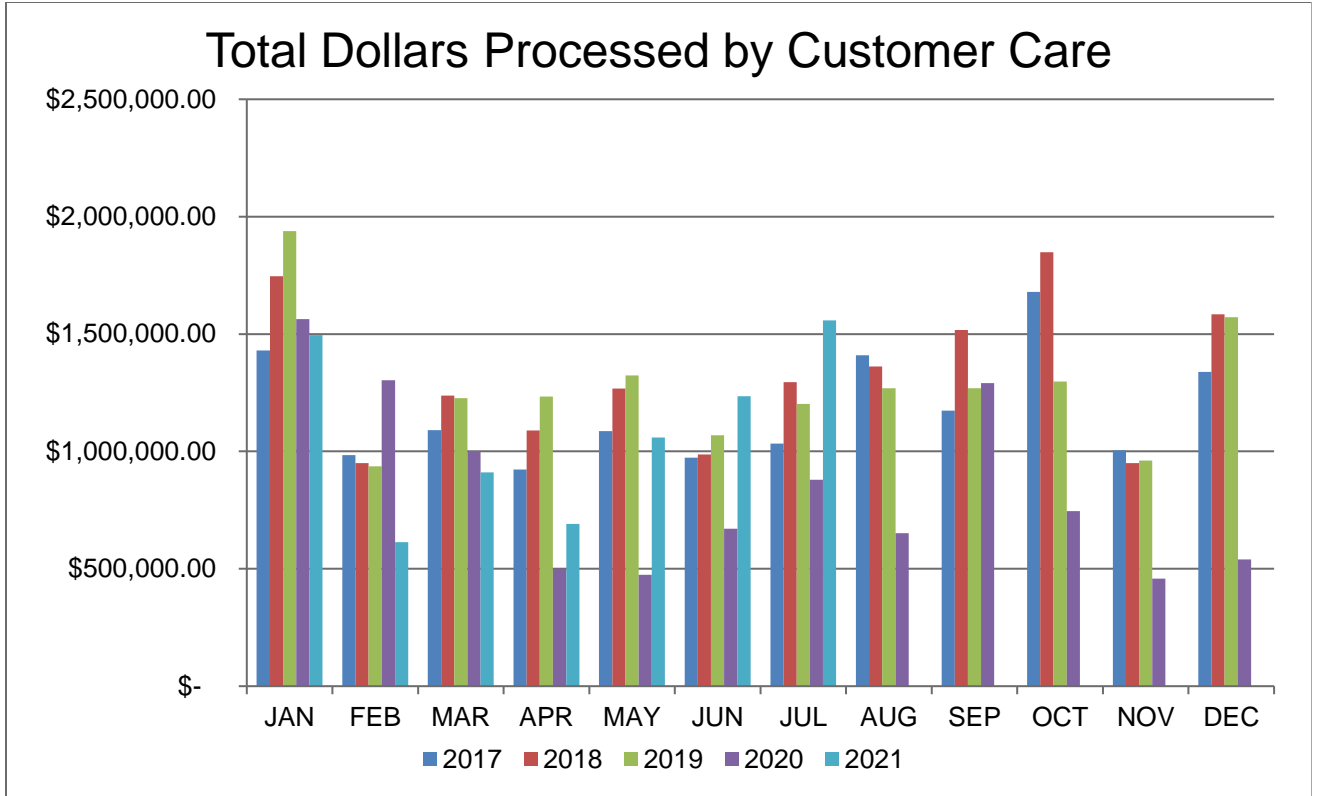
✚ Cost of Avoided kW: \$812/kW



✚ Total Customers Enrolled: 49

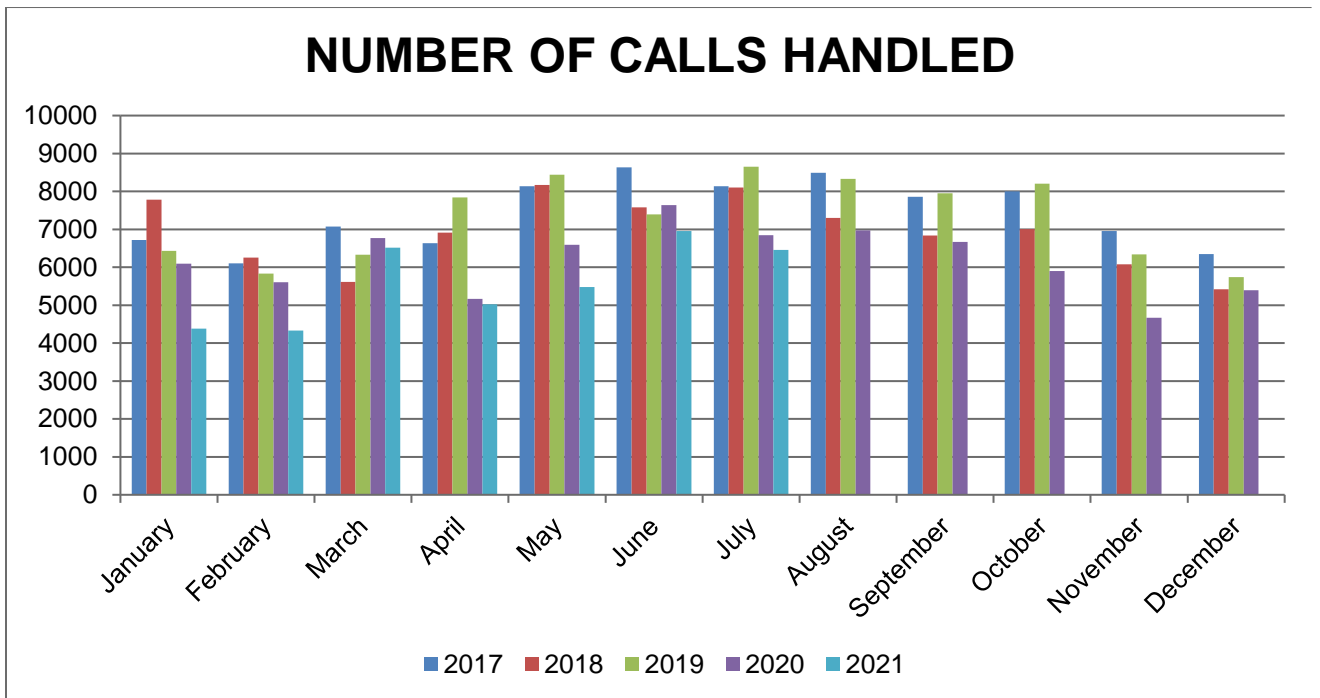


✚ Total Customers Enrolled: 53



✚ Total Number in Dollars Processed by Representatives: \$1,557,733 (graphed above)

✚ Total Number of Transactions Processed by Representatives: 3,350



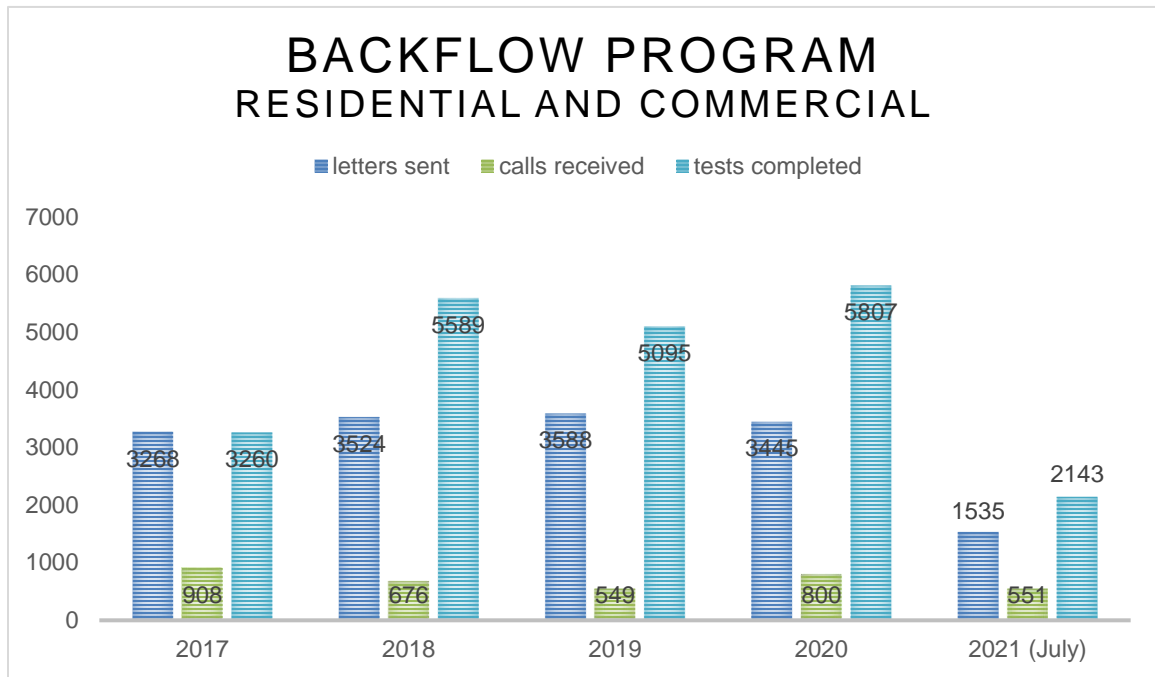
✚ Total Number of Calls: 6,458 (graphed above)

# Corporate Services

## 1. Business Services:

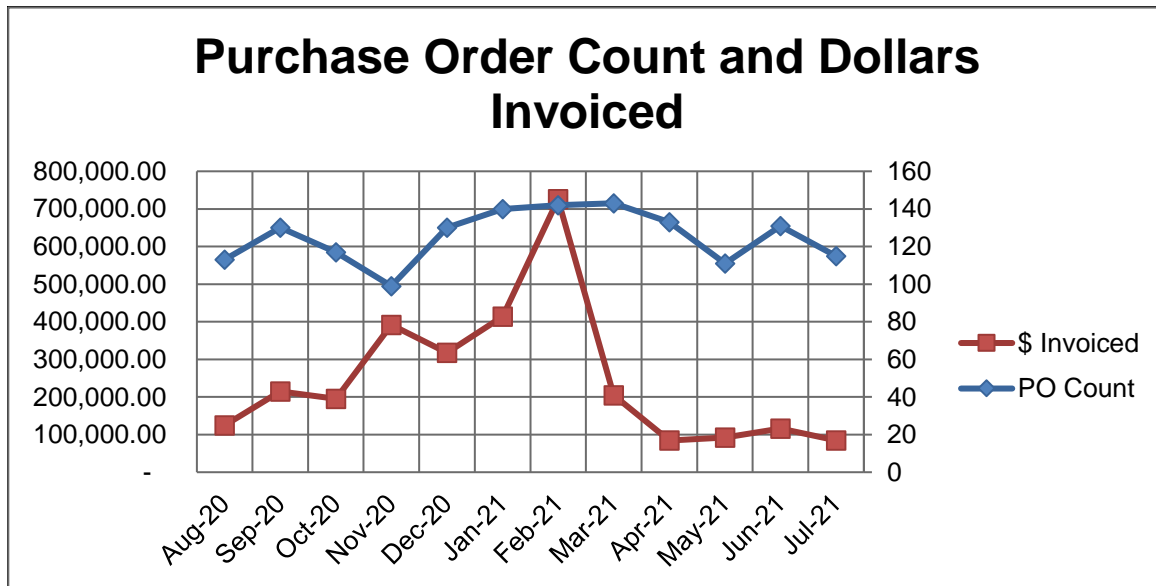
- Payroll/HR – Coordinated the departures of two full time employee and two seasonal employees.
- Administrative – Participated in the City's Spectrum of Engagement Training as part of the New Community Engagement initiative.
- Administrative – Participated in Community Engagement, Diversity, Equity and Inclusion (CE DEI) group working to develop RPU's CE DEI goals and objectives.
- Administrative – Wellness Program: coordinated communication of the Summer Games Step Challenge as part of the City's wellness program. 15 RPU employee participated in the 10-day challenge achieving a combined total of 2,627,544 steps.
- Compliance – Completed audit and review of NERC Asset lists which includes additions and restructuring the individual asset listings following the completion of the SCADA upgrade project.
- Compliance – Started the annual controls audit of employee and vendor access to systems and critical applications at RPU.
- Administrative Support – developed graphics and reports to support Water and Electric Engineering and Operations reports along with a number of presentations for Executive team use.
- As part of the customer outreach efforts, 3,571 customer letters were printed and mailed internally including 1,027 outreach letters and 539 customer notifications for planned work. With the return to normal operations in the Finance and collections area, customer notices are now being rerouted through an outside vendor through the normal workflow. The Business Services team has handled more than double the volume of mailing pieces over the past year in response to the need to send notices to customers regarding assistance opportunities.

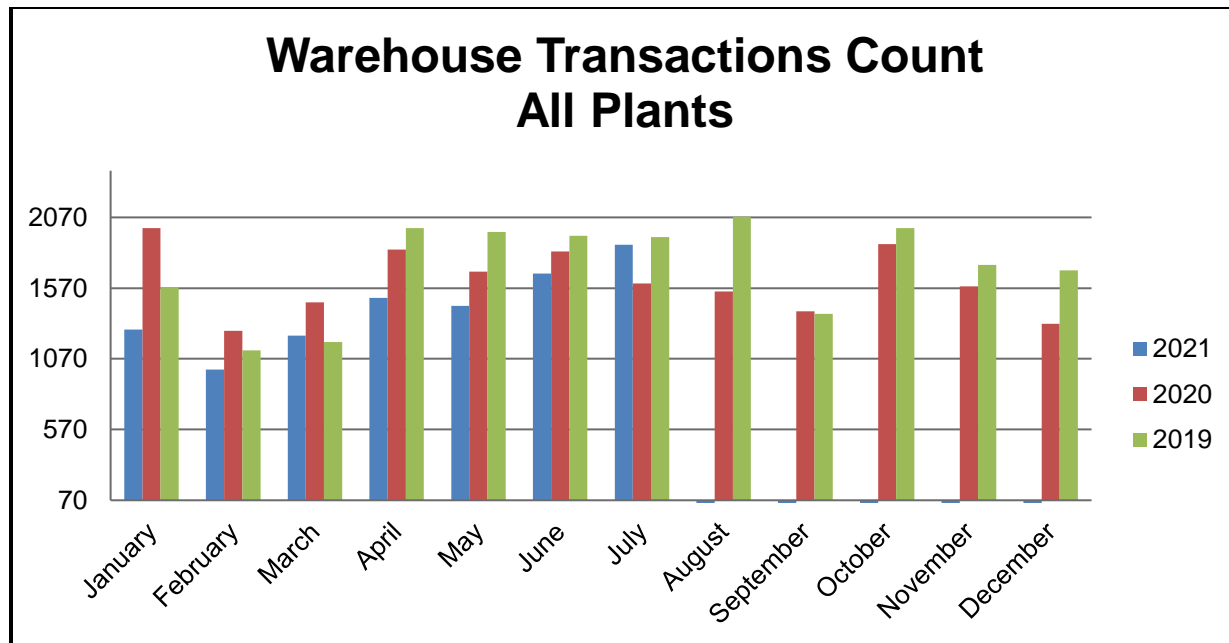
- Water Ops Back Flow



#### Purchasing and Materials Management:

2. Engineering, Purchasing, City Administration and the City Attorney met regarding MetroNet's apparent non-compliance with the pole attachment agreement. Purchasing will be sending a letter notifying MetroNet of their obligations under the pole attachment and franchise agreements.
3. Purchasing is working with the City Attorney and outside counsel regarding recent FCC rules regarding small cell antennas.

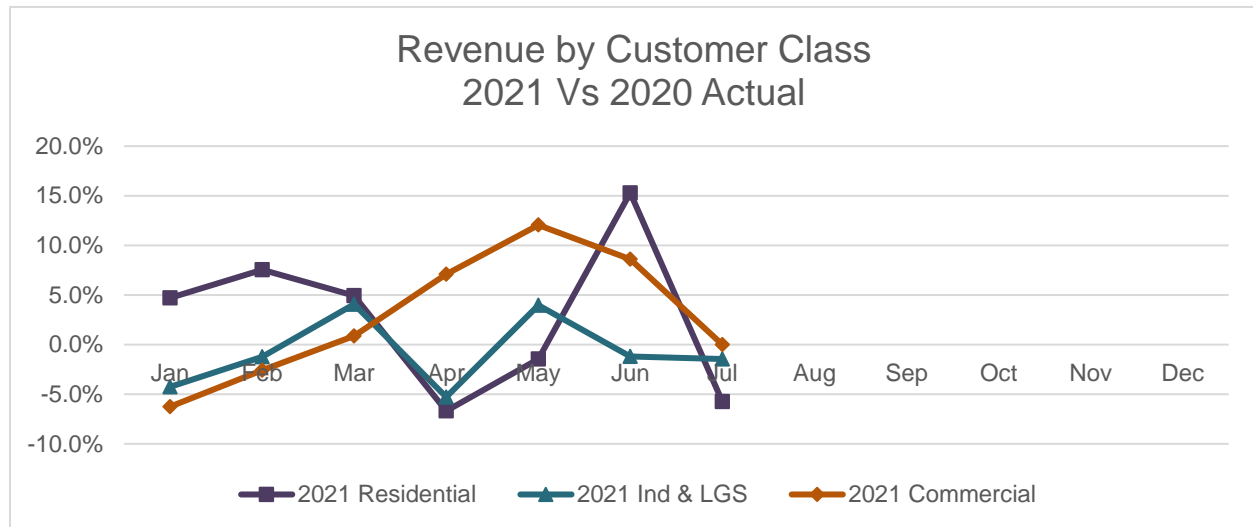




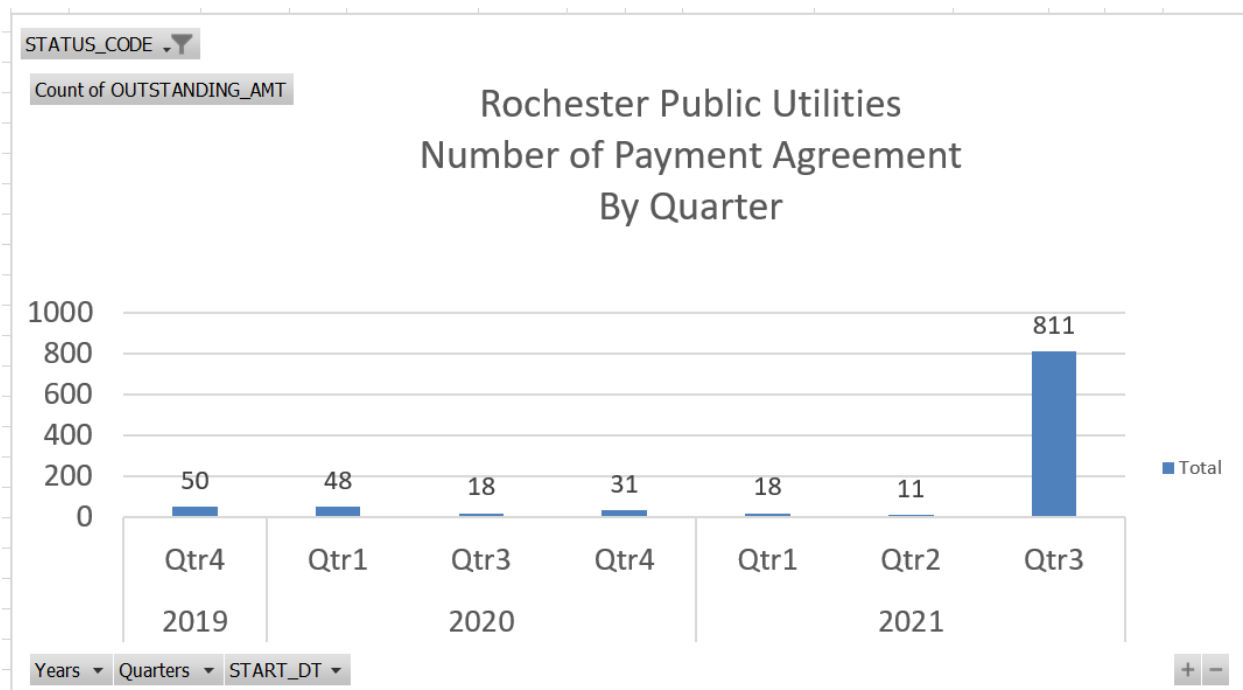
#### 4. Finance and Accounting:

##### General

- The budget will be reviewed with the Finance Committee and the Board in August. The RPU budget will be reviewed by the Council during a study session in September, with approvals requested of the RPU Board and Council in October and December, respectively. The Management team has completed the 2022 recommended budget, which includes a 2.5% general rate increase for both the Water and Electric Utilities, along with the adoption of Service Assured for all residential Water customers.
- Customer Billing/Accounting teams worked to reconfigure the collections process to return to normal operations on August 2<sup>nd</sup>. This included updating notices, developing and testing a process to record and track extended payment arrangements which were not part of the customer service, billing and collections system. There are additional requirements that are being developed by the State of Minnesota that will impact the configuration of the billing system process changes and may require some custom software modifications. These include a new Low Income Water Assistance Program (LIWAP), RentHelp Program, MortgageHelp program and changes to the Cold Weather program.
- The Cayenta upgrade project is in process, which includes a significant time commitment by the billing and collections team for testing.
- Covid19 Financial Impacts – As part of our 2021 Electric Utility budget process, sales volumes and gross margin were adjusted down. The 2021 budget anticipates a slow recovery during 2021. The Electric Utility gross margin for July 2021 is over budget by \$1,245,140 or 18.2%. This is \$25,330 or 0.3% above July 2020 actual gross margin. Included in the gross margin total is wholesale sales gross margin, which is \$280,576 or 93.3% above budget for June. These variances are driven by warmer than budgeted weather.



- Accounts Receivable – Past due account balances have increase from \$1,348,197 at the end of February 2020, before the pandemic, to \$3,220,436 at the end of July 2021. Of this amount \$2,094,979 is due from residential customers and \$1,125,456 is due from commercial accounts.
- Payment Agreements – As of August 16, 2021 we have 747 payment arrangements in good standing. Of the \$3,220,436 past due, the currently performing arrangements represent \$1,140,497 of this balance. The graph shows the number of payment arrangements entered into before and after the pandemic.



- RPU will continue to reach out to customers to get them connected to assistance that they may be qualified for and to make payment agreements.

Description	Residential			Commercial (Non Residential)		
	02/29/2020	7/31/2021	Incr (Decr)	02/29/2020	7/31/2021	Incr (Decr)
% Current	92.0%	74.3%	-17.7%	94.6%	85.8%	-8.8%
% Past Due	17.5%	25.7%	8.2%	5.8%	14.2%	8.4%
Amount Past Due	\$ 968,491	\$ 2,094,979	\$ 1,126,488	\$ 379,705	\$ 1,125,456	\$ 745,751
# Customers Past Due	6,349	4,983	(1,366)	385	400	15
Average Balance Past Due	\$ 153	\$ 420	\$ 268	\$ 986	\$ 2,814	\$ 1,828
# Customers > \$1,500 Past Due	17	354	337	38	62	24
# Customers > \$5,000 Past Due	-	21	21	13	23	10

## 5. Information Technology:

### General

- The IT team in coordination with Cayenta completed adjustments to the billing system to change business processes for the return to normal operations. New requirements are being requested due to changes in existing programs, cold weather rules, and new programs being introduced at both the State and Federal level.
- The SCADA upgrade project was officially closed at the end of July after completion of the lessons learned. Completed on time and on budget.

## 6. Financial Results:

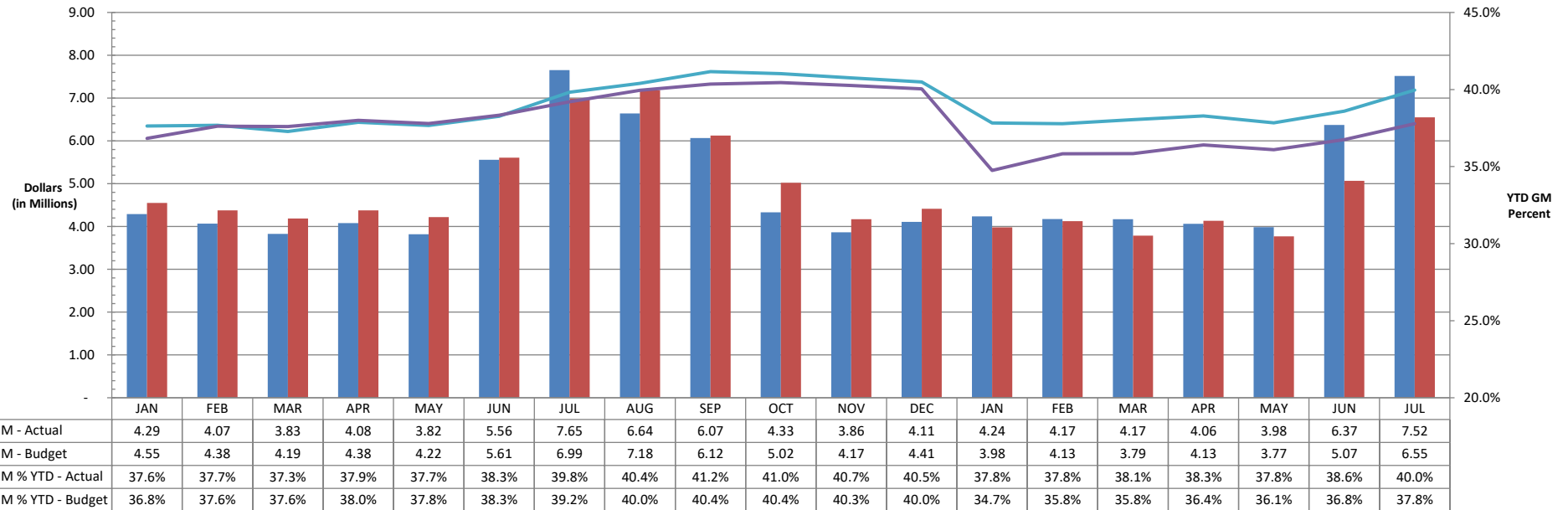
**Note:** Budget numbers are compared to the approved 2021 budget and have been adjusted for 2020 approved project budgets carried over to 2021.

The Electric Utility Change in Net Position for July includes two large offsetting variances. Gross Margin is positive by \$1,245,140 due to warmer the forecast weather while contributions in aid of construction related to the Marion Substation and 10MW solar installation are below budget by \$1,068,088 due to delays in these projects.

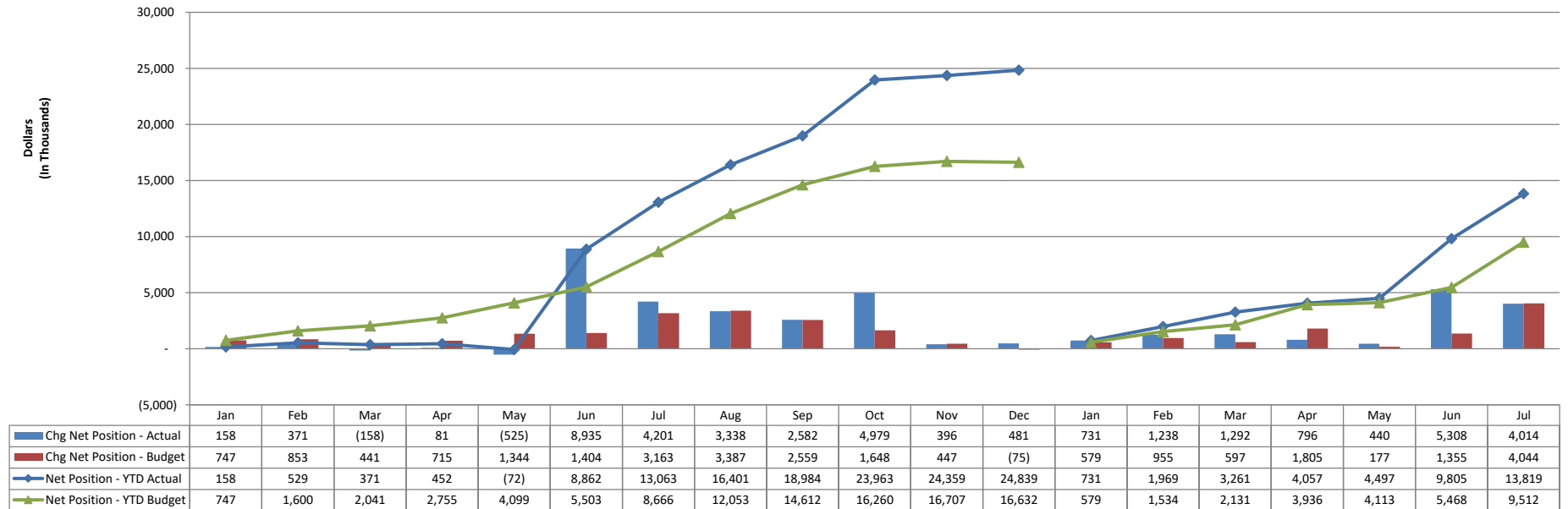
(In Thousands)	Current Month			Year to Date		
	Actual	Budget	Variance	Actual	Budget	Variance
Revenue - Electric	\$ 17,958	\$ 16,345	\$ 1,613	\$ 94,151	\$ 87,662	\$ 6,489
Revenue - Water	1,195	1,059	136	6,500	6,248	252
Change in Net Position - Electric	4,014	4,044	(30)	13,819	9,512	4,307
Change in Net Position - Water	132	66	66	987	529	458



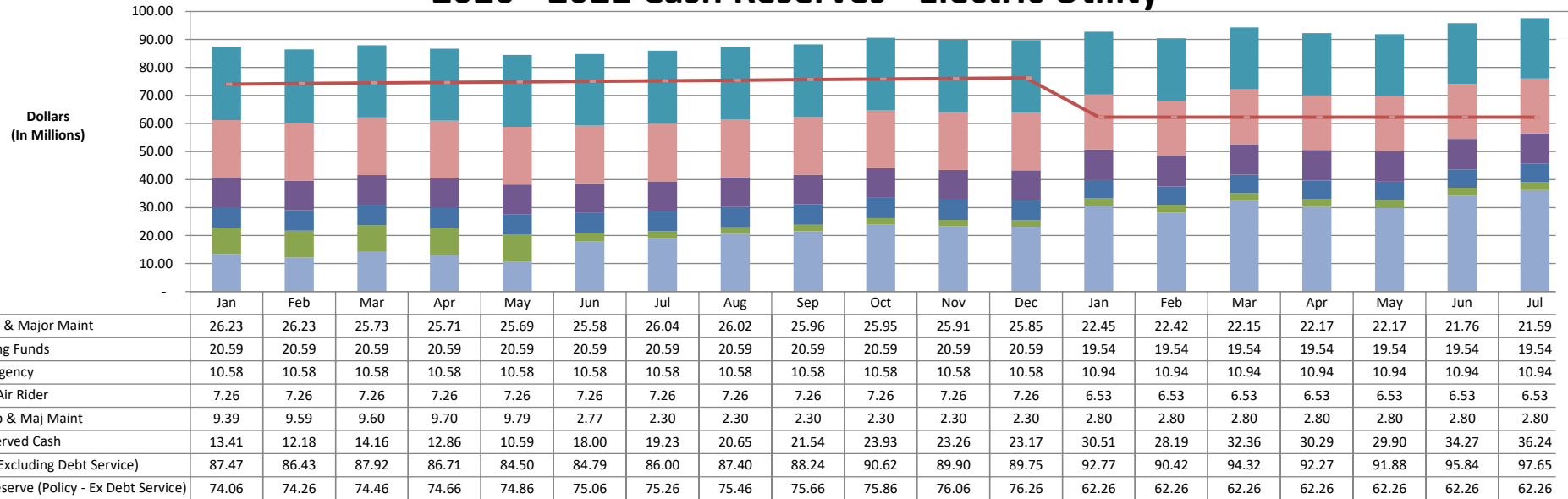
## 2020 - 2021 Retail Gross Margin - Electric Utility



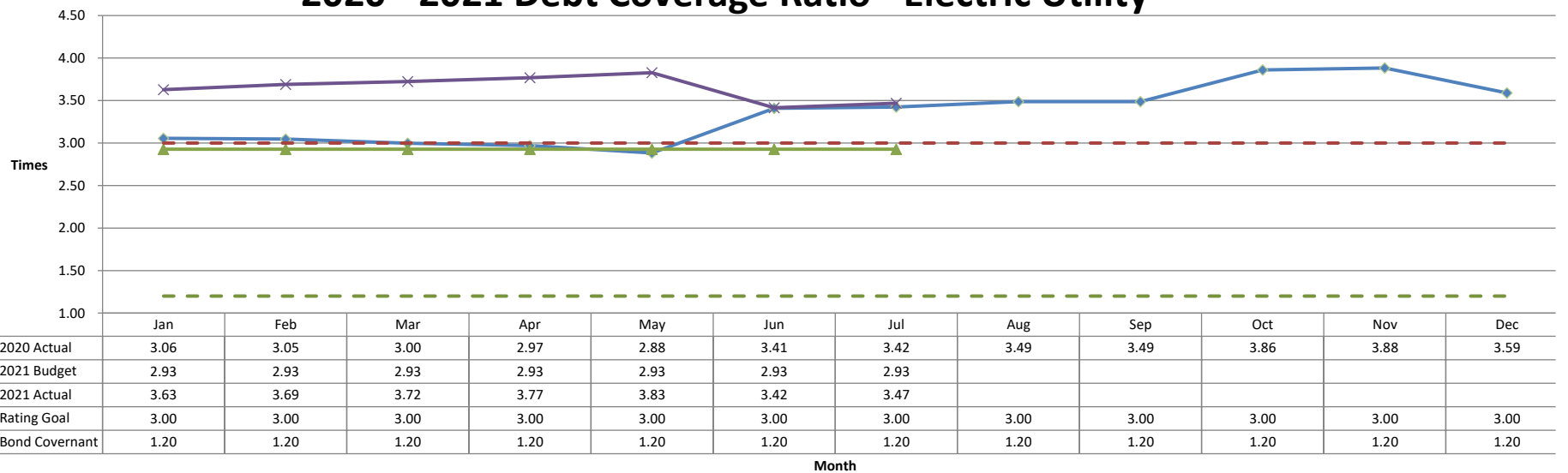
## 2020 - 2021 Change in Net Position - Electric Utility



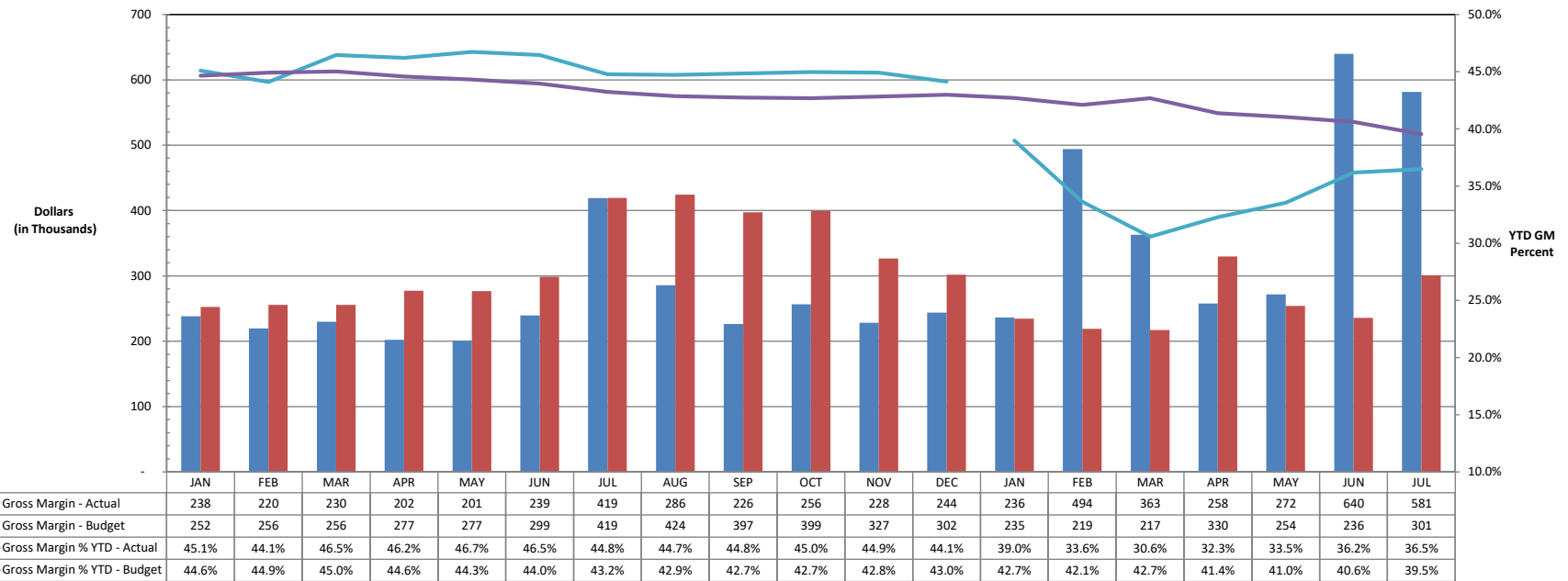
## 2020 - 2021 Cash Reserves - Electric Utility



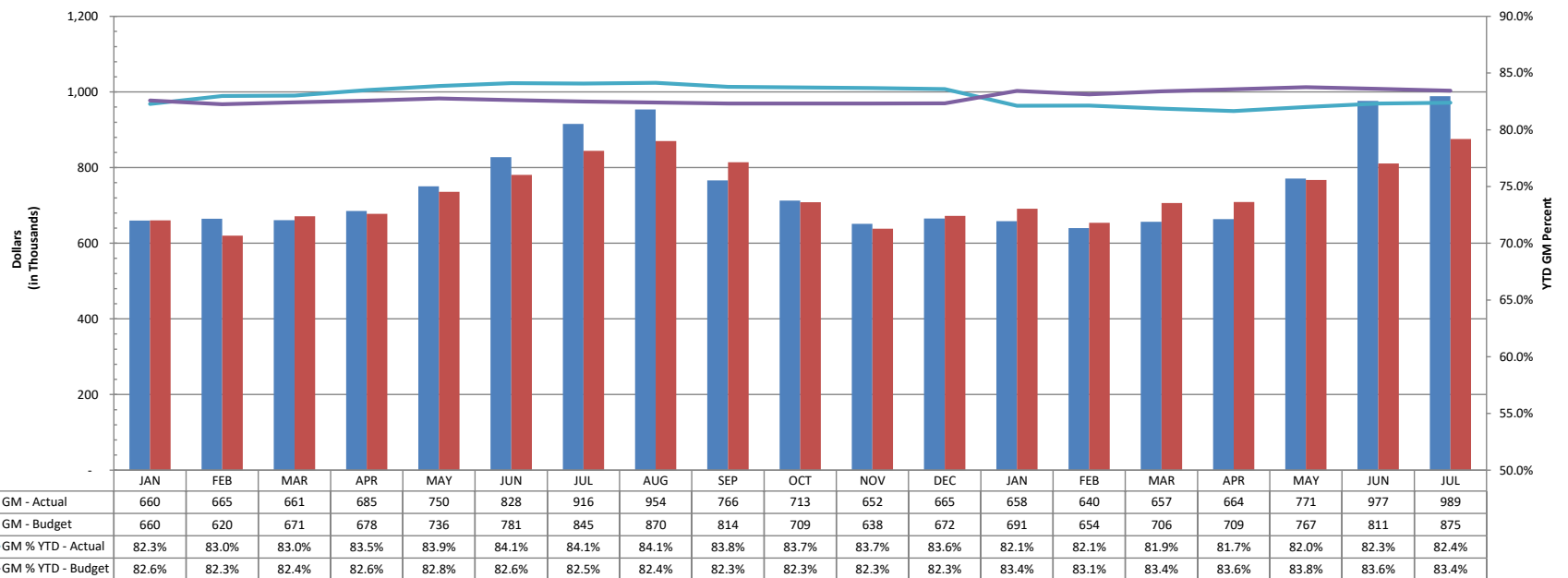
## 2020 - 2021 Debt Coverage Ratio - Electric Utility



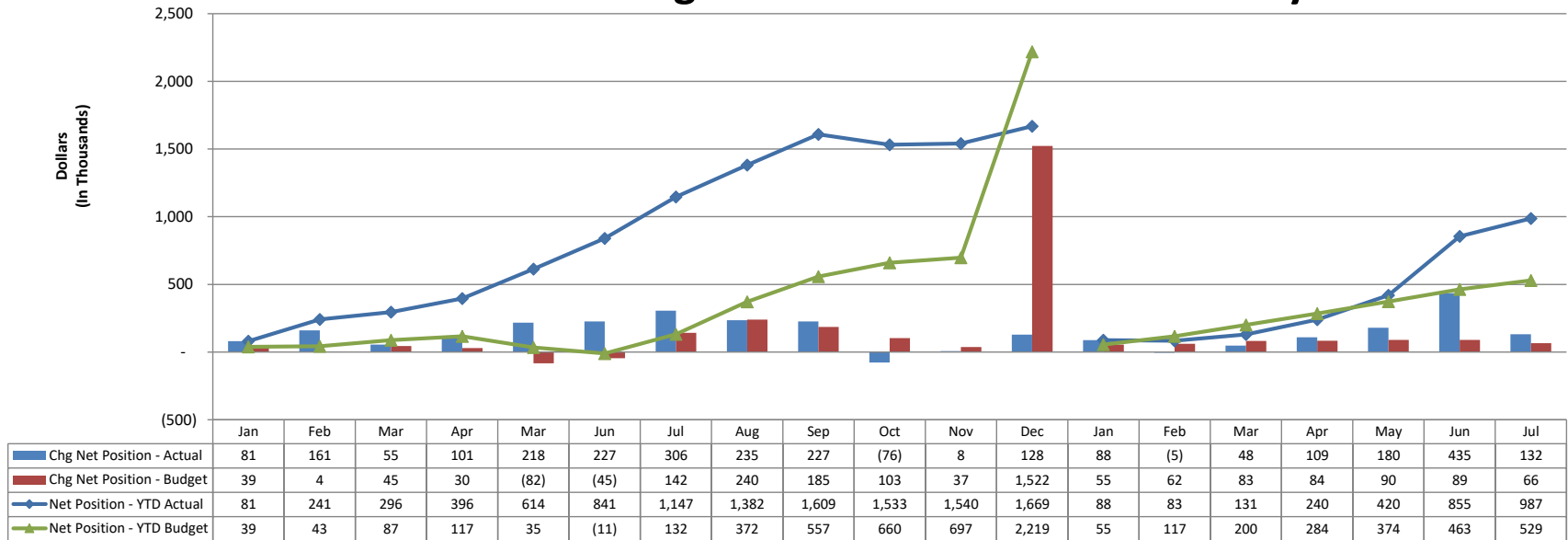
## 2020 - 2021 Gross Margin - Steam/Wholesale Electric



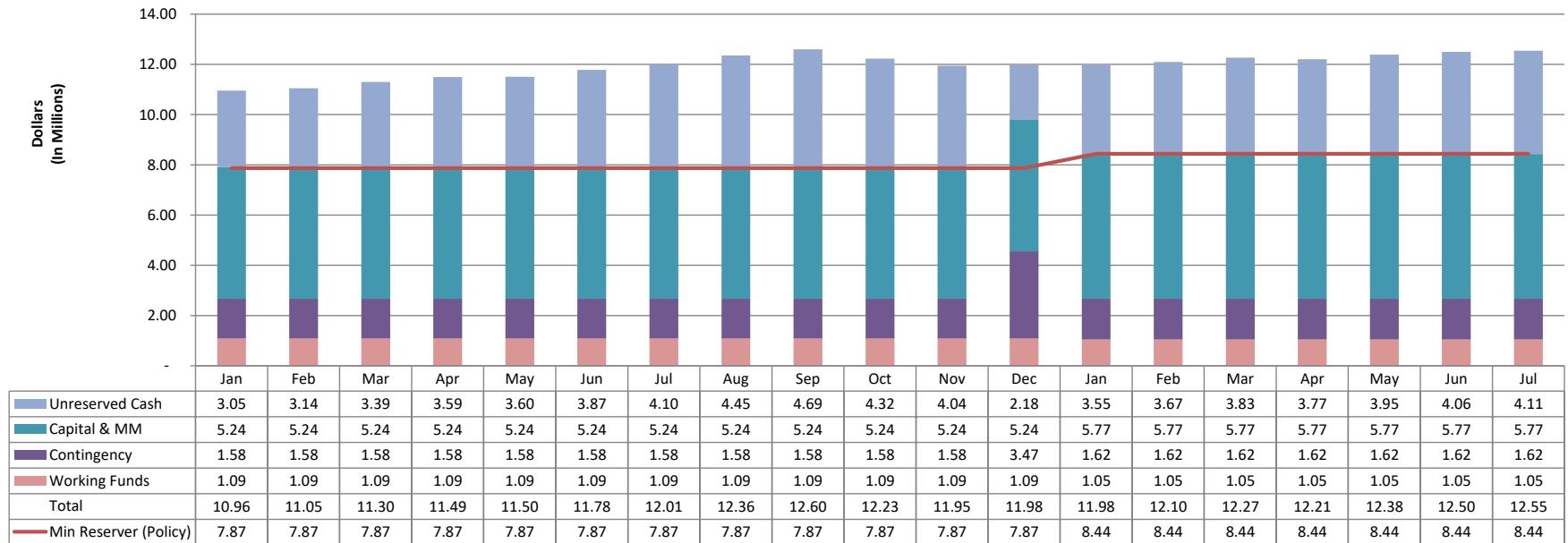
## 2020 - 2021 Gross Margin - Water Utility



## 2020 - 2021 Change in Net Position - Water Utility



## 2020 - 2021 Cash Reserves - Water Utility





**TO:** Jeremy Sutton, Director of Power Resources, Fleet & Facilities

**FROM:** Tina Livingston, Senior Financial Analyst

**SUBJECT:** LOAD FORECAST SUMMARY FOR 2021

MONTH	SYSTEM ENERGY			PEAK SYSTEM DATA		
	ACTUAL MWH	FORECAST MWH	% DIFF	ACTUAL MW	FORECAST MW	% DIFF
JAN	97,934	101,211	-3.2%	164.6	182.4	-9.7%
FEB	92,648	92,886	-0.3%	172.3	179.6	-4.0%
MAR	90,288	92,601	-2.5%	151.8	158.0	-3.9%
APR	85,195	90,885	-6.3%	158.6	168.7	-6.0%
MAY	92,262	90,824	1.6%	206.9	194.6	6.3%
JUN	119,714	102,551	16.7%	270.3	227.8	18.7%
JUL	120,463	119,695	0.6%	260.2	265.5	-2.0%
AUG					246.3	
SEP					238.8	
OCT					170.9	
NOV					171.7	
DEC					173.6	
<b>YTD</b>	<b>698,504</b>	<b>690,653</b>	<b>1.1</b>			

**HISTORICAL SYSTEM PEAK 292.1 MW 07/20/2011**

% DIFF = (ACTUAL / FORECAST X 100) - 100

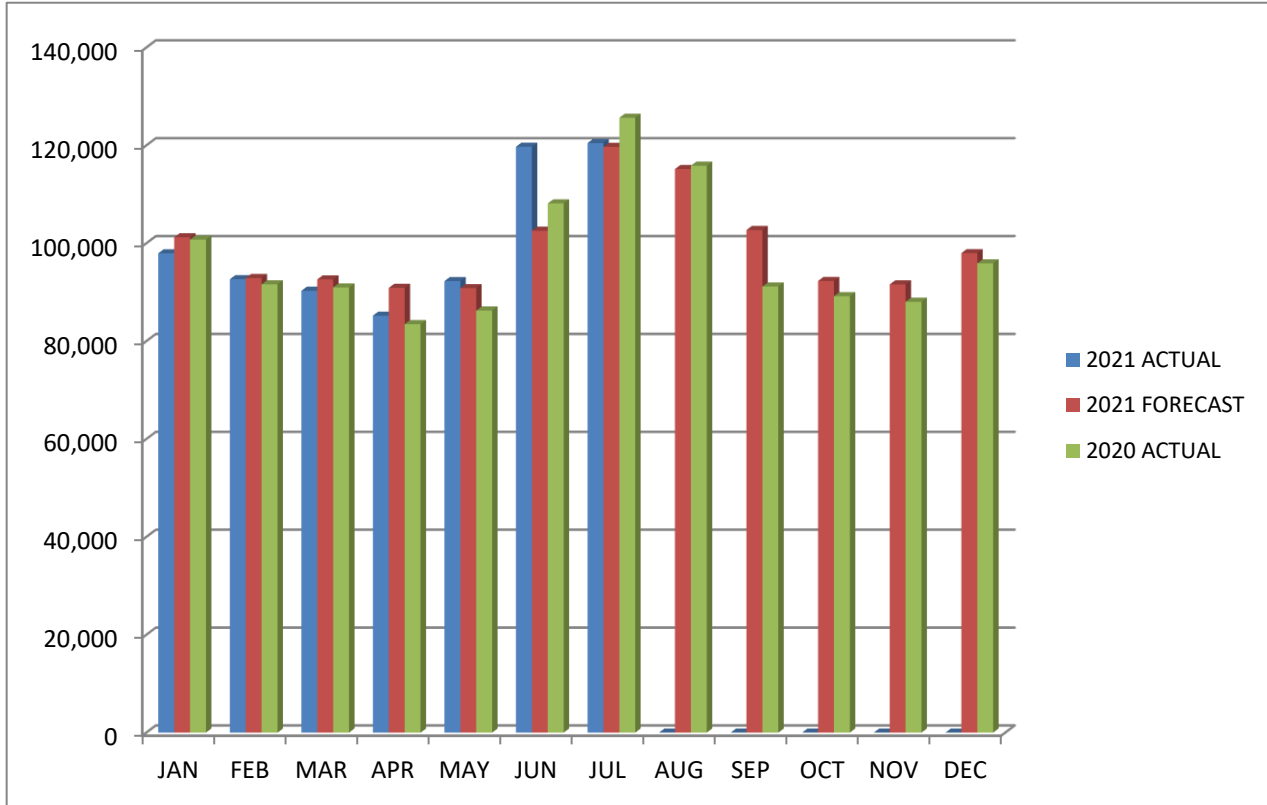
MWH = MEGAWATT HOUR = 1000 KILOWATT HOURS

MW = MEGAWATT = 1000 KILOWATTS

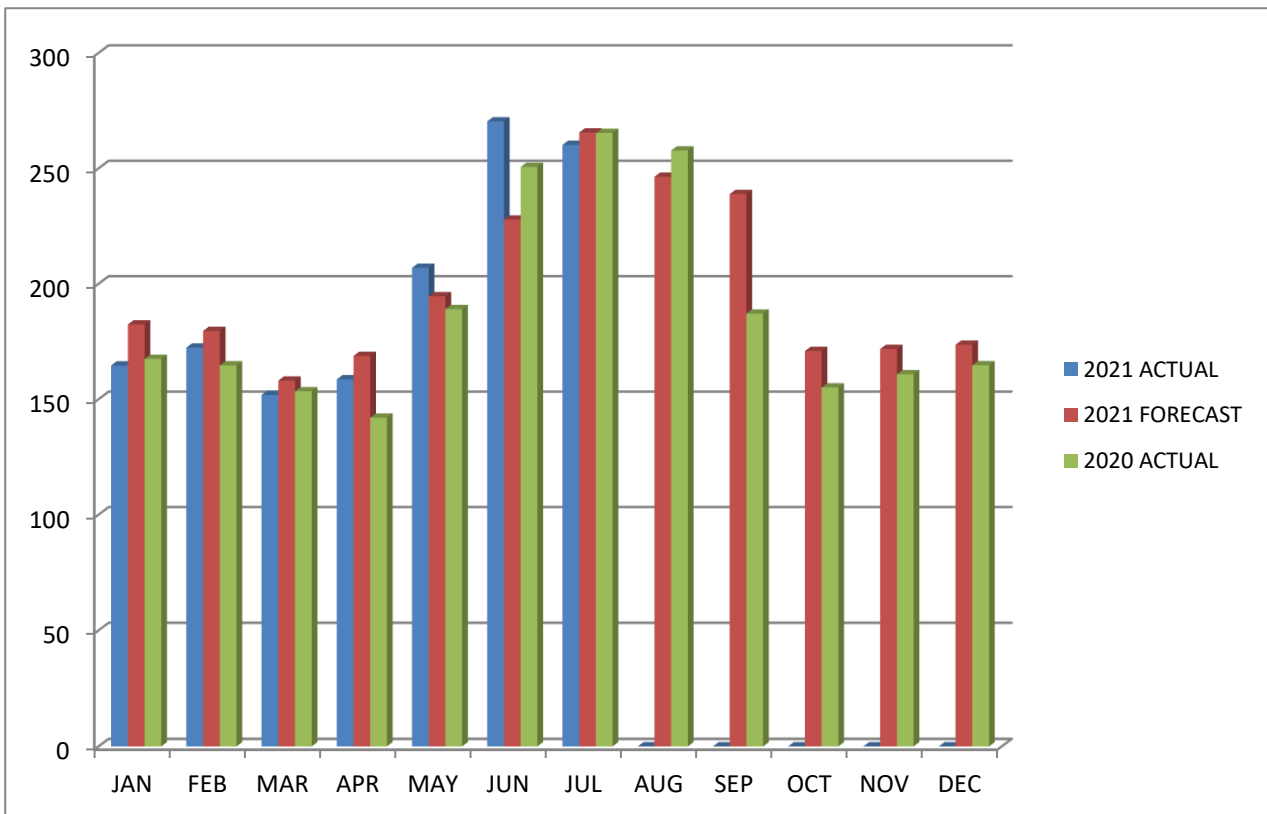
Attachment: Division Reports August 2021 (13783 : Division Reports & Metrics - August 2021)

## 2021 YTD SYSTEM REQUIREMENTS

### Energy Required for the Month (MWH)



### Peak Demand for the Month (MW)



# ROCHESTER PUBLIC UTILITIES

## INDEX

K:\RPU\GA\FINANCIAL REPORTS\FINANCIALS CRMO.pdf

DATE: July 2021

TO: \_\_\_\_\_

From: **Judith Anderson** (507) 292-1217  
Interim Controller

SUBJ: **RPU - Financial Statements**

### **RPU - ELECTRIC UTILITY Financial Reports**

<u>Page #</u>	<u>REPORT TITLE:</u>
1	Statement of Net Position - Condensed
2	Statement of Revenues, Expenses & Changes in Net Position YTD
3	Statement of Cash Flows YTD
4 - 5	Production and Sales Statistics - YTD
6	GRAPH - Capital Expenditures
7	GRAPH - Major Maintenance Expenditures
8	GRAPH - Cash & Temporary Investments
9	GRAPH - Changes in Net Position
10	GRAPH - Bonds

### **RPU - WATER UTILITY Financial Reports**

<u>Page #</u>	<u>REPORT TITLE:</u>
11	Statement of Net Position - Condensed
12	Statement of Revenues, Expenses & Changes in Net Position YTD
13	Statement of Cash Flows YTD
14	Production and Sales Statistics - YTD
15	GRAPH - Capital Expenditures
16	GRAPH - Major Maintenance Expenditures
17	GRAPH - Cash & Temporary Investments
18	GRAPH - Changes in Net Position

**END OF BOARD PACKET FINANCIALS**

Attachment: Division Reports August 2021 (13783 : Division Reports & Metrics - August 2021)

**ROCHESTER PUBLIC UTILITIES**  
**STATEMENT OF NET POSITION**  
**ELECTRIC UTILITY**  
**July 31, 2021**

	<u>July 2021</u>	<u>July 2020</u>	<u>Difference</u>	<u>% Diff.</u>	<u>June 2021</u>
<b>ASSETS</b>					
<b>CURRENT ASSETS</b>					
CASH & INVESTMENTS					
Unreserved Cash & Investments	36,244,798	19,226,251	17,018,547	88.5	34,266,781
BOARD RESERVED CASH & INVESTMENTS					
Clean Air Rider Reserve	6,529,996	7,263,435	(733,439)	(10.1)	6,529,996
Working Funds Reserve	19,537,000	20,590,000	(1,053,000)	(5.1)	19,537,000
Special Capital & Major Maintenance Reserve	2,800,818	2,300,818	500,000	21.7	2,800,818
Contingency Reserve	10,943,000	10,581,000	362,000	3.4	10,943,000
General Capital & Major Maintenance Reserve	21,592,357	26,040,806	(4,448,449)	(17.1)	21,764,181
Total Reserved Cash & Investments	61,403,171	66,776,059	(5,372,888)	(8.0)	61,575,000
Total Cash & Investments	97,647,970	86,002,310	11,645,659	13.5	95,841,781
Receivables & Accrued Utility Revenues	28,286,570	24,364,152	3,922,418	16.1	25,156,911
Inventory	6,629,243	6,873,161	(243,919)	(3.5)	6,400,661
Other Current Assets	1,641,609	1,527,947	113,662	7.4	2,415,171
RESTRICTED ASSETS					
Restricted Cash and Equivalents	5,424,220	5,356,683	67,536	1.3	4,288,611
Total Current Assets	139,629,610	124,124,253	15,505,357	12.5	134,103,141
<b>NON-CURRENT ASSETS</b>					
RESTRICTED ASSETS					
RESTRICTED CASH & INVESTMENTS					
Debt Service Reserve	12,072,991	12,955,835	(882,844)	(6.8)	12,072,991
Funds Held in Trust	0	0	0	0.0	0
Total Restricted Cash & Investments	12,072,991	12,955,835	(882,844)	(6.8)	12,072,991
Total Restricted Assets	12,072,991	12,955,835	(882,844)	(6.8)	12,072,991
<b>CAPITAL ASSETS</b>					
<b>NON-DEPRECIABLE ASSETS</b>					
Land and Land Rights	11,264,662	9,542,782	1,721,880	18.0	11,264,662
Construction Work in Progress	19,748,846	14,240,492	5,508,354	38.7	19,560,846
Total Non-depreciable Assets	31,013,508	23,783,274	7,230,234	30.4	30,825,508
<b>DEPRECIABLE ASSETS</b>					
Utility Plant in Service, Net	244,263,070	248,607,435	(4,344,365)	(1.7)	244,278,811
Steam Assets, Net	1,300,961	1,595,518	(294,557)	(18.5)	1,325,501
Total Depreciable Assets	245,564,032	250,202,953	(4,638,922)	(1.9)	245,604,321
Net Capital Assets	276,577,540	273,986,227	2,591,312	0.9	276,429,831
Other Non-Current Assets	12,004,230	12,009,818	(5,588)	(0.0)	12,036,071
Total Non-Current Assets	300,654,761	298,951,880	1,702,880	0.6	300,538,891
<b>TOTAL ASSETS</b>	440,284,371	423,076,133	17,208,238	4.1	434,642,041
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
DEFERRED OUTFLOWS OF RESOURCES	3,622,698	1,845,282	1,777,416	96.3	3,615,371
<b>TOTAL ASSETS + DEFERRED OUTFLOW RESOURCE</b>	<b>443,907,069</b>	<b>424,921,416</b>	<b>18,985,654</b>	<b>4.5</b>	<b>438,257,421</b>
<b>LIABILITIES</b>					
<b>CURRENT LIABILITIES</b>					
Accounts Payable	13,917,513	13,198,209	719,304	5.5	13,079,101
Due to other funds	3,755,373	3,490,228	265,145	7.6	3,486,661
Customer Deposits	2,031,704	1,784,743	246,961	13.8	1,993,221
Compensated absences	2,024,901	1,869,065	155,837	8.3	2,084,261
Accrued Salaries & Wages	818,382	802,775	15,607	1.9	661,181
Interest Payable	1,150,553	1,346,683	(196,130)	(14.6)	575,271
Current Portion of Long Term Debt	6,515,000	6,015,000	500,000	8.3	6,515,000
Misc Other Current Liabilities	484	0	484	0.0	351
Total Current Liabilities	30,213,911	28,506,703	1,707,208	6.0	28,395,081
<b>NON-CURRENT LIABILITIES</b>					
Compensated absences	1,526,330	1,402,645	123,686	8.8	1,530,821
Other Non-Current Liabilities	14,291,386	12,590,021	1,701,365	13.5	14,291,386
Unearned Revenues	1,924,452	2,129,690	(205,238)	(9.6)	1,853,601
Long-Term Debt	175,266,571	182,869,607	(7,603,036)	(4.2)	175,402,991
Total Non-Current Liabilities	193,008,740	198,991,962	(5,983,222)	(3.0)	193,078,811
<b>TOTAL LIABILITIES</b>	223,222,651	227,498,665	(4,276,015)	(1.9)	221,473,891
<b>DEFERRED INFLOWS OF RESOURCES</b>					
DEFERRED INFLOWS OF RESOURCES	1,392,774	2,831,229	(1,438,455)	(50.8)	1,506,101
<b>NET POSITION</b>					
Net Investment in Capital Assets	107,671,693	97,584,775	10,086,918	10.3	107,983,071
Total Restricted Net Position	4,273,667	4,010,000	263,667	6.6	3,713,331
Unrestricted Net Position	107,346,285	92,996,747	14,349,538	15.4	103,581,001
<b>TOTAL NET POSITION</b>	219,291,645	194,591,521	24,700,123	12.7	215,277,411
<b>TOTAL LIAB, DEFERRED INFLOWS, NET POSITION</b>	<b>443,907,069</b>	<b>424,921,416</b>	<b>18,985,654</b>	<b>4.5</b>	<b>438,257,421</b>

Attachment: Division Reports August 2021 (13783 : Division Reports &amp; Metrics - August 2021)



# ROCHESTER PUBLIC UTILITIES

## Statement of Revenues, Expenses & Changes in Net Position

July, 2021  
YEAR TO DATE

	<u>Actual YTD</u>	<u>Original Budget YTD</u>	<u>Actual to Original Budget</u>	<u>% Var.</u>	<u>Last Yr Actual YTD</u>
<b>SALES REVENUE</b>					
Retail Revenue					
Electric - Residential Service	33,567,865	31,400,233	2,167,632	6.9	32,770,30
Electric - General & Industrial Service	49,356,386	49,589,746	(233,359)	(0.5)	48,104,23
Electric - Public Street & Highway Light	967,310	862,342	104,969	12.2	897,68
Electric - Rental Light Revenue	109,498	148,101	(38,603)	(26.1)	113,31
Electric - Interdepartmental Service	634,678	540,190	94,489	17.5	586,79
Electric - Power Cost Adjustment	448,861	(618,161)	1,067,023	172.6	(47,67)
Electric - Clean Air Rider	1,267,652	1,209,287	58,365	4.8	1,164,11
Electric - Total Retail Revenue	86,352,252	83,131,737	3,220,515	3.9	83,588,76
Wholesale Electric Revenue					
Energy & Fuel Reimbursement	3,280,097	1,766,388	1,513,709	85.7	1,015,18
Capacity & Demand	213,072	77,750	135,322	174.0	104,12
Total Wholesale Electric Revenue	3,493,169	1,844,138	1,649,031	89.4	1,119,30
Steam Sales Revenue	4,305,117	2,686,000	1,619,117	60.3	2,786,75
<b>TOTAL SALES REVENUE</b>	<b>94,150,539</b>	<b>87,661,875</b>	<b>6,488,664</b>	<b>7.4</b>	<b>87,494,82</b>
<b>COST OF REVENUE</b>					
Purchased Power	51,841,237	51,720,772	120,465	0.2	50,298,39
Generation Fuel, Chemicals & Utilities	4,953,832	2,738,823	2,215,010	80.9	2,156,88
<b>TOTAL COST OF REVENUE</b>	<b>56,795,069</b>	<b>54,459,595</b>	<b>2,335,474</b>	<b>4.3</b>	<b>52,455,27</b>
<b>GROSS MARGIN</b>					
Retail	34,511,015	31,410,964	3,100,051	9.9	33,290,37
Wholesale	2,844,454	1,791,315	1,053,139	58.8	1,749,17
<b>TOTAL GROSS MARGIN</b>	<b>37,355,469</b>	<b>33,202,280</b>	<b>4,153,190</b>	<b>12.5</b>	<b>35,039,54</b>
<b>FIXED EXPENSES</b>					
Utilities Expense	264,591	267,513	(2,921)	(1.1)	253,60
Depreciation & Amortization	8,460,797	8,185,601	275,196	3.4	8,668,91
Salaries & Benefits	11,864,172	10,794,919	1,069,253	9.9	11,791,31
Materials, Supplies & Services	5,774,035	6,951,520	(1,177,484)	(16.9)	6,418,55
Inter-Utility Allocations	(1,098,412)	(1,002,750)	(95,662)	(9.5)	(1,011,29)
<b>TOTAL FIXED EXPENSES</b>	<b>25,265,183</b>	<b>25,196,802</b>	<b>68,381</b>	<b>0.3</b>	<b>26,121,10</b>
Other Operating Revenue	5,901,068	5,720,090	180,977	3.2	11,079,98
<b>NET OPERATING INCOME (LOSS)</b>	<b>17,991,354</b>	<b>13,725,568</b>	<b>4,265,786</b>	<b>31.1</b>	<b>19,998,42</b>
<b>NON-OPERATING REVENUE / (EXPENSE)</b>					
Investment Income (Loss)	721,852	1,009,463	(287,610)	(28.5)	866,27
Interest Expense	(3,257,305)	(3,604,467)	347,162	9.6	(3,694,76)
Amortization of Debt Issue Costs	(60,871)	(45,017)	(15,854)	(35.2)	(47,19)
Miscellaneous - Net	(170,542)	(2,350)	(168,192)	(7,157.1)	(214,35)
<b>TOTAL NON-OPERATING REV (EXP)</b>	<b>(2,766,866)</b>	<b>(2,642,371)</b>	<b>(124,494)</b>	<b>(4.7)</b>	<b>(3,090,03)</b>
<b>INCOME (LOSS) BEFORE TRANSFERS / CAPITAL CONTRIBUTIONS</b>	<b>15,224,488</b>	<b>11,083,197</b>	<b>4,141,292</b>	<b>37.4</b>	<b>16,908,38</b>
Transfers Out	(5,004,674)	(4,999,647)	(5,027)	(0.1)	(4,928,83)
Capital Contributions	3,599,410	3,428,172	171,238	5.0	1,083,52
<b>CHANGE IN NET POSITION</b>	<b>13,819,225</b>	<b>9,511,721</b>	<b>4,307,503</b>	<b>45.3</b>	<b>13,063,07</b>
Net Position, Beginning	205,472,420				181,528,44
<b>NET POSITION, ENDING</b>	<b>219,291,645</b>				<b>194,591,52</b>

Attachment: Division Reports August 2021 (13783 : Division Reports &amp; Metrics - August 2021)

Debt Coverage Ratio

2

 Rolling 12 Months  
3.47

 Planned for Curr Year  
2.93

8/17/2021 9:14 AM

08/18/21

**ROCHESTER PUBLIC UTILITIES**  
**STATEMENT OF CASH FLOWS**  
**ELECTRIC UTILITY**  
**FOR**  
**JULY, 2021**  
**YEAR-TO-DATE**

	<u>Actual YTD</u>	<u>Last Yr Actual YTD</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash Received From Customers	85,183,126	82,291,569
Cash Received From Other Revenue Sources	4,267,058	0
Cash Received From Wholesale & Steam Customer	7,282,212	3,672,584
Cash Paid for:		
Purchased Power	(50,393,746)	(48,798,890)
Operations and Maintenance	(12,518,095)	(16,254,075)
Fuel	(4,608,897)	(2,104,072)
Payment in Lieu of Taxes	(4,812,220)	(4,741,053)
Net Cash Provided by(Used in) Utility Operating Activities	24,399,438	14,066,063
Sewer, Storm Water, Sales Tax & MN Water Fee Collections		
Receipts from Customers	25,884,822	25,368,059
Remittances to Government Agencies	(25,390,159)	(24,556,186)
Net Cash Provided by(Used in) Non-Utility Operating Activities	494,663	811,873
<b>NET CASH PROVIDED BY(USED IN) OPERATING ACTIVITIES</b>	<b>24,894,101</b>	<b>14,877,936</b>
<b>CASH FLOWS FROM CAPITAL &amp; RELATED FINANCING ACTIVITIES</b>		
Additions to Utility Plant & Other Assets	(9,974,923)	(9,712,300)
Payments related to Service Territory Acquisition	(65,644)	(135,152)
Payment on Long-Term Debt	3,175,000	0
Net Bond/Loan Receipts	0	0
Cash Paid for Interest & Commissions	(7,775,658)	(4,040,050)
<b>NET CASH PROVIDED BY(USED IN) CAPITAL &amp; RELATED ACTIVITIES</b>	<b>(14,641,225)</b>	<b>(13,887,502)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest Earnings on Investments	349,108	465,497
Construction Fund (Deposits)Draws	0	0
Bond Reserve Account	(3,366,846)	(4,182,092)
Escrow/Trust Account Activity	0	756
<b>NET CASH PROVIDED BY(USED IN) INVESTING ACTIVITIES</b>	<b>(3,017,738)</b>	<b>(3,715,839)</b>
Net Increase(Decrease) in Cash & Investments	7,235,138	(2,725,405)
Cash & Investments, Beginning of Period	90,412,832	88,727,715
<b>CASH &amp; INVESTMENTS, END OF PERIOD</b>	<b>97,647,970</b>	<b>86,002,310</b>
Externally Restricted Funds	17,497,210	18,312,518
<b>Grand Total</b>	<b>115,145,180</b>	<b>104,314,828</b>

Attachment: Division Reports August 2021 (13783 : Division Reports &amp; Metrics - August 2021)

8/17/2021

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

**July, 2021  
YEAR-TO-DATE**

		<u>Actual YTD</u>	<u>Budget YTD</u>	<u>Variance</u>	<u>% Var.</u>	<u>Last Yr Actual YTD</u>
9	ENERGY SUPPLY (kWh)	<i>(primarily calendar month)</i>				
10	Net Generation					
11	IBM Diesel Generators	16,390	0	16,390	-	25,065
12	Lake Zumbro Hydro	5,985,044	8,890,800	(2,905,756)	(32.7)	11,688,131
13	Cascade Creek Gas Turbine	22,221,807	11,357,000	10,864,807	95.7	7,453,614
14	Westside Energy Station	25,064,200	24,310,000	754,200	3.1	23,429,671
15	Total Net Generation	53,287,441	44,557,800	8,729,641	19.6	42,596,481
16	Other Power Supply					
17	Firm Purchases	689,074,379	681,210,456	7,863,923	1.2	675,015,572
18	Non-Firm Purchases	3,590,413	550,953	3,039,460	551.7	1,873,138
19	LRP Received	0	0	0	-	0
20	Total Other Power Supply	692,664,792	681,761,409	10,903,383	1.6	676,888,710
21	TOTAL ENERGY SUPPLY	745,952,233	726,319,209	19,633,024	2.7	719,485,191
22	ENERGY USES (kWh)	<i>(primarily billing period)</i>				
23	Retail Sales	<u># Custs</u>				
24	Electric - Residential Service	53,021	227,780,423	210,760,320	17,020,103	221,580,250
25	Electric - General Service & Industrial	5,023	438,768,106	452,973,357	(14,205,251)	434,374,034
26	Electric - Street & Highway Lighting	3	2,625,778	3,551,061	(925,283)	3,476,195
27	Electric - Rental Lights	n/a	481,878	528,410	(46,532)	523,957
28	Electric - Interdptmntl Service	1	4,828,156	4,012,804	815,352	4,295,614
29	Total Customers	<u>58,048</u>				
30	Total Retail Sales		674,484,341	671,825,952	2,658,389	664,250,050
31	Wholesale Sales		47,370,757	35,667,000	11,703,757	30,967,105
32	Company Use		1,339,700	1,981,081	(641,381)	1,405,190
33	TOTAL ENERGY USES		723,194,798	709,474,033	13,720,765	696,622,345
34	Lost & Unacctd For Last 12 Months		38,171,673	3.1%		
35	STEAM SALES (mlbs)	<i>(primarily billing period)</i>				
36	Steam Sales in Mlbs		269,495	322,801	(53,306)	291,761

Attachment: Division Reports August 2021 (13783 : Division Reports &amp; Metrics - August 2021)

8/17/2021

**ROCHESTER PUBLIC UTILITIES**  
**PRODUCTION & SALES STATISTICS (continued)**  
**ELECTRIC UTILITY**

**July, 2021**

**YEAR-TO-DATE**

										<b>Last Yr</b>
		<b><u>Actual YTD</u></b>		<b><u>Budget YTD</u></b>		<b><u>Variance</u></b>	<b><u>% Var.</u></b>			<b><u>Actual YTD</u></b>
9	<b>FUEL USAGE</b>									
			<i>(calendar month)</i>							
10	<b>Gas Burned</b>									
11	SLP	367,853	MCF	426,098	MCF	(58,245)	(13.7)	323,462	MCF	
12	Cascade	199,400	MCF	98,734	MCF	100,666	102.0	83,342	MCF	
13	Westside	196,445	MCF	160,980	MCF	35,465	22.0	183,160	MCF	
14	Total Gas Burned	763,698	MCF	685,812	MCF	77,886	11.4	589,964	MCF	
15	<b>Oil Burned</b>									
16	Cascade	206,143	GAL	0	GAL	206,143	-	2,973	GAL	
17	IBM	1,348	GAL	0	GAL	1,348	-	2,206	GAL	
18	Total Oil Burned	207,491	GAL	0	GAL	207,491	-	5,179	GAL	

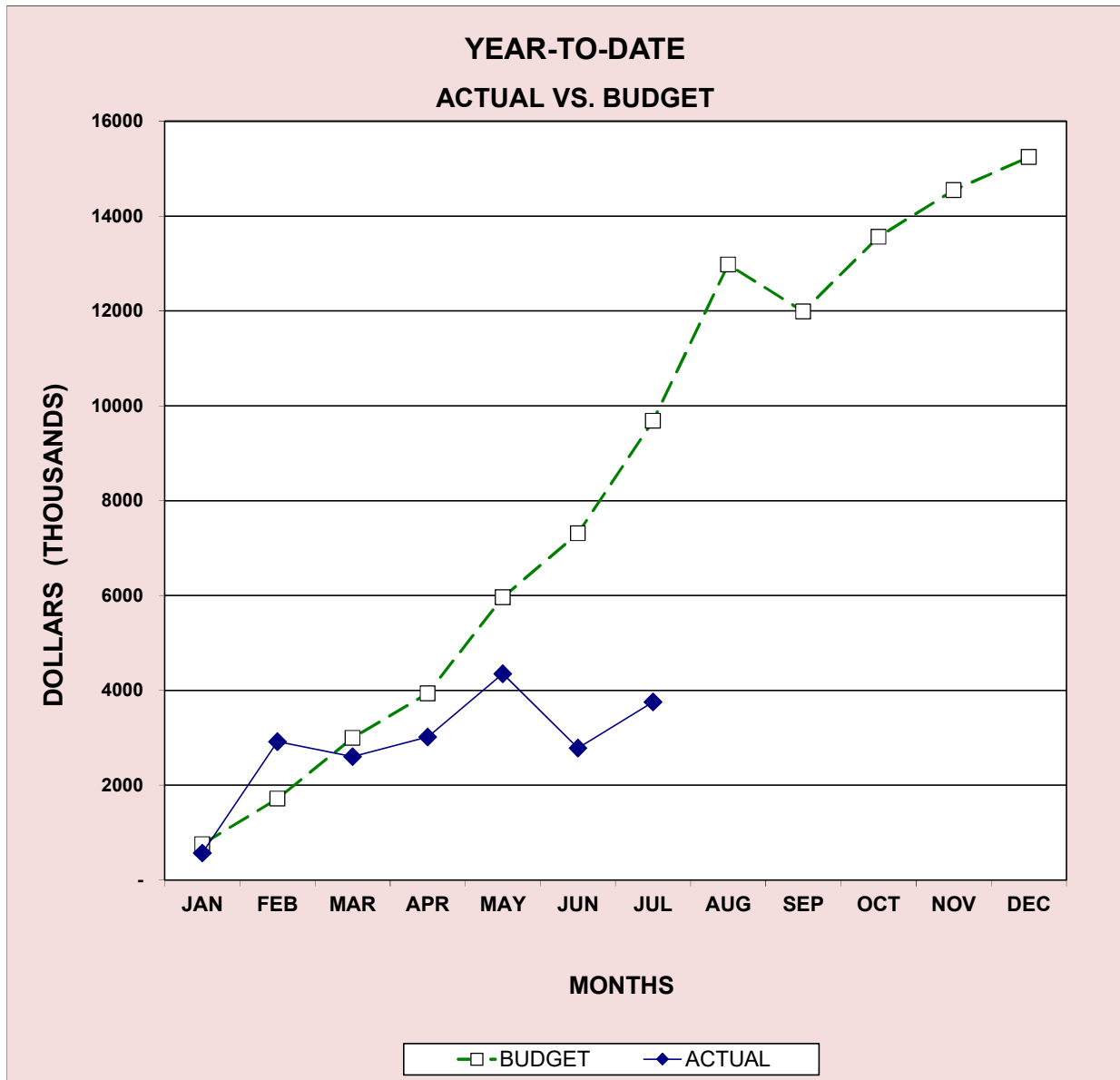
Attachment: Division Reports August 2021 (13783 : Division Reports & Metrics - August 2021)

## CAPITAL EXPENDITURES ELECTRIC

Current Year	
ANNUAL BUDGET	15,246,736
ACTUAL YTD	3,757,085
% OF BUDGET	24.6%

July, 2021

Prior Years Ending Dec 31st		
2020	2019	2018
15,059,888	21,990,984	31,779,490
10,078,628	11,174,211	16,646,579
66.9%	50.8%	52.4%



Attachment: Division Reports August 2021 (13783 : Division Reports &amp; Metrics - August 2021)

## MAJOR MAINTENANCE EXPENDITURES ELECTRIC

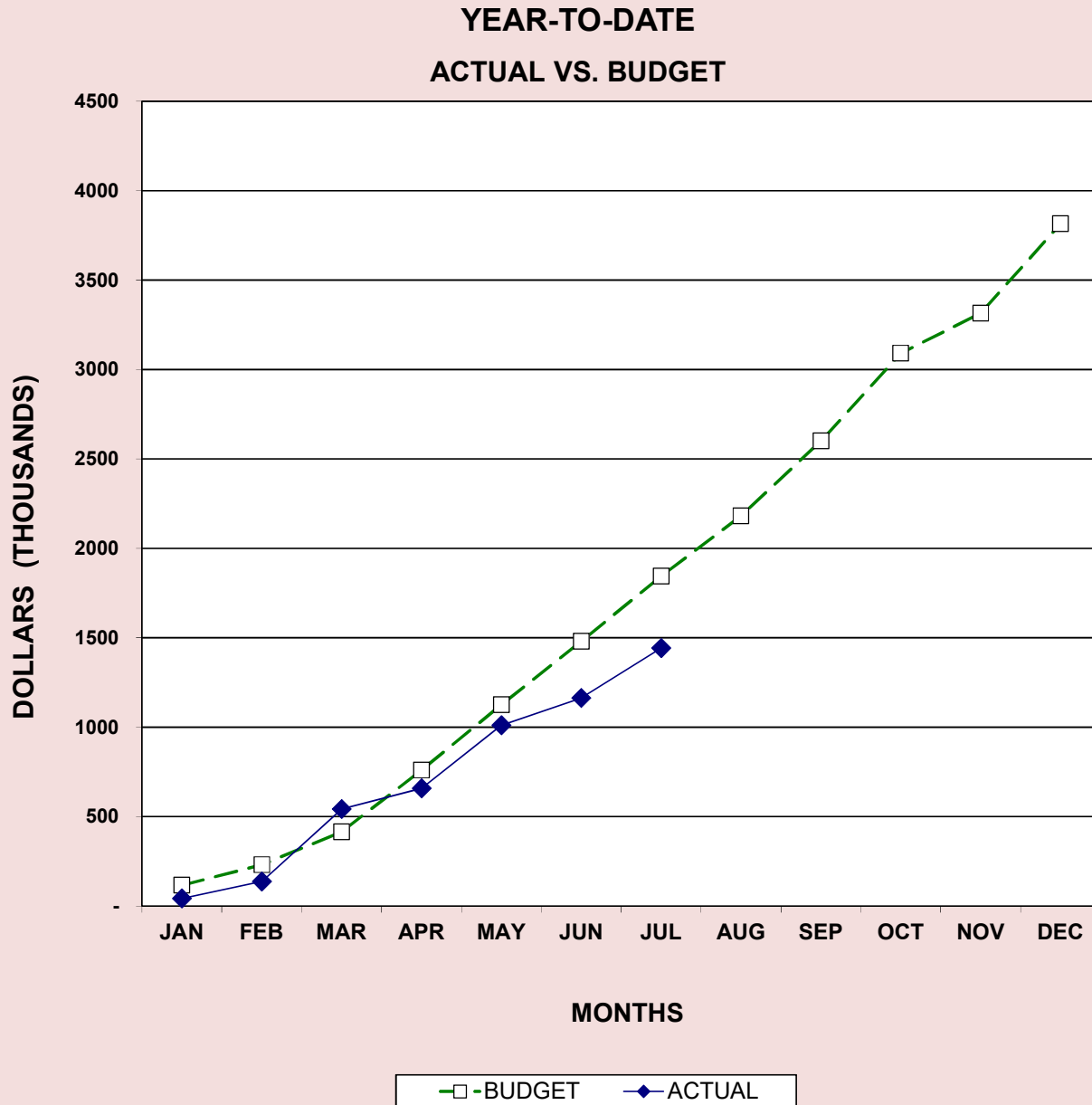
### Current Year

ANNUAL BUDGET 3,815,243  
 ACTUAL YTD 1,442,106  
 % OF BUDGET 37.8%

July, 2021

### Prior Years Ending Dec 31st

2020	2019	2018
4,010,088	3,353,049	3,038,283
3,111,620	2,881,017	2,421,088
77.6%	85.9%	79.7%



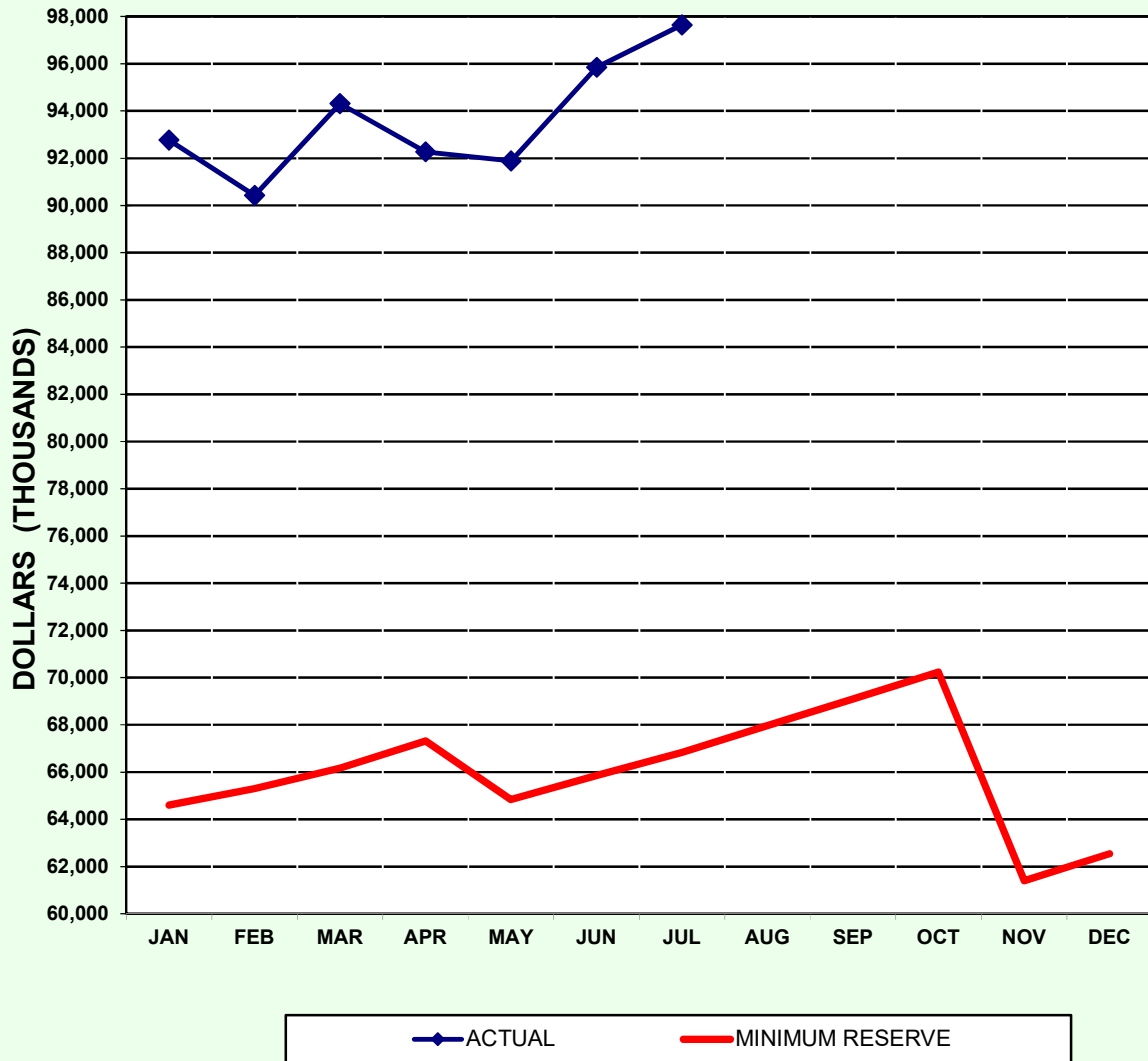
Attachment: Division Reports August 2021 (13783 : Division Reports & Metrics - August 2021)

# CASH AND TEMPORARY INVESTMENTS ELECTRIC

July, 2021

## YEAR-TO-DATE ACTUAL

Excluding: Construction Fund, Debt Reserve,  
and Escrow Funds Accounts

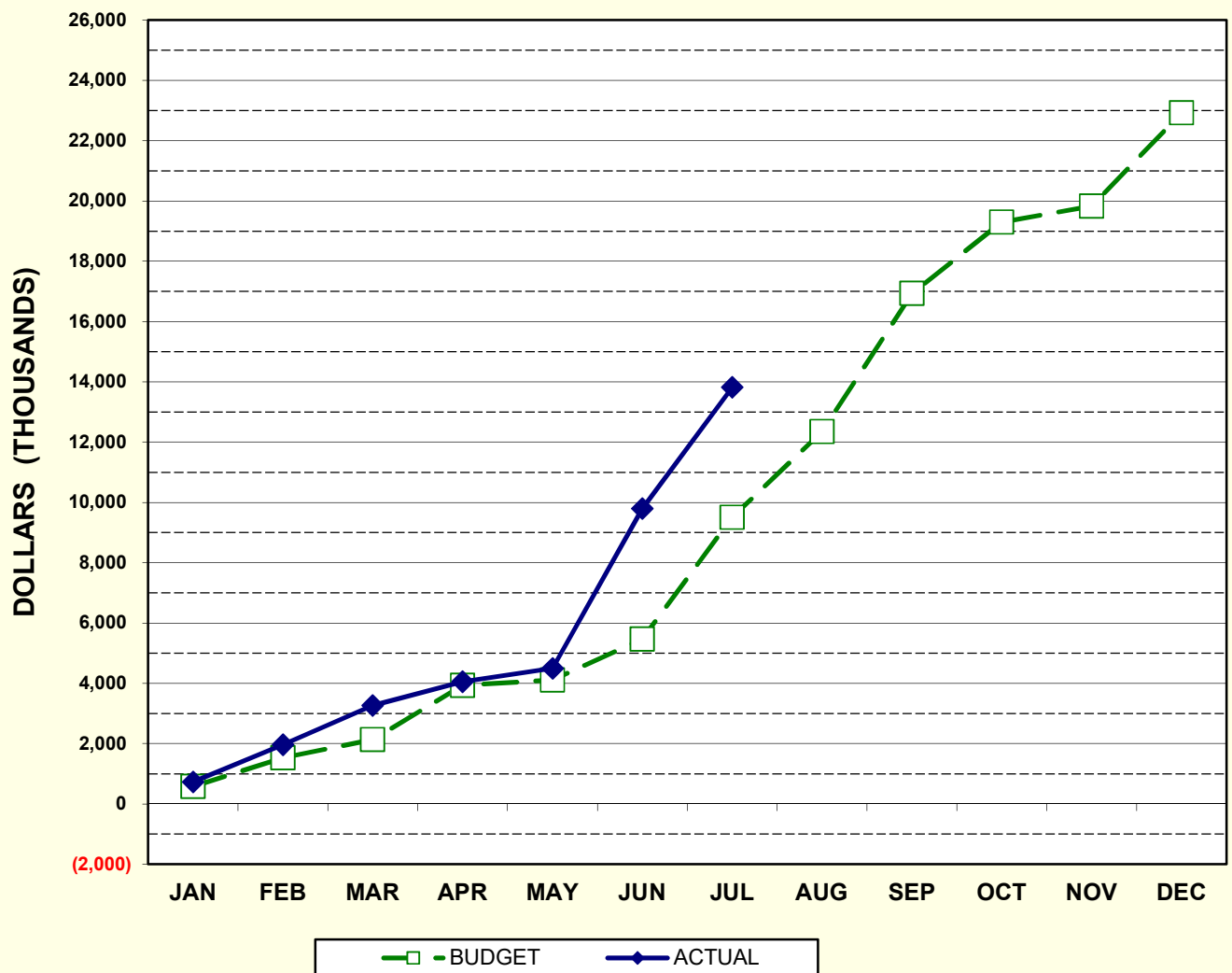


Attachment: Division Reports August 2021 (13783 : Division Reports & Metrics - August 2021)

# CHANGE IN NET POSITION ELECTRIC

July, 2021

## YEAR-TO-DATE ACTUAL vs. BUDGET



Attachment: Division Reports August 2021 (13783 : Division Reports & Metrics - August 2021)



7/31/2021

Principal & Interest (in thousands)

**Electric Debt Service Payments**  
(2002 Bonds were redeemed in full on 4/1/2013; 2007C Bonds were partially redeemed on 11/17/2015 and redeemed in full on 2/15/17, 2013B Bonds were redeemed in full on 2/10/21)



7/31/2021

in thousands

**Electric Outstanding Debt**  
(as of End of Year)



Attachment: Division Reports August 2021 (13783 : Division Reports & Metrics - August 2021)

**ROCHESTER PUBLIC UTILITIES**  
**STATEMENT OF NET POSITION**  
**WATER UTILITY**  
**July 31, 2021**

	<u>July 2021</u>	<u>July 2020</u>	<u>Difference</u>	<u>% Diff.</u>	<u>June 2021</u>
<b>ASSETS</b>					
<b>CURRENT ASSETS</b>					
CASH & INVESTMENTS					
Unreserved Cash & Investments	4,113,723	4,097,475	16,248	0.4	4,062,078
BOARD RESERVED CASH & INVESTMENTS					
Working Funds Reserve	1,045,000	1,086,000	(41,000)	(3.8)	1,045,000
Capital & Major Maintenance Reserve	5,766,000	5,238,000	528,000	10.1	5,766,000
Contingency Reserve	1,622,000	1,584,000	38,000	2.4	1,622,000
Total Reserved Cash & Investments	8,433,000	7,908,000	525,000	6.6	8,433,000
Total Cash & Investments	12,546,723	12,005,475	541,248	4.5	12,495,078
Receivables & Accrued Utility Revenues	1,350,815	1,100,529	250,286	22.7	1,212,097
Inventory	206,752	202,294	4,459	2.2	213,753
Other Current Assets	64,628	50,141	14,487	28.9	74,525
Total Current Assets	14,168,918	13,358,439	810,479	6.1	13,995,453
<b>CAPITAL ASSETS</b>					
<b>NON-DEPRECIABLE ASSETS</b>					
Land and Land Rights	677,486	677,486	0	0.0	677,486
Construction Work in Progress	3,623,216	2,159,306	1,463,910	67.8	5,051,832
Total Non-depreciable Assets	4,300,702	2,836,792	1,463,910	51.6	5,729,318
<b>DEPRECIABLE ASSETS</b>					
Utility Plant in Service, Net	95,369,001	95,008,431	360,570	0.4	94,086,676
Net Capital Assets	99,669,703	97,845,224	1,824,480	1.9	99,815,994
Total Non-Current Assets	99,669,703	97,845,224	1,824,480	1.9	99,815,994
<b>TOTAL ASSETS</b>	113,838,621	111,203,663	2,634,959	2.4	113,811,447
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
DEFERRED OUTFLOWS OF RESOURCES	216,305	116,714	99,591	85.3	213,549
<b>TOTAL ASSETS + DEFERRED OUTFLOW RESOURCE</b>	114,054,926	111,320,377	2,734,550	2.5	114,024,996
<b>LIABILITIES</b>					
<b>CURRENT LIABILITIES</b>					
Accounts Payable	360,163	223,352	136,811	61.3	417,350
Customer Deposits	113,372	116,496	(3,125)	(2.7)	113,452
Compensated Absences	297,134	328,793	(31,660)	(9.6)	310,111
Accrued Salaries & Wages	103,598	93,684	9,914	10.6	65,369
Total Current Liabilities	874,266	762,326	111,940	14.7	906,282
<b>NON-CURRENT LIABILITIES</b>					
Compensated Absences	204,363	160,592	43,771	27.3	178,133
Other Non-Current Liabilities	1,807,972	1,561,107	246,866	15.8	1,807,972
Total Non-Current Liabilities	2,012,335	1,721,699	290,636	16.9	1,986,105
<b>TOTAL LIABILITIES</b>	2,886,601	2,484,025	402,576	16.2	2,892,387
<b>DEFERRED INFLOWS OF RESOURCES</b>					
DEFERRED INFLOWS OF RESOURCES	510,599	678,466	(167,867)	(24.7)	606,622
<b>NET POSITION</b>					
Net Investment in Capital Assets	99,669,703	97,845,224	1,824,480	1.9	99,815,994
Unrestricted Net Assets (Deficit)	10,988,023	10,312,662	675,362	6.5	10,709,993
<b>TOTAL NET POSITION</b>	110,657,726	108,157,885	2,499,841	2.3	110,525,986
<b>TOTAL LIAB, DEFERRED INFLOWS, NET POSITION</b>	114,054,926	111,320,377	2,734,550	2.5	114,024,996

Attachment: Division Reports August 2021 (13783 : Division Reports &amp; Metrics - August 2021)

08/17/2021

**ROCHESTER PUBLIC UTILITIES**  
**Statement of Revenues, Expenses & Changes in Net Position**  
**WATER UTILITY**  
**July, 2021**  
**YEAR TO DATE**

	<u>Actual YTD</u>	<u>Original Budget YTD</u>	<u>Actual to Original Budget</u>	<u>% Var.</u>	<u>Last Yr Actual YTD</u>
<b>RETAIL REVENUE</b>					
Water - Residential Service	3,935,694	3,571,740	363,954	10.2	3,713,660
Water - Commercial Service	1,840,328	1,758,914	81,414	4.6	1,702,137
Water - Industrial Service	363,343	550,894	(187,551)	(34.0)	372,478
Water - Public Fire Protection	347,143	350,337	(3,195)	(0.9)	343,640
Water - Interdepartmental Service	13,633	16,461	(2,828)	(17.2)	10,728
<b>TOTAL RETAIL REVENUE</b>	<b>6,500,141</b>	<b>6,248,347</b>	<b>251,795</b>	<b>4.0</b>	<b>6,142,642</b>
<b>COST OF REVENUE</b>					
Utilities Expense	635,887	530,228	105,659	19.9	602,408
Water Treatment Chemicals/Demin Water	72,509	66,840	5,669	8.5	72,059
Billing Fees	436,418	437,050	(632)	(0.1)	303,385
<b>TOTAL COST OF REVENUE</b>	<b>1,144,814</b>	<b>1,034,118</b>	<b>110,696</b>	<b>10.7</b>	<b>977,852</b>
<b>GROSS MARGIN</b>	<b>5,355,328</b>	<b>5,214,229</b>	<b>141,099</b>	<b>2.7</b>	<b>5,164,789</b>
<b>FIXED EXPENSES</b>					
Depreciation & Amortization	1,609,769	1,667,300	(57,531)	(3.5)	1,600,860
Salaries & Benefits	1,611,469	1,741,192	(129,723)	(7.5)	1,547,715
Materials, Supplies & Services	696,077	1,010,384	(314,306)	(31.1)	598,665
Inter-Utility Allocations	1,098,412	1,002,750	95,662	9.5	1,011,292
<b>TOTAL FIXED EXPENSES</b>	<b>5,015,727</b>	<b>5,421,626</b>	<b>(405,899)</b>	<b>(7.5)</b>	<b>4,758,532</b>
Other Operating Revenue	840,270	845,105	(4,835)	(0.6)	838,597
<b>NET OPERATING INCOME (LOSS)</b>	<b>1,179,871</b>	<b>637,708</b>	<b>542,163</b>	<b>85.0</b>	<b>1,244,854</b>
<b>NON-OPERATING REVENUE / (EXPENSE)</b>					
Investment Income (Loss)	117,479	104,349	13,130	12.6	137,604
Interest Expense	(34)	0	(34)	0.0	(101)
Miscellaneous - Net	(69,162)	0	(69,162)	0.0	(15,453)
<b>TOTAL NON-OPERATING REV (EXP)</b>	<b>48,283</b>	<b>104,349</b>	<b>(56,066)</b>	<b>(53.7)</b>	<b>122,050</b>
<b>INCOME (LOSS) BEFORE TRANSFERS / CAPITAL CONTRIBUTIONS</b>	<b>1,228,154</b>	<b>742,056</b>	<b>486,097</b>	<b>65.5</b>	<b>1,366,905</b>
Transfers Out	(240,936)	(212,803)	(28,133)	(13.2)	(220,365)
Capital Contributions	0	0	0	0.0	0
<b>CHANGE IN NET POSITION</b>	<b>987,218</b>	<b>529,253</b>	<b>457,965</b>	<b>86.5</b>	<b>1,146,540</b>
Net Position, Beginning	109,670,508				107,011,346
<b>NET POSITION, ENDING</b>	<b>110,657,726</b>				<b>108,157,885</b>

Attachment: Division Reports August 2021 (13783 : Division Reports &amp; Metrics - August 2021)

08/18/21

**ROCHESTER PUBLIC UTILITIES**  
**STATEMENT OF CASH FLOWS**  
**WATER UTILITY**  
**FOR**  
**JULY, 2021**  
**YEAR-TO-DATE**

	<u>Actual YTD</u>	<u>Last Yr Actual YTD</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash Received From Customers	7,197,161	6,993,028
Cash Paid for:		
Operations and Maintenance	(4,482,437)	(4,230,586)
Payment in Lieu of Taxes	(216,192)	(201,899)
Net Cash Provided by(Used in) Utility Operating Activities	2,498,532	2,560,543
Sales Tax & MN Water Fee Collections		
Receipts from Customers	249,525	293,447
Remittances to Government Agencies	(259,570)	(259,171)
Net Cash Provided by(Used in) Non-Utility Operating Activities	(10,045)	34,276
<b>NET CASH PROVIDED BY(USED IN) OPERATING ACTIVITIES</b>	<b>2,488,487</b>	<b>2,594,819</b>
<b>CASH FLOWS FROM CAPITAL &amp; RELATED FINANCING ACTIVITIES</b>		
Additions to Utility Plant & Other Assets	(2,034,641)	(1,256,044)
Payment on Long-Term Debt	0	0
Net Loan Receipts	0	0
Cash Paid for Interest & Commissions	0	0
<b>NET CASH PROVIDED BY(USED IN) CAPITAL &amp; RELATED ACTIVITIES</b>	<b>(2,034,641)</b>	<b>(1,256,044)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest Earnings on Investments	117,445	137,503
<b>NET CASH PROVIDED BY(USED IN) INVESTING ACTIVITIES</b>	<b>117,445</b>	<b>137,503</b>
Net Increase(Decrease) in Cash & Investments	571,291	1,476,278
Cash & Investments, Beginning of Period	11,975,432	10,529,197
<b>CASH &amp; INVESTMENTS, END OF PERIOD</b>	<b>12,546,723</b>	<b>12,005,475</b>

Attachment: Division Reports August 2021 (13783 : Division Reports &amp; Metrics - August 2021)

8/17/2021

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

**July, 2021**

**YEAR-TO-DATE**

						Last Yr	
		<u>Actual YTD</u>	<u>Budget YTD</u>	<u>Variance</u>	<u>% Var.</u>	<u>Actual YTD</u>	
		(ccf)	(ccf)	(ccf)			
9	PUMPAGE	(primarily calendar month)					
10	TOTAL PUMPAGE	3,695,493	3,173,779	521,714	16.4	3,368,289	
11	RETAIL SALES	(primarily billing period)					
		<u># Custs</u>					
12	Water - Residential Service	37,273	1,857,188	1,497,195	359,993	24.0	1,673,602
13	Water - Commercial Service	3,752	1,264,776	1,206,929	57,847	4.8	1,142,403
14	Water - Industrial Service	23	372,008	454,088	(82,080)	(18.1)	381,895
15	Water - Interdptmntl Service	<u>1</u>	11,055	13,215	(2,160)	(16.3)	7,873
16	Total Customers	<u>41,049</u>					
17	TOTAL RETAIL SALES	3,505,028	3,171,427	333,601	10.5	3,205,774	
18	Lost & Unacctnd For Last 12 Months	306,560	4.9%				

Attachment: Division Reports August 2021 (13783 : Division Reports & Metrics - August 2021)

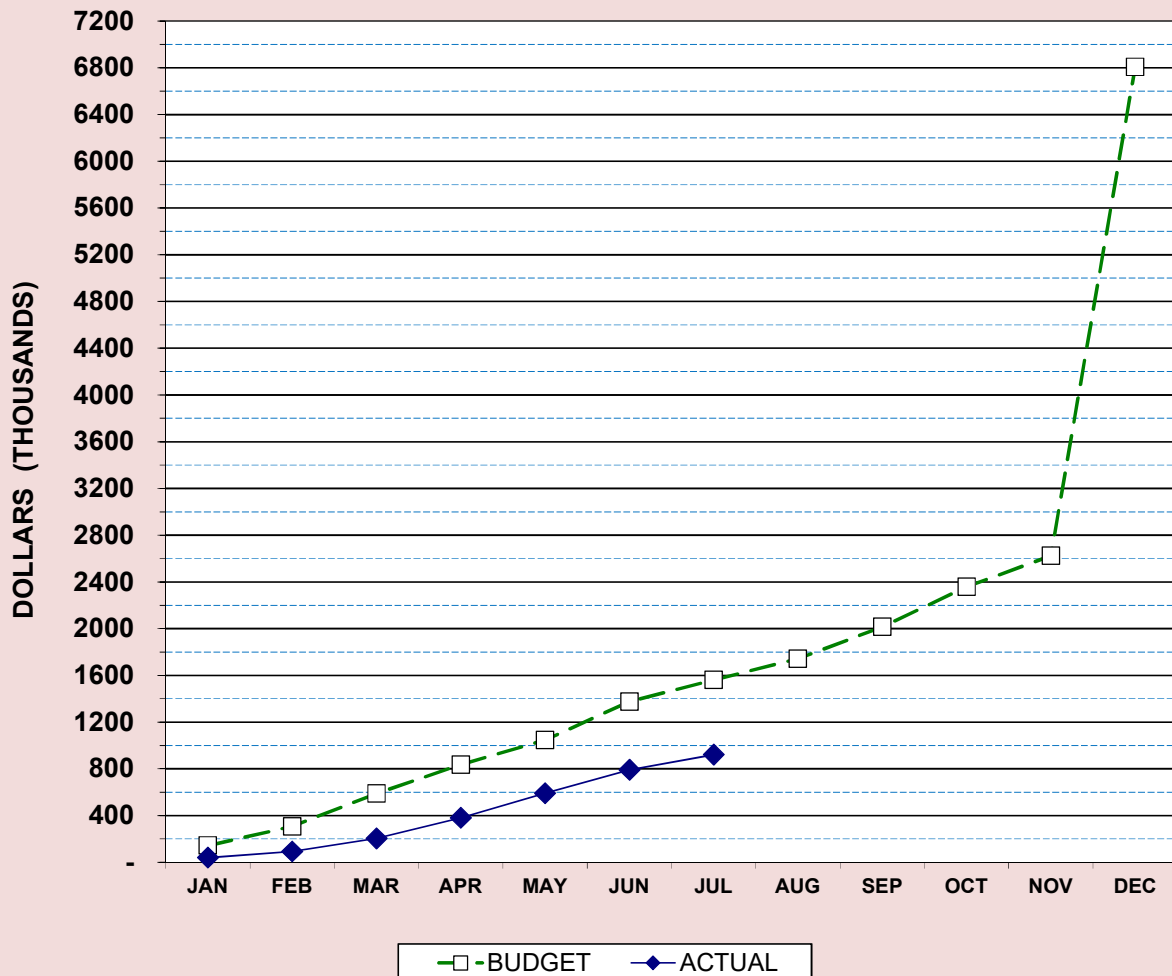
## CAPITAL EXPENDITURES WATER

Current Year	
ANNUAL BUDGET	6,807,825
ACTUAL YTD	921,614
% OF BUDGET	13.5%

July, 2021

Prior Years Ending Dec 31st		
2020	2019	2018
5,917,740	4,554,317	3,171,521
2,365,830	1,689,025	2,264,812
40.0%	37.1%	71.4%

### YEAR-TO-DATE ACTUAL vs. BUDGET



Attachment: Division Reports August 2021 (13783 : Division Reports & Metrics - August 2021)

## MAJOR MAINTENANCE EXPENDITURES WATER

### Current Year

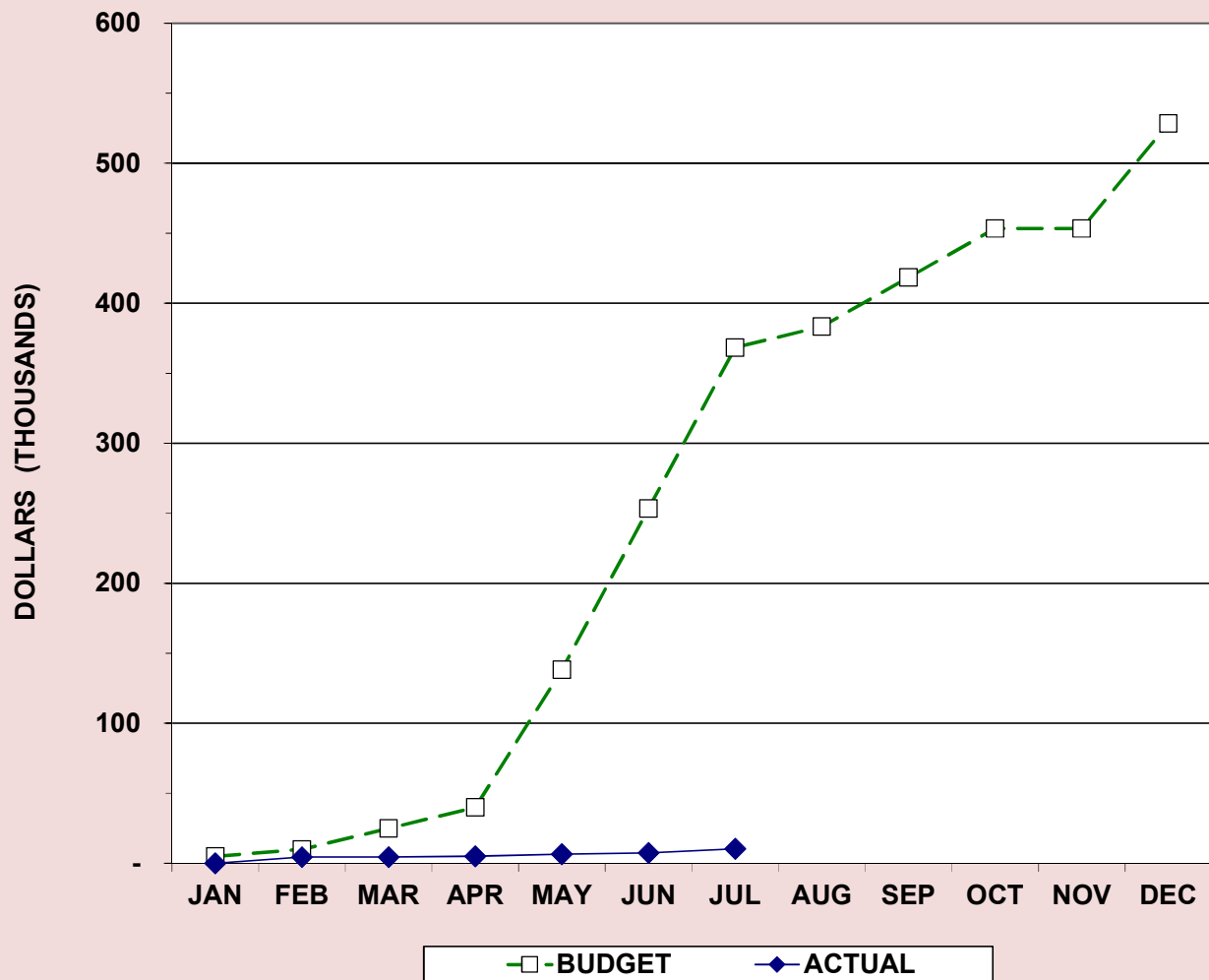
ANNUAL BUDGET	528,408
ACTUAL YTD	10,346
% OF BUDGET	2.0%

July, 2021

### Prior Years Ending Dec 31st

<a href="#">2020</a>	<a href="#">2019</a>	<a href="#">2018</a>
552,500	567,500	507,000
521,228	322,751	303,726
94.3%	56.9%	59.9%

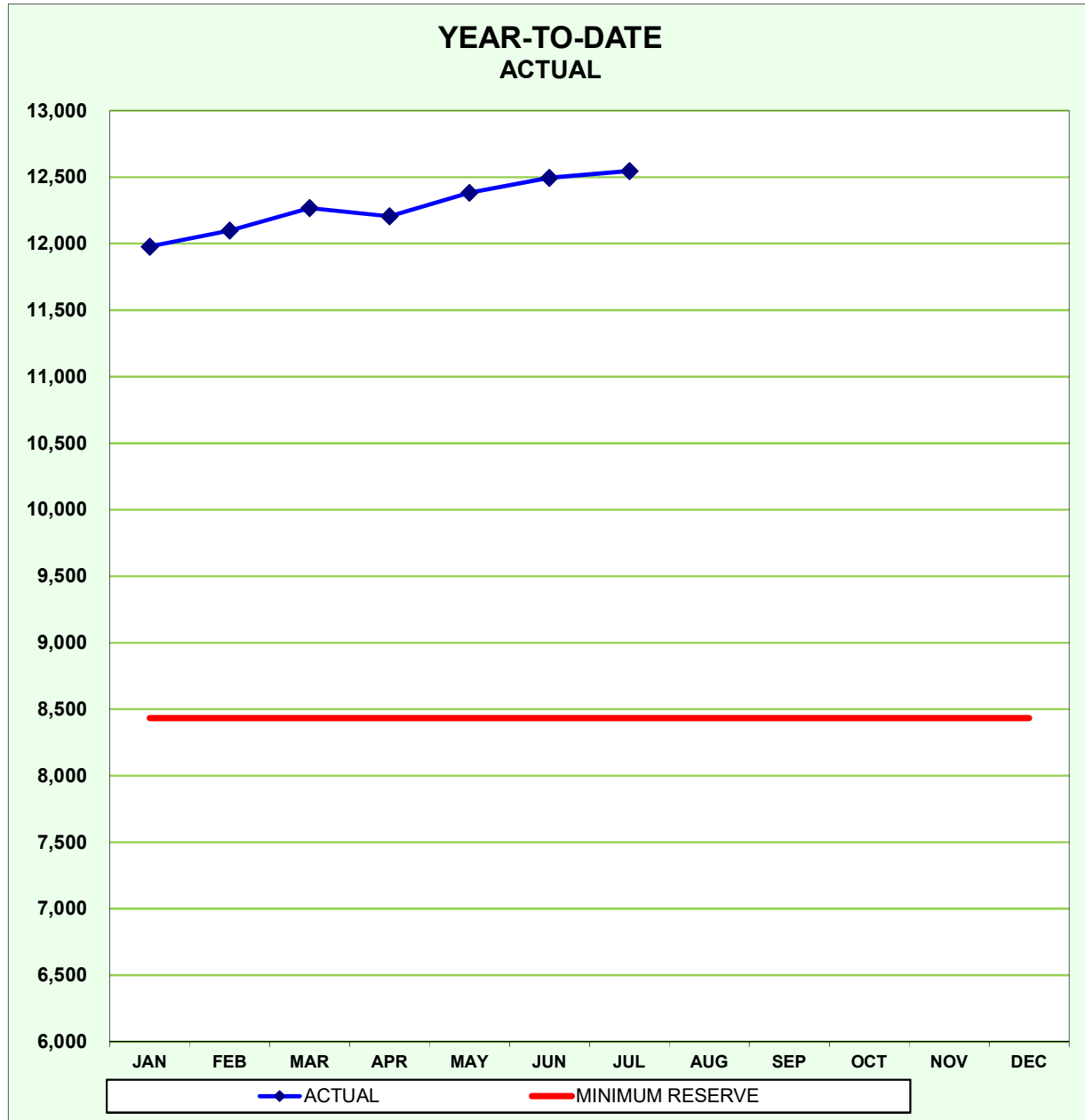
### YEAR-TO-DATE ACTUAL vs. BUDGET



Attachment: Division Reports August 2021 (13783 : Division Reports & Metrics - August 2021)

# CASH AND TEMPORARY INVESTMENTS WATER

July, 2021



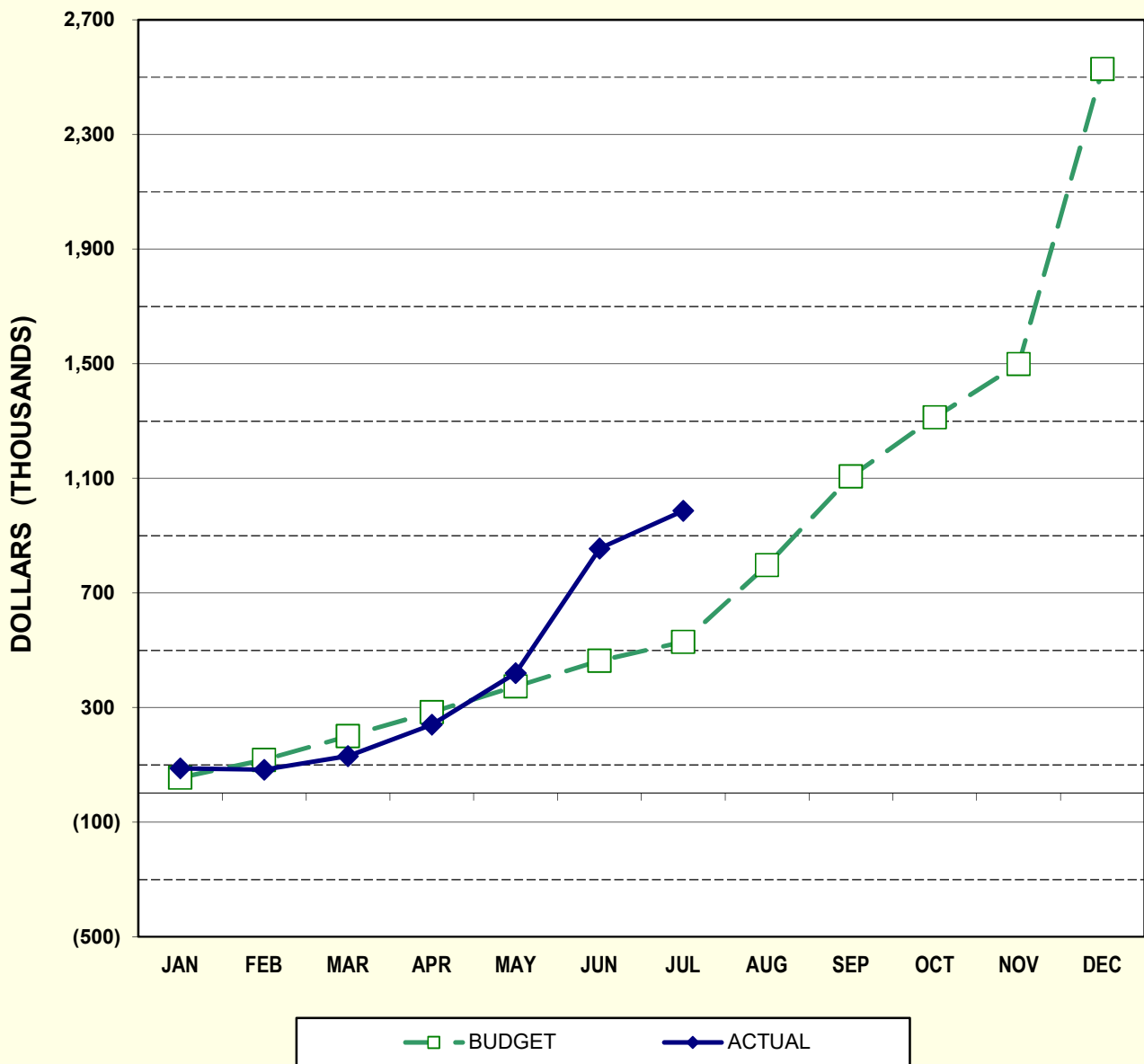
Attachment: Division Reports August 2021 (13783 : Division Reports & Metrics - August 2021)



# CHANGE IN NET POSITION WATER

July, 2021

## YEAR-TO-DATE ACTUAL vs. BUDGET



Attachment: Division Reports August 2021 (13783 : Division Reports & Metrics - August 2021)