



**Public Utility Board Agenda
Rochester Boards & Commissions - Public Utility Board
October 24, 2023
4:00 p.m.**

Attending and Viewing the Meeting

Attend in-person at 4000 E River Rd NE, RPU Community Room, Rochester, MN or via [MS Teams](#).
Call in audio only number: 347-352-4853 Conference ID: 860 611 736#.
A recording is made available after the meeting at the [City's website](#).

Call to Order/Roll Call

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

3.A. Minutes of the Rochester Public Utility Board Meeting of September 26, 2023

Approve the minutes and video of the September 26, 2023 meeting of the Rochester Public Utility (RPU) Board.

3.B. Review of Accounts Payable

Review the list of consolidated and summarized transactions for 09/12/2023 to 10/09/2023 in the total amount of \$15,735,415.93.

3.C. Revised 2024 RPU Board Meeting Dates

Revise the approved 2024 RPU Board Meeting dates to move the May meeting to May 21 in order to avoid the Memorial Day holiday, and add a Budget Study Session for August 6.

3.D. Insurance Renewals for 2024

Management recommends that the Board approve the attached resolution for all insurance coverage renewals for 2023-24.

Open Public 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

4.A. Contract Award: Lake Zumbro Hydro Plant Controls Upgrade

Adopting a resolution authorizing an agreement with L&S Electric, Inc. in the amount of \$913,420.00 for the Lake Zumbro Hydro Plant controls upgrade, plus 10% contingency, for a total of \$1,004,762.00. Approval of this action also authorizes the RPU Project Manager to perform the acts to execute the project.

5. Regular Agenda

5.A. 2024-2025 Water Utility Budget

Management recommends that the Board approve and request the City Council approve the RPU Water Utility capital, including multiyear projects, and operating budgets for 2024 and 2025.

5.B. 2024-2025 Electric Utility Budget

Management recommends that the Board approve and request the City Council to approve the 2024 and 2025 RPU Electric Utility capital, multiyear capital projects, and operating budgets.

5.C. 2024-2025 Water Utility Rate Adjustment

Management recommends the Board approve and recommend the City Council approve the Water Utility rates tariff and fees to take effect on or about January 1, 2024, and January 1, 2025, respectively.

5.D. 2024-2025 Electric Utility Rate Adjustment

Approve and recommend the City Council approve the 2024 and 2025 Electric Utility rate tariff and fees to take effect on or about January 1, 2024, and January 1, 2025, respectively.

5.E. 2023-2025 Financial Audit and Regulatory Examination

Management recommends approval of the service contract with Bakertilly as described.

6. Board Policy Review

6.A. Board Policy 6. Delegation of Authority/Relationship with Management

Review and receive comments on the draft revised policy.

6.B. RPU Index of Board Policies

Review the Index of Board Policies to summarize progress on policy updates and determine future policy review items.

7. General Managers Report

8. Division Reports & Metrics

8.A. Division Reports & Metrics - October 2023

Review the reports from each of RPU's five divisions: Core Services, Compliance and Public Affairs, Power Resourced, Customer Relations and Corporate Services.

9. Other Business

10. Adjournment



REQUEST FOR ACTION

Minutes of the Rochester Public Utility Board Meeting
of September 26, 2023

MEETING DATE:

October 24, 2023

ORIGINATING DEPT:

Rochester Public Utilities

AGENDA SECTION:

Consent Agenda

PRESENTER:

Tim McCollough

Action Requested:

Approve the minutes and video of the September 26, 2023 meeting of the Rochester Public Utility (RPU) Board.

Report Narrative:

Official minutes of the RPU Board are published in accordance with Open Meeting Law, capturing the official record of the RPU Board.

Policy Considerations & DEI Impact:

Minutes and video of the appointed boards of the City provide access and transparency to RPU systems, processes, and decision making conversations. This promotes the City's values and comports with state law.

Prior Legislative Actions & Community Engagement:

Minutes of the previous RPU Board meeting are generated monthly.

Fiscal & Resource Impact:

No fiscal impact of publishing minutes.

Prepared By:

Christina Bailey

Attachments:

[20230926 Minutes.pdf](#)



**CITY OF ROCHESTER, MINNESOTA
Public Utility Board MINUTES**

Attending and Viewing the Meeting

[Call to Order/Roll Call](#)

Attendee Name	Status
Melissa Graner Johnson	Present
Brian Morgan	Present
Tim Haskin	Present
Brett Gorden	Present
Patrick Keane	Present

1) [Approval of Agenda](#)

Motion to approve the agenda

MOVER: Brian Morgan

SECONDER: Patrick Keane

AYES: Melissa Graner Johnson, Brian Morgan, Tim Haskin, Brett Gorden, Patrick Keane

RESULT: **APPROVED [UNANIMOUS]**

2) [Safety Moment](#)

Safety Manager Bob Cooke gave a presentation to the Board.

3) [Consent Agenda](#)

3.A) Minutes of the Rochester Public Utility Board Meeting of August 8, 2023

Official Act: Approve the minutes and video of the August 8, 2023 meeting of the Rochester Public Utility (RPU) Board.

[Cover Page](#) 

[20230808 Minutes.pdf](#) 

3.B) Minutes of the Rochester Public Utility Board Meeting of August 29, 2023

Official Act: Approve the minutes and video of the August 29, 2023 meeting of the Rochester Public Utility (RPU) Board.

[Cover Page](#) 

[20230829 Minutes.pdf](#) 

3.C) Review of Accounts Payable

Official Act: Review the list of consolidated and summarized transactions for 08/10/2023 to 09/11/2023 in the total amount of \$14,206,265.46.

[Cover Page](#) 

[AP Board List Current Month.pdf](#) 

3.D) Board Responsibilities and Functions Policy

Official Act: Approve the revised Board Responsibilities and Functions Policy.

[Cover Page](#) 

[02 Board Responsibilities and Functions clean copy 8-29-23.docx](#) 

[20230926 Resolution - Board Responsibilities and Functions Policy.docx](#) 

Motion to approve the consent items in block 3.A.-3.D.

MOVER: Patrick Keane

SECONDER: Brett Gorden

AYES: Melissa Graner Johnson, Brian Morgan, Tim Haskin, Brett Gorden, Patrick Keane

RESULT: **APPROVED [UNANIMOUS]**

Open Public Comment Period

4) Informational

4.A) [2023 Electric Utility Cost of Service Study](#)

Official Act: Accept and place on file the 2023 Electric Utility Cost of Service Study.

[Cover Page](#) 

The Board accepted and placed on file the results of the 2023 Electric Utility Cost of Service Study.

5) Regular Agenda

5.A) [2024 - 2025 Electric Utility Rate Adjustment](#)

Official Act: Approve the public notification of the proposed rate changes for the Electric Utility.

[Cover Page](#) 

[2024 RPU Electric Rate Schedule RED LINE Final .pdf](#) 

[20230926 Resolution - Electric Utility Rate Adjustment.docx](#) 

Motion to approve the public notification of the proposed 2024-2025 rate changes for the Electric Utility.

MOVER: Patrick Keane
SECONDER: Brian Morgan
AYES: Melissa Graner Johnson, Brian Morgan, Tim Haskin, Brett Gorden, Patrick Keane
RESULT: **APPROVED [UNANIMOUS]**

5.B) [2024 - 2025 Water Utility Rate Adjustment](#)

Official Act: Approve the public notification of the proposed rate changes for the Water Utility.

[Cover Page](#) 

[2024 RPU Water Rate Schedule RED LINE Final.pdf](#) 

[20230926 Resolution - Water Utility Rate Adjustment.docx](#) 

Motion to approve the public notification of the proposed 2024-2025 rate changes for the Water Utility.

MOVER: Patrick Keane
SECONDER: Brian Morgan
AYES: Melissa Graner Johnson, Brian Morgan, Tim Haskin, Brett Gorden, Patrick Keane
RESULT: **APPROVED [UNANIMOUS]**

5.C) [Proposed 2024 Board Meeting Dates](#)

Official Act: Approve the proposed 2024 Board meeting dates.

[Cover Page](#) 

[2024 UTILITY BOARD MEETING DATES.docx](#) 

[20230926 Resolution - 2024 Proposed Board Meeting Dates.docx](#) 

Motion to approve the proposed 2024 Board meeting dates.

MOVER: Patrick Keane
SECONDER: Tim Haskin
AYES:

Melissa Graner Johnson, Brian Morgan, Tim Haskin, Brett Gorden, Patrick Keane

RESULT: APPROVED [UNANIMOUS]

6) **Board Policy Review**

6.A) RPU Index of Board Policies

Official Act: Review the Index of Board Policies to summarize progress on policy updates and determine future policy review items.

[Cover Page](#) 

[Index of Board Policies-revised.xlsx](#) 

The next Board policy to be reviewed will be the Delegation of Authority Policy.

7) **General Managers Report**

General Manager Tim McCollough gave a presentation to the Board.

8) **Division Reports & Metrics**

8.A) Division Reports & Metrics - September 2023

Official Act: Review the reports from each of RPU's five divisions: Core Services, Compliance and Public Affairs, Power Resources, Customer Relations and Corporate Services.

[Cover Page](#) 

[Division Reports September 2023.pdf](#) 

9) **Other Business**

10) **Adjournment**

Motion to adjourn

MOVER: Patrick Keane

SECONDER: Brian Morgan

AYES: Melissa Graner Johnson, Brian Morgan, Tim Haskin, Brett Gorden, Patrick Keane

RESULT: APPROVED [UNANIMOUS]



REQUEST FOR ACTION

Review of Accounts Payable

MEETING DATE:

October 24, 2023

ORIGINATING DEPT:

Rochester Public Utilities

AGENDA SECTION:

Consent Agenda

PRESENTER:

Tim McCollough

Action Requested:

Review the list of consolidated and summarized transactions for 09/12/2023 to 10/09/2023 in the total amount of \$15,735,415.93.

Report Narrative:

Reference the detailed Rochester Public Utilities A/P Board Listing by Dollar Range Report (attached).

Policy Considerations & DEI Impact:

This item is in compliance with Minnesota statute 412.271 requiring all claims to be reviewed by boards and councils.

Fiscal & Resource Impact:

This is for payment of previously approved amounts, through budget or other Board action.

Prepared By:

Christina Bailey

Attachments:

[AP Board Listing 091223-100923.pdf](#)

ROCHESTER PUBLIC UTILITIES
A/P Board Listing By Dollar Range
For 09/12/2023 To 10/09/2023
Consolidated & Summarized Below 1,000

Greater than 50,000 :

1	SOUTHERN MN MUNICIPAL POWER A	September SMMPA Bill	8,717,244.72
2	CITY OF ROCHESTER	Cost Share RPU Duct Bank Project	1,901,756.39
3	MN DEPT OF REVENUE	August Sales & Use Tax	973,486.90
4	THE ENERGY AUTHORITY INC	August Transmission	386,778.97
5	CONSTELLATION NEWENERGY-GAS D	August Gas for Cascade Creek	217,236.73
6	CONSTELLATION NEWENERGY-GAS D	August Gas for WES	201,948.11
7	A & A ELECT & UNDERGROUND CON	2022-23 Directional Boring	190,004.70
8	KEY BUILDERS INC	Construction of Well House #42	168,837.86
9	CONSTELLATION NEWENERGY-GAS D	Gas for SLP	160,848.09
10	THE ENERGY AUTHORITY INC	September Transmission	156,206.20
11	ASPLUNDH TREE EXPERT LLC (P)	603 Tree Line Clearance	119,608.09
12	NEW AGE TREE SERVICE INC	Hydro Tree Clearance	101,855.54
13	MOTOROLA SOLUTIONS INC (P)	30EA-Radio, Handheld, APX4000, Package	93,370.20
14	SCHWEITZER ENGINEERING LABORA	9EA-Relay, SEL 311L, Dist, 48VDC	89,242.20
15	OSMOSE UTILITIES SERVICES INC	Pole Attachment Audit	88,663.05
16	IRBY UTILITIES dba	6EA-Trans, PM, 3ph, 150kVA, 13.8/8, 208	86,994.00
17	TRANTECH RADIATOR PRODUCTS IN	14EA-Demountable Radiator	85,042.25
18	POWELL ELECTRICAL SYSTEMS INC	ZRS MagneBlast Breaker Replacement Proj.	68,538.50
19	PAYMENTUS CORPORATION	August Electronic Bill Payment Services	67,985.50
20	ASPLUNDH TREE EXPERT LLC (P)	2023 Hourly Tree Trimming	58,462.25
21	CITY OF ROCHESTER	Workers Comp Payments	54,379.75
22			
23		Price Range Total:	13,988,490.00

5,000 to 50,000 :

27	DAKOTA SUPPLY GROUP-ACH	10000FT-Conduit, HDPE, 5", SDR 13.5, Emp	42,800.00
28	IRBY UTILITIES dba	3EA-Trans, PM, 3ph, 112.5kVA, 13.8/8, 208	40,182.00
29	USIC HOLDINGS INC	Aug & Sept 2023 Locating Services	38,926.70
30	PEOPLES ENERGY COOPERATIVE	September Compensable	36,286.16
31	UTIL-ASSIST INC	AMI Contract Negotiation SOW	36,036.00
32	ECHO SOLAR 2022 HOLDCO LLC	September Solar Services	35,903.38
33	MINNESOTA ENERGY RESOURCES CO	August Gas for WES	33,989.68
34	DOXIM UTILITEC LLC	September Bill Print and Mail Services	32,639.87
35	IRBY UTILITIES dba	4500FT-Wire, AL, 35K, 1/0, 1/C, Jacketed	32,395.95
36	RSP ARCHITECTS LTD.	Office Artwork Consultant	29,915.27
37	VIKING ELECTRIC SUPPLY (P)	3000FT-Wire, Copper, 600V, #4 STR, 4/C, EPR	28,673.34
38	MN DEPT OF COMMERCE	Q2FY2024 Indirect Assessment	26,973.65
39	US BANK-VOYAGER	September Fuel	26,453.48
40	SOLID WASTE OLMSTED COUNTY	July & Aug 2023 Electricity Purchased by RPU	26,202.37
41	ROCHESTER CAMPUS LLC	CIP-Lighting (C&I)-Incentives/Rebates	23,924.30
42	IRBY UTILITIES dba	1EA-Trans, PM, 3ph, 500kVA, 13.8/8, 480	22,519.00
43	ASPLUNDH TREE EXPERT LLC (P)	704 Tree Line Clearance	22,068.62
44	VIKING ELECTRIC SUPPLY (P)	7500FT-Conduit, HDPE, 4", SDR 13.5, Empt	21,571.50
45	FORBROOK LANDSCAPING SERVICES	SLP Landscape Svcs - 4th St to Flag Pole	20,644.45
46	CRESCENT ELECTRIC SUPPLY CO	8000FT-Wire, 10 ga, 600V 4/C Control CB	19,816.35
47	IRBY UTILITIES dba	5578FT-Wire, AL, 15kV, 1/0 Solid, 1/C	19,338.93
48	OSMOSE UTILITIES SERVICES INC	2023 Pole Testing & Treatment	18,013.87
49	IRBY UTILITIES dba	1EA-Trans, PM, 3ph, 225kVA, 13.8/8, 208	17,860.00

ROCHESTER PUBLIC UTILITIES
A/P Board Listing By Dollar Range
For 09/12/2023 To 10/09/2023
Consolidated & Summarized Below 1,000

50	TECHNIBUS INC	1EA-MR Bus Duct Section, 13.8kV	16,900.00
51	HYBRID MECHANICAL	AC Install Well House #28	15,045.00
52	GRAYBAR ELECTRIC COMPANY INC	300EA-Anchor Bolt, 1" x 40", Streetlight	15,029.30
53	KANTOLA CONSULTING	AMI General Implementation Services & MDM	14,674.00
54	IRBY UTILITIES dba	1EA-Trans, PM, 3ph, 150kVA, 13.8/8, 208	14,499.00
55	VISION COMPANIES LLC (P)	Employee Development	13,800.00
56	CRESCENT ELECTRIC SUPPLY CO	3510FT-Conduit, 3", PVC Sch 40	13,759.20
57	GRAYBAR ELECTRIC COMPANY INC	4500FT-Conduit, HDPE, 4", SDR 13.5, Empt	13,592.93
92	WIESER PRECAST STEPS INC (P)	2EA-Pulling Vault, 514 & 515	13,562.44
58	WARTSILA NORTH AMERICA	1EA-SGE LDU, DISPLAY UNIT, WES	13,354.73
59	CRESCENT ELECTRIC SUPPLY CO	8000FT-Wire, 12 ga, 600V 4/C Control CB	13,280.72
60	HYBRID MECHANICAL	AC Improvements to Well House #27	13,030.00
61	WIESER PRECAST STEPS INC (P)	2EA-Manhole, 90deg Angle 8' x 6' x 5'	13,000.00
62	BURNS & MCDONNELL INC (P)	2023 Cost of Service and Rate Design	12,981.45
63	CENTURYLINK (P)	2023 Monthly Telecommunications	12,977.56
64	VISION METERING LLC	240EA-Meter, 12S AMR (Refurbished)	12,825.00
65	MASTEC NORTH AMERICA INC	2023 Joint Trench Directional Boring	12,699.64
66	RESCO	20EA-Three Phase VT Pack Ratio 2.5:1	12,449.20
67	DAVIES PRINTING COMPANY INC	2023 Plugged In Printing Services	11,755.18
68	KATS EXCAVATING LLC	SA Water, Service Line Repair	11,500.00
69	ADVANTAGE DIST LLC (P)	5303GAL-Urea 32, WES	11,401.45
70	McGRANN SHEA CARNIVAL STRAUGH	Q3 Retainer 2023	11,000.00
71	VIKING ELECTRIC SUPPLY (P)	10000FT-Conduit, HDPE, 2.5", Empty, Sch	10,933.50
72	SCHWEITZER ENGINEERING LABORA	2EA-Relay, SEL 587Z, 48V DC, Panel	10,890.00
73	IRBY UTILITIES dba	1EA-Trans, PM, 3ph, 45kVA, 13.8/8, 208/120	10,779.00
74	HARRIS ROCHESTER INC (HIMEC)	SLP Unit #3 Boiler Tube Repairs	10,678.95
75	CREST PRECAST INC	2EA-Manhole, Straight Thru, 8' x 6' x 5'	10,400.00
76	NOVASPECT INC	2EA-Switch, 6-Port	10,105.92
77	VIKING ELECTRIC SUPPLY (P)	Materials for Marion Rd Substation	9,992.45
78	CENTER FOR ENERGY AND ENVIRON	Multi-Family Program-Market Rate w/MERC	9,922.73
79	VISION METERING LLC	360EA-Meter, 2S AMR (Refurbished)	9,618.75
80	KATS EXCAVATING LLC	SA Water, Replaced Lead Service Line	9,600.00
81	HIGH VOLTAGE INC (P)	1EA-50kV AC Hipot Portable Tester	9,500.00
82	CORE & MAIN LP (P)	Items for Well 43	9,280.96
83	DOYLE CONNER CO INC (P)	Watermain Break Street Patch	9,208.00
84	VIKING ELECTRIC SUPPLY (P)	1000FT-Wire, Copper, 600V, #4 Str 3/C FR	8,907.22
85	VIKING ELECTRIC SUPPLY (P)	5400FT-Wire, AL, 600V, #2-#4 ACSR NEU Tr	8,697.55
86	1922 DEVELOPMENT	CIP-Lighting (C&I)-Incentives/Rebates	8,116.00
87	EXPRESS SERVICES INC	2023 Temp Staff Marketing (2)	7,788.56
88	ARCHKEY TECHNOLOGIES dba	2023 Facilities	7,770.00
89	BADGER METER INC (P)	18EA-Meter, Bare 1-1/2" Badger Disc	7,540.14
90	IRBY UTILITIES dba	50EA-Arrester, 10kV, Dist, Elbow MOV	7,012.50
91	FLOURISH CONSULTING LLC	Strengths Training-GM, Directors, Board Members	7,000.00
92	IRBY UTILITIES dba	48EA-Pedestal, Base, Secondary, w/o Cove	6,480.00
93	IRBY UTILITIES dba	48EA-Pedestal, Dome Cover, Box Style	6,000.00
94	CRESCENT ELECTRIC SUPPLY CO	760FT-Conduit, 5", PVC Sch 40, 10'	5,809.44
95	CRESCENT ELECTRIC SUPPLY CO	3 x 250FT-Conduit, 3", Corrugated PVC	5,586.00
96	VERIZON WIRELESS	2023 Cell & iPad Monthly Service	5,547.21
97	SORENSEN & SORENSEN PAINTING	SLS Bus 5 Control Building Floor & Door	5,400.00
98	KATS EXCAVATING LLC	SA Water, Service Line Replaced	5,240.00
99	HAWKINS INC	4EA-Hydro Vacuum Regulator, 300 Series	5,240.00
100	GLOBAL RENTAL COMPANY INC	Rental - Altec TDA58 Backyard Aerial	5,236.88

ROCHESTER PUBLIC UTILITIES
A/P Board Listing By Dollar Range
For 09/12/2023 To 10/09/2023
Consolidated & Summarized Below 1,000

101	TWIN CITY SECURITY INC	2023 Security Services	5,234.15
102	CARASOFT TECHNOLOGY CORPORATI	2023 WaterCAD Software Maintenance	5,017.00
103	OLMSTED COUNTY PUBLIC WORKS	CIP-Lighting (C&I)-Incentives/Rebates	5,004.00
104	IHEART MEDIA dba	August Utility Scams Spots	5,000.00
105	US BANK PURCHASING CARD	Travel,APPA Registration,C Ripp,S Cook	5,000.00
106			
107		Price Range Total:	1,215,788.58
108			
109	<u>1,000 to 5,000 :</u>		
110			
111	EPLUS TECHNOLOGY INC	13EA-IP Phone, Cisco 8845	4,982.64
112	THE PUBLISHING POND INC	Publishing Services for RPU Book	4,921.00
113	ADVANCED BUSINESS SYSTEMS INC	Equip Maint 8/4/23-8/3/24-Mail Machine	4,768.76
114	WSB & ASSOCIATES	9th Street RR Permit	4,595.25
115	WHITE SPACE LLC NEIGHBORLY CR	2023 Plugged In Design	4,500.00
116	KATS EXCAVATING LLC	SA Water, Meter Valve Replaced	4,500.00
117	IRBY UTILITIES dba	2EA-Trans, PM, 1ph, 25kVA, 13.8/8, 240	4,496.00
118	N HARRIS COMPUTER CORP	IT Training	4,454.50
119	CRESCENT ELECTRIC SUPPLY CO	13EA-Elbow, 4", Rigid Steel, 36 Radius,	4,140.50
120	ELEVATE MARKETING SOLUTIONS L	August 2023 Advertising	4,080.00
121	HAWKINS INC	2023 Chlorine Gas	4,033.80
122	SCHWEITZER ENGINEERING LABORA	1EA-Relay, SEL-351-S6, 125VDC, Panel	4,021.81
123	INSPEC INC.	2023 Electric & Water Pavement Assessment	4,000.00
124	QUADIENT POSTAGE FINANCE USA	Postage	4,000.00
125	RESCO	3000EA-Flagging Tape, Yellow, Underground	3,975.75
126	GDS ASSOCIATES INC	MISO Attch O Consulting Service	3,932.50
127	CONSOLIDATED COMMUNICATIONS d	September 2023 Network &Co-Location Services	3,898.04
128	HARRIS ROCHESTER INC (HIMEC)	WES Air Handler Service-Failing Cooling	3,889.05
129	MINNESOTA ENERGY RESOURCES CO	August Gas for SLP	3,801.03
130	VERIZON CONNECT NWF INC	August & September 2023 GPS Fleet Tracking	3,734.30
131	EPLUS TECHNOLOGY INC	Substation Staging and Configuration Services	3,632.50
132	MINNESOTA ENERGY RESOURCES CO	August Gas for Cascade Creek	3,575.09
133	CRESCENT ELECTRIC SUPPLY CO	500ROL-Tape, 3/4" x 66", Electric, Black	3,325.42
134	QUANTITATIVE MARKET INTELLIGE	2023 Qtly Customer Satisfaction Survey	3,300.00
135	FORBROOK LANDSCAPING SERVICES	September 2023 Mowing Services Site#3	3,260.00
136	ROSS BERNSTEIN	50% Down Payment-Speaker Services	3,250.00
137	VISION METERING LLC	120EA-Meter,2S AMR (Refurbished)	3,206.25
138	WIESER PRECAST STEPS INC (P)	2EA-Grd Sleeve, Switch Basement, PME	3,118.00
139	BAKER TILLY MUNICIPAL ADVISOR	Arbitrage Compliance-2013B Bond Issue	3,100.00
140	BORENE LAW FIRM P.A.	September Legal Services	3,097.67
141	SOMA CONSTRUCTION INC	Rock for Watermain Break Repairs	3,052.39
142	ATLAS COPCO COMPRESSORS LLC	2EA-Filter Kit, UD310+, Air Dryer, WES	2,992.41
143	KROC FM/AM	Conserve & Save LED Rebate Expire-September	2,992.00
144	WESCO DISTRIBUTION INC	48EA-Rack, 3-Wire	2,965.92
145	LRS OF MINNESOTA LLC	2023 Waste Removal SC	2,842.81
146	TOTAL TOOL SUPPLY INC (P)	Crane Inspections	2,821.50
147	METRO SALES INC	2022-2027 Multifunction Devices	2,812.69
148	SORENSEN & SORESEN PAINTING	SLS 3-4 Control Building Floor Painting	2,800.00
149	BORDER STATES ELECTRIC SUPPLY	50EA-Grnd Clamp, 1 Cond to 2-2.5 OD Pipe	2,784.00
150	US BANK PURCHASING CARD	Microsoft Azure Support x 1 Month	2,725.20
151	NALCO COMPANY LLC	1DRM-Sur-Gard 1700 Oxygen Scavenger DEMI	2,707.57

ROCHESTER PUBLIC UTILITIES
A/P Board Listing By Dollar Range
For 09/12/2023 To 10/09/2023
Consolidated & Summarized Below 1,000

152	ATLAS COPCO COMPRESSORS LLC	4EA-Silencer, Air Dryer, WES	2,664.09
153	KIMLEY HORN AND ASSOCIATES IN	Pressional Services-Wetland Delineation	2,632.05
154	US BANK PURCHASING CARD	Travel,Boiler Operation,CJP&CW,Registration	2,590.00
155	MIDCONTINENT ISO INC	September MISO Fees	2,589.73
156	CRW ARCHITECTURE + DESIGN GRO	Design Services Well House #42	2,540.00
157	GRAYBAR ELECTRIC COMPANY INC	1EA-SL Pole, 14', Deco Green	2,525.65
158	CENTRAL TOOL SPECIALITIES dba	12EA-Braid, 600MCM-14L	2,508.00
159	U.S.DEPARTMENT OF HOMELAND SE	Premium Processing Fee	2,500.00
160	BORDER STATES ELECTRIC SUPPLY	48KIT-Repair Kit, Pedestal, 6" X 9"	2,427.36
161	JETTER CLEAN INC	Floor Drain Preventative Maintenance	2,400.00
162	EPLUS TECHNOLOGY INC	2023 Network Maintenance Services	2,350.00
163	IRBY UTILITIES dba	15EA-Bushing, Feed-Thru, 15kV, 200A, LB	2,287.50
164	NOVASPECT INC	4EA-Transceiver	2,234.00
165	SHI INTERNATIONAL CORP (P)	Windows Std Core Ext Security Support	2,233.09
166	VIRTUAL PEAKER INC	Distributed Energy Platform Services	2,232.00
167	MENARDS ROCHESTER NORTH	Lumber,Nails,Screws,Rafter & Truss Ties	2,205.89
168	MINNESOTA RUSH	CIP-Lighting (C&I)-Incentives/Rebates	2,196.00
169	GOPHER STATE ONE CALL	August Completed Tickets	2,180.25
170	HURT STEPHANIE D	CIP-AirSrc Heat Pumps-Incentives/Rebates	2,100.00
171	SCHEITEL MARK	CIP-Geothermal (R)-Incentives/Rebates	2,060.00
172	ANDERSON PAUL R	CIP-AirSrc Heat Pumps-Incentives/Rebates	2,045.00
173	HAKALA KEEGAN MATTEUS	CIP-AirSrc Heat Pumps-Incentives/Rebates	2,017.00
174	MACKEN FUNERAL HOME	CIP-Lighting (C&I)-Incentives/Rebates	1,975.00
175	LRS OF MINNESOTA LLC	2023 Waste Removal WES/CC	1,943.67
176	SWANSON FLO-SYSTEMS COMPANY (	2EA-Actuator, Evap Cooler Dump, G2	1,913.00
177	BENCHMARK ELECTRONICS INC	CIP-Custom (C&I)-Incentives/Rebates	1,906.92
178	METROPOLITAN MECHANICAL CONTR	HVAC Preventative Maintenance Service	1,840.00
179	ROCHESTER SWEEPING SERVICE LL	Cut Edges/Dig Rock/Pave Asphalt@Roch Ford	1,800.00
180	MALLOY ELECTRIC dba	1EA-Pump, Centrifugal	1,747.20
181	BORDER STATES ELECTRIC SUPPLY	50EA-Grnd Clamp, 1 Cond #4-2/0	1,739.50
182	ONLINE INFORMATION SERVICES I	September 2023 Utility Exchange Report	1,730.48
183	CORE & MAIN LP (P)	Stihl Chop Saw,Chlorine Tabs,Caution&Duct Tape	1,720.88
184	ADVANTAGE DIST LLC (P)	55GAL-Oil, DTE Heavy Med. (55 Gal Drum)	1,646.46
185	MCCALED TIM	Customer Refunds 20427	1,630.00
186	STARKEY ADAM C	CIP-AirSrc Heat Pumps-Incentives/Rebates	1,622.00
187	CRESCENT ELECTRIC SUPPLY CO	3150FT-Wire, Copper, #6 SD Solid, Bare	1,620.67
188	ATLAS COPCO COMPRESSORS LLC	2EA-Filter Kit, DD310+, Air Dryer, WES	1,610.20
189	IUPAT DC82 BUILDING CORP	CIP-Lighting (C&I)-Incentives/Rebates	1,609.88
190	RESCO	45EA-Marker Post, Electric, Red, 90"	1,608.26
191	GRAINGER INC	Digital Caliper(3), Height Gage	1,577.99
192	LANGUAGE LINE SERVICES INC	September 2023 Phone Interpretation Services	1,548.12
193	DAKOTA SUPPLY GROUP-ACH	50EA-Elbow, 3" PVC Sch 40, 36 Radius	1,548.00
194	FORBROOK LANDSCAPING SERVICES	Landscaping Edging by Transformer	1,544.34
195	AUTOMATIONDIRECT.COM	3EA-PLC,205 Comm. Module Serial	1,503.00
196	CITY OF ROCHESTER	Medical Services	1,501.55
197	BRAND NATHAN	Customer Refunds 20452	1,457.89
198	MOTOROLA SOLUTIONS INC (P)	20EA-Battery Charger, Vehicle	1,425.00
199	DAVIES PRINTING COMPANY INC	20PKG-Paper, RPU Letterhead	1,384.03
200	POWERMATION DIVISON	5EA-Pressure Transmitter, 0-200 PSI	1,368.22
201	RDO EQUIPMENT COMPANY (P)	Wheel	1,367.53
202	WIESER PRECAST STEPS INC (P)	1EA-Grd Sleeve, Switch Basement, PME	1,355.00
203	US BANK PURCHASING CARD	Travel,APPA,T McCollough,Registration	1,350.00

ROCHESTER PUBLIC UTILITIES
A/P Board Listing By Dollar Range
For 09/12/2023 To 10/09/2023
Consolidated & Summarized Below 1,000

204	WESCO DISTRIBUTION INC	25EA-Arrester, 10kV, Dist, Riser MOV	1,347.50
205	US BANK PURCHASING CARD	Travel,MIPSYCON,Regis-AL,RA, SC	1,335.00
206	AUTOMATIONDIRECT.COM	3EA-PLC,205 8Ch. Analog Input Card En	1,326.00
207	IRBY UTILITIES dba	2023 Rubber Goods Testing & Replacement	1,294.31
208	RESCO	152EA-Conn, SL 14-4, Deadfront Clear	1,292.00
209	ROCHESTER DEVELOPMENT INC	CIP-Lighting (C&I)-Incentives/Rebates	1,285.20
210	AUTOMATIONDIRECT.COM	3EA-PLC, 205 CPU Card En	1,272.00
211	US BANK PURCHASING CARD	Tax, License Registration on Trailer #21471502-1	1,244.23
212	WESCO DISTRIBUTION INC	50EA-Cable Support Grip, 1"-1.24" Tinned	1,240.00
213	KELLER AMERICA (P)	1EA-Microlevel Transmitter/320' Cable	1,231.25
214	NORTHERN / BLUETARP FINANCIAL	Hand Held Power Cutter, Vari-Cut S45	1,222.64
215	US BANK PURCHASING CARD	Registration, Employee Development	1,200.00
216	NATIONWIDE DI WATER SOLUTIONS	4EA-DI Vessels, Mixed Bed, CC	1,200.00
217	ADVANCED BUSINESS SYSTEMS INC	Equip Maint 8/4/23-8/3/24-Folder/Insert	1,192.19
218	BORDER STATES ELECTRIC SUPPLY	10EA-Cover, Pedestal, Flat Style, FG	1,180.33
219	OPEN ACCESS TECHNOLOGY	Tag Agent,webSmart User	1,169.79
220	BADGER METER INC (P)	2EA-Meter, Bare 2" Badger Disc	1,166.14
221	CORE & MAIN LP (P)	6EA-Repair Clamp, 8" x12"LL, Stainless	1,164.18
222	NALCO COMPANY LLC	2EA-Sulfite (Oxygen Scavenger) 1720	1,161.76
223	KLAMERUS DOUG	Travel,MN AWWA Conf,Duluth,MN-Lodging-DK	1,150.92
224	GARCIA GRAPHICS INC	Design EV Enrollment Rebate App and Mrkt	1,150.00
225	US BANK PURCHASING CARD	Permit,Property Rights	1,146.77
226	MOTOROLA SOLUTIONS INC (P)	10EA-Battery, Handheld Radio, APX4000	1,145.27
227	MAVO SYSTEMS INC (P)	SLP Asbestos Removal	1,142.60
228	WESCO DISTRIBUTION INC	10EA-Anchor, 14" P.S., w/Rod & Twineye N	1,141.10
229	CORPORATE WEB SERVICES INC	2023 Website Services	1,132.04
230	SEEME PRODUCTIONS LLC	Commercial Production	1,130.00
231	CAMIL ESTRADA SERGIO	Customer Refunds 20428	1,113.30
232	US BANK PURCHASING CARD	Travel,Protect Relay,M Wirkus,Lodging	1,094.63
233	ROCHESTER ARMORED CAR CO INC	2023 Pick Up Services	1,087.43
234	US BANK PURCHASING CARD	Travel,HCTC,J Drugg,Registration	1,082.55
235	US BANK PURCHASING CARD	Travel,HCTC,M Valere,Registration	1,082.55
236	US BANK PURCHASING CARD	Travel,HCTC,H Andrist,Registration	1,082.55
237	CORE & MAIN LP (P)	20EA-Valve Box Extension, 18"	1,067.60
238	MEIER KRISTEN	CIP-AirSrc Heat Pumps-Incentives/Rebates	1,065.00
239	LAWSON PRODUCTS INC (P)	Hi Strength Flat Washers	1,054.22
240	CORE & MAIN LP (P)	6EA-Repair Clamp, 6" x 12"LL, Stainless	1,035.24
241	CORE & MAIN LP (P)	Items for Gate Valve	1,019.86
242	DELL MARKETING LP	4EA-Monitor, Computer, 27", Dell QHD	1,011.55
243	ROCHESTER WELDING INC/NORTH S	Material for SLS Bus 3-4 Fence	1,005.69
244	ROCHESTER SWEEPING SERVICE LL	Mill Edges & Replace Blacktop & Re-Strip	1,000.00
245	SUE RAMTHUN	Well Reimbursement Sue Ramthun	1,000.00
246			
247		Price Range Total:	297,664.14
248			
249	<u>0 to 1,000 :</u>		
250			
251	REBATES	Summarized transactions: 87	24,633.80
252	US BANK PURCHASING CARD	Summarized transactions: 75	18,257.46
253	FIRST CLASS PLUMBING & HEATIN	Summarized transactions: 22	10,066.87
254	CUSTOMER REFUNDS (CIS)	Summarized transactions: 85	9,548.92

ROCHESTER PUBLIC UTILITIES
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255	BORDER STATES ELECTRIC SUPPLY	Summarized transactions: 25	8,733.45
256	VIKING ELECTRIC SUPPLY (P)	Summarized transactions: 86	7,185.71
257	CORE & MAIN LP (P)	Summarized transactions: 18	6,589.84
258	LAWSON PRODUCTS INC (P)	Summarized transactions: 16	5,839.25
259	CITY LAUNDERING COMPANY	Summarized transactions: 24	4,821.90
260	HAWKINS INC	Summarized transactions: 13	4,301.59
261	IRBY UTILITIES dba	Summarized transactions: 11	3,875.49
262	CRESCENT ELECTRIC SUPPLY CO	Summarized transactions: 54	3,761.19
263	DAKOTA SUPPLY GROUP-ACH	Summarized transactions: 50	3,242.34
264	RESCO	Summarized transactions: 6	3,226.38
265	GRAINGER INC	Summarized transactions: 8	2,607.38
266	AUTOMATIONDIRECT.COM	Summarized transactions: 5	2,448.00
267	FASTENAL COMPANY	Summarized transactions: 15	2,391.26
268	NICKELS SCOTT	Summarized transactions: 6	2,388.45
269	MINNESOTA ENERGY RESOURCES CO	Summarized transactions: 11	2,278.05
270	RONCO ENGINEERING SALES INC	Summarized transactions: 5	2,209.18
271	UNITED RENTALS INC	Summarized transactions: 6	2,147.89
272	WESCO DISTRIBUTION INC	Summarized transactions: 7	2,147.42
273	DZUBAY TONY	Summarized transactions: 7	2,143.57
274	VAN METER INC dba	Summarized transactions: 33	2,053.53
275	ON SITE SANITATION INC	Summarized transactions: 10	1,926.12
276	BOLTON AND MENK (P)	Summarized transactions: 3	1,841.00
277	LITTLE DAVID	Summarized transactions: 7	1,813.80
278	MASTEC NORTH AMERICA INC	Summarized transactions: 2	1,800.00
279	CITY OF ROCHESTER	Summarized transactions: 6	1,781.07
280	ADVANCE AUTO PARTS	Summarized transactions: 21	1,735.14
281	CENTURYLINK (P)	Summarized transactions: 5	1,682.38
282	KELE INC	Summarized transactions: 3	1,670.16
283	TOWNE MELANI	Summarized transactions: 5	1,654.47
284	NOVASPECT INC	Summarized transactions: 6	1,646.98
285	NETWORK SERVICES COMPANY	Summarized transactions: 9	1,590.06
286	HOGAN PETER	Summarized transactions: 4	1,563.90
287	ROCHESTER CHEVROLET CADILLAC	Summarized transactions: 4	1,369.82
288	KEACH TODD	Summarized transactions: 6	1,358.67
289	NEUBAUER WADE	Summarized transactions: 3	1,314.80
290	GARCIA GRAPHICS INC	Summarized transactions: 7	1,280.00
291	PROCESS MEASUREMENT CO	Summarized transactions: 3	1,240.03
292	ANDERSON JUDITH	Summarized transactions: 6	1,234.98
293	BLEESS NATE	Summarized transactions: 3	1,221.32
294	US BANK NATIONAL ASSOCIATION	Summarized transactions: 3	1,200.00
295	G A ERNST & ASSOCIATES INC	Summarized transactions: 2	1,179.89
296	DAVIES PRINTING COMPANY INC	Summarized transactions: 8	1,085.40
297	EPLUS TECHNOLOGY INC	Summarized transactions: 4	1,080.07
298	RDO EQUIPMENT COMPANY (P)	Summarized transactions: 3	1,061.80
299	BARR ENGINEERING COMPANY (P)	Summarized transactions: 2	1,034.00
300	BENSON ANTHONY	Summarized transactions: 5	1,022.61
301	PAYNE LUKE	Summarized transactions: 2	1,020.05
302	U S PLASTICS CORP	Summarized transactions: 2	998.26
303	ARCHKEY TECHNOLOGIES dba	Summarized transactions: 4	980.50
304	POMPS TIRE SERVICE INC	Summarized transactions: 6	977.34
305	ALLEGRA OF ROCHESTER LLC	Summarized transactions: 2	972.09
306	MENARDS ROCHESTER NORTH	Summarized transactions: 16	962.34

ROCHESTER PUBLIC UTILITIES
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307	SUNBELT RENTALS	Summarized transactions: 2	945.84
308	MEIER, LONDON	Summarized transactions: 3	939.80
309	PUTZIER KRISTOPHER	Summarized transactions: 2	926.56
310	KNOEPKE COLE	Summarized transactions: 2	926.56
311	CREST PRECAST INC	Summarized transactions: 2	900.00
312	HIGH VOLTAGE INC (P)	Summarized transactions: 2	893.59
313	RADIAN RESEARCH INC	Summarized transactions: 2	890.95
314	BEHRENS MATT	Summarized transactions: 2	887.48
315	K A A L TV LLC	Summarized transactions: 1	860.00
316	SMARTSHEET INC	Summarized transactions: 1	855.73
317	STAR ENERGY SERVICES LLC	Summarized transactions: 1	855.00
318	OLSEN CHAIN & CABLE CO INC	Summarized transactions: 6	854.84
319	THE ENERGY AUTHORITY INC	Summarized transactions: 1	852.37
320	PEOPLES ENERGY COOPERATIVE	Summarized transactions: 5	835.87
321	U.S.DEPARTMENT OF HOMELAND SE	Summarized transactions: 2	830.00
322	BOB THE BUG MAN LLC	Summarized transactions: 4	813.65
323	AE2S	Summarized transactions: 2	789.08
324	NALCO COMPANY LLC	Summarized transactions: 11	731.33
325	INNOVATIVE OFFICE SOLUTIONS L	Summarized transactions: 9	728.34
326	TUPPER MATTHEW	Summarized transactions: 2	726.56
327	PETERSON CHAD	Summarized transactions: 2	726.56
328	USA BLUE BOOK dba	Summarized transactions: 5	726.15
329	SCHUMACHER ELEVATOR COMPANY	Summarized transactions: 1	716.44
330	HACH COMPANY	Summarized transactions: 2	714.57
331	WARNING LITES OF MN INC (P)	Summarized transactions: 2	700.00
332	AT&T	Summarized transactions: 1	694.05
333	INGERSOLL RAND COMPANY	Summarized transactions: 4	689.35
334	GOODIN COMPANY	Summarized transactions: 13	675.67
335	U S A SAFETY SUPPLY	Summarized transactions: 11	674.63
336	REINDERS INC	Summarized transactions: 2	662.84
337	LOCATORS AND SUPPLIES	Summarized transactions: 3	651.75
338	OSWEILER TODD	Summarized transactions: 3	649.75
339	VEIT DISPOSAL SYSTEMS dba	Summarized transactions: 1	630.00
340	SOMA CONSTRUCTION INC	Summarized transactions: 2	627.41
341	J & S REPAIR	Summarized transactions: 2	617.28
342	NORTHERN / BLUETARP FINANCIAL	Summarized transactions: 2	604.87
343	MILESTONE MATERIALS	Summarized transactions: 1	592.32
344	CREDIT MANAGEMENT LP	Summarized transactions: 1	586.74
345	MEG CORP	Summarized transactions: 1	585.00
346	WARTSILA NORTH AMERICA	Summarized transactions: 1	568.49
347	WSB & ASSOCIATES	Summarized transactions: 1	560.00
348	HEPPELMANN MIKE	Summarized transactions: 1	555.00
349	MUELLER EQUIPMENT SERVICE	Summarized transactions: 3	553.32
350	NORTH CENTRAL INTERNATIONAL L	Summarized transactions: 3	551.61
351	CENTRAL STATES GROUP	Summarized transactions: 3	543.53
352	POWELL ELECTRICAL SYSTEMS INC	Summarized transactions: 1	543.50
353	GRAYBAR ELECTRIC COMPANY INC	Summarized transactions: 3	541.36
354	TI-ZACK CONCRETE INC	Summarized transactions: 1	540.19
355	REGIONAL CONCRETE CUTTING INC	Summarized transactions: 1	528.00
356	LRS OF MINNESOTA LLC	Summarized transactions: 1	521.37
357	SORENSEN & SORESEN PAINTING	Summarized transactions: 2	514.48
358	ARNOLDS A KLEEN-TECH COMPANY	Summarized transactions: 9	489.27

ROCHESTER PUBLIC UTILITIES
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359	ROCHESTER TOOL & DIE INC	Summarized transactions: 1	480.94
360	MORGAN BRIAN	Summarized transactions: 2	453.44
361	TREICHEL MATTHEW	Summarized transactions: 2	449.76
362	PULVER MOTOR SERVICE	Summarized transactions: 3	439.34
363	POWER DYNAMICS INC dba	Summarized transactions: 6	431.76
364	LOFTUS MICHAEL	Summarized transactions: 2	418.03
365	KELLER TOM A JR	Summarized transactions: 2	418.03
366	LUHMANN ABE	Summarized transactions: 2	412.03
367	KLAMERUS DOUG	Summarized transactions: 2	400.85
368	CHEMSEARCH	Summarized transactions: 4	383.47
369	WAGENAAR JEFFREY	Summarized transactions: 2	380.26
370	DEFRANG SPENCER	Summarized transactions: 2	379.28
371	GRINHAUG CHAD	Summarized transactions: 2	379.28
372	MENSINK NICHOLAS	Summarized transactions: 2	379.28
373	MOTOROLA SOLUTIONS INC (P)	Summarized transactions: 7	372.65
374	T E C INDUSTRIAL INC	Summarized transactions: 4	358.14
375	KAMAN INDUSTRIAL TECHNOLOGIES	Summarized transactions: 6	351.34
376	JETTER CLEAN INC	Summarized transactions: 1	350.00
377	METALCORE WELDING AND REPAIR	Summarized transactions: 1	339.33
378	METRO SALES INC	Summarized transactions: 3	338.71
379	ASI SIGNAGE INNOVATIONS dba	Summarized transactions: 2	323.72
380	MSC INDUSTRIAL SUPPLY CO INC	Summarized transactions: 2	300.36
381	FRANZ REPROGRAPHICS INC	Summarized transactions: 3	295.41
382	HEROLD FLAGS	Summarized transactions: 2	293.91
383	MCDOWELL SEAN W	Summarized transactions: 1	288.00
384	QUANDT JARED	Summarized transactions: 1	288.00
385	KANTOLA CONSULTING	Summarized transactions: 1	286.00
386	CENTRAL TOOL SPECIALITIES dba	Summarized transactions: 2	263.27
387	CUSTOM COMMUNICATIONS INC	Summarized transactions: 2	251.72
388	CORPORATE WEB SERVICES INC	Summarized transactions: 1	247.20
389	MENARDS ROCHESTER SOUTH	Summarized transactions: 6	234.63
390	KAESER COMPRESSORS INC.	Summarized transactions: 6	229.79
391	FERGUSON ENTERPRISES	Summarized transactions: 1	229.73
392	EVOQUA WATER TECHNOLOGIES LLC	Summarized transactions: 3	229.43
393	MASON JOSH	Summarized transactions: 1	224.00
394	BRENT BUNKE	Summarized transactions: 1	224.00
395	VANCO SERVICES LLC	Summarized transactions: 1	221.93
396	SCHAEFFER MANUFACTURING CO	Summarized transactions: 2	217.29
397	SANCO ENTERPRISES	Summarized transactions: 4	215.13
398	NUVERA	Summarized transactions: 1	214.96
399	JOHNS AUTO ELECTRIC dba	Summarized transactions: 1	192.38
400	PAULS LOCK & KEY SHOP INC	Summarized transactions: 2	191.61
401	SOUTHERN MN MUNICIPAL POWER A	Summarized transactions: 2	184.14
402	MCMASTER CARR SUPPLY COMPANY	Summarized transactions: 8	180.34
403	SWANSON FLO-SYSTEMS COMPANY (	Summarized transactions: 2	174.85
404	HY VEE	Summarized transactions: 1	171.78
405	OLSON BJORN	Summarized transactions: 1	160.00
406	NAPA AUTO PARTS dba	Summarized transactions: 4	150.51
407	HARRIS ROCHESTER INC (HIMEC)	Summarized transactions: 1	124.90
408	DEVTRA INC	Summarized transactions: 2	124.03
409	DELL MARKETING LP	Summarized transactions: 4	123.44
410	POWERMATION DIVISON	Summarized transactions: 2	114.33

ROCHESTER PUBLIC UTILITIES
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411	TOTAL RESTAURANT SUPPLY	Summarized transactions: 1	110.21
412	FEDEX SHIPPING	Summarized transactions: 10	107.71
413	VERIZON WIRELESS	Summarized transactions: 1	107.64
414	MISSISSIPPI WELDERS SUPPLY CO	Summarized transactions: 5	106.73
415	BATTERIES PLUS	Summarized transactions: 3	100.35
416	WASHINGTON ENERGY LAW LLP	Summarized transactions: 1	100.00
417	SAFELITE FULFILLMENT INC	Summarized transactions: 1	85.00
418	SLEEPY EYE TELEPHONE CO	Summarized transactions: 1	84.76
419	MALLOY ELECTRIC dba	Summarized transactions: 1	84.32
420	NATIONWIDE DI WATER SOLUTIONS	Summarized transactions: 1	82.50
421	SHERWIN WILLIAMS CO #3526	Summarized transactions: 1	78.19
422	ULINE	Summarized transactions: 2	78.08
423	WATER SYSTEMS COMPANY	Summarized transactions: 1	75.90
424	ZIEGLER INC	Summarized transactions: 1	73.89
425	ADVANTAGE DIST LLC (P)	Summarized transactions: 1	65.14
426	GLOBAL RENTAL COMPANY INC	Summarized transactions: 1	61.25
427	MIDWEST RENEWABLE ENERGY TRAC	Summarized transactions: 1	51.70
428	ATLAS COPCO COMPRESSORS LLC	Summarized transactions: 1	50.27
429	CHS ROCHESTER	Summarized transactions: 1	47.23
430	SCHWEITZER ENGINEERING LABORA	Summarized transactions: 1	47.04
431	VERIFIED CREDENTIALS, LLC	Summarized transactions: 1	37.00
432	GREAT RIVER ENERGY	Summarized transactions: 1	34.15
433	TOTAL TOOL SUPPLY INC (P)	Summarized transactions: 1	33.00
434	ALTEC INDUSTRIES INC	Summarized transactions: 2	28.75
435	ANDRIST HEIDI	Summarized transactions: 1	23.00
436	KELLER AMERICA (P)	Summarized transactions: 1	20.84
437	SEEME PRODUCTIONS LLC	Summarized transactions: 2	20.00
438	SWAGELOK MN INC (P)	Summarized transactions: 2	14.83

Price Range Total: 233,473.21

Grand Total: 15,735,415.93



REQUEST FOR ACTION

Revised 2024 RPU Board Meeting Dates

MEETING DATE:

October 24, 2023

ORIGINATING DEPT:

Rochester Public Utilities

AGENDA SECTION:

Consent Agenda

PRESENTER:

Tim McCollough

Action Requested:

Revise the approved 2024 RPU Board Meeting dates to move the May meeting to May 21 in order to avoid the Memorial Day holiday, and add a Budget Study Session for August 6.

Report Narrative:

In order to avoid potential absences following the Memorial Day holiday, staff is requesting to move the May board meeting date from May 28 to May 21, 2024. A Board Budget Study Session is also being added for August 6, 2024. A revised meeting list is attached.

Prior Legislative Actions & Community Engagement:

The Board approved the 2024 RPU Board Meeting Dates on September 26, 2024.

Prepared By:

Tim MC

Attachments:

[2024 UTILITY BOARD MEETING DATES.docx](#)

[20231024 Resolution - 2024 RPU Board Meeting Dates.docx](#)

PUBLIC UTILITY BOARD MEETING DATES FOR 2024

January 30

*February 20

Conflict with APPA Legislative Rally February 26-28

March 26

April 30

*May 21

Conflict with Memorial Day holiday

June 25

July 30

August 6

Budget Study Session

August 27

September 24

October 29

November 26

*December 17

Conflict with Christmas Eve and New Year's Eve holidays

Utility Board meetings are regularly scheduled on the last Tuesday of the month (see calendar for exceptions) at 4:00 p.m. at the RPU Service Center (see address above). Special meetings are scheduled as needed. Call 280-1602 to confirm.

*Indicates a meeting date other than the last Tuesday of the month due to conflicts



RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester to approve the revised 2024 RPU Board Meeting dates.

PASSED AND ADOPTED BY THE PUBLIC UTILITY BOARD OF THE CITY OF
ROCHESTER, MINNESOTA, THIS 24th DAY OF October, 2023.

PRESIDENT

SECRETARY



REQUEST FOR ACTION

Insurance Renewals for 2024

MEETING DATE:

October 24, 2023

ORIGINATING DEPT:

Rochester Public Utilities

AGENDA SECTION:

Consent Agenda

PRESENTER:

Deb Donahue

Action Requested:

Management recommends that the Board approve the attached resolution for all insurance coverage renewals for 2023-24.

Report Narrative:

Listed below are the recommended insurance quotations for obtaining general liability, commercial automotive, excess liability, and all risk property insurance coverage for the period November 1, 2023 - October 31, 2024.

COMMERCIAL AUTO AND GENERAL LIABILITY INSURANCE:

Management recommends maintaining the same structure of coverage for our mobile equipment and general liability insurance, having the League of MN Cities Insurance Trust (LMCIT) provide the primary coverage with an annual aggregate claim limit of \$3M. The deductible remains at \$50,000 aggregate with \$25,000 per occurrence for all lines. (Open meeting law defense, public officials E&O, employment liability, etc...) In 2022, RPU received a **dividend from the League of \$31,549**. The League distributes dividends back to its members based on premiums and incurred losses for all years of membership. Includes additional Cyber coverage for Data Security Breach claims of \$2M per occurrence with a \$3M annual aggregate for 3rd party liability and up to \$500K for 1st party expenses.

EXCESS LIABILITY INSURANCE:

Management recommends continuing with AEGIS to provide blanket liability coverage with limits ranging from \$ 1,000,000 up to \$ 20,000,000 per occurrence. Also includes \$20M terrorism liability coverage for 3rd party damages.

ALL RISK PROPERTY INSURANCE:

Management recommends maintaining the same combination of policies for our property coverage. After experiencing significant rate increases, we transitioned our property and equipment coverage to more regional carriers in 2021. Interactions with the new inspectors and underwriters have been positive, resulting in a smooth transition. Property replacement values continue to increase for 2024 due to projected inflation of real estate values and construction costs.

The League of MN Cities Insurance Trust provides coverage for all of the non-generation facilities such

as the service center, well houses, water towers, and substations. This is a blanket policy with \$100,000 deductible.

Starr Technical Risks Agency, Inc. provides coverage for the generation facilities at Westside, Silver Lake and Cascade Creek. \$500,000 deductible with \$150,000,000 limit for any one occurrence, including terrorism coverage.

Travelers Boiler & Machinery provides equipment breakdown coverage for all generation assets. \$1,000,000 deductible with a limit of \$100,000,000 per breakdown.

The total 12% increase for 2024 is comprised of two equal parts: increase in equipment/property values, along with an increase in actual premium rates. Management recommends continuing with the current property and equipment coverage with the three carriers - League of MN Cities, Starr Tech and Travelers, as described above.

2022-23 Premium Summary:

\$ 160,216	LMCIT commercial auto and general liability
\$ 442,657	AEGIS excess liability
\$ 86,637	LMCIT non-generation facilities
\$ 336,432	Starr Tech generation facilities
\$ 310,784	Traveler's equipment breakdown
<u>\$1,336,726</u>	TOTAL

Prepared By:

Deb Donahue

Attachments:

[20231024 Resolution - 2024 Insurance Renewals.docx](#)



RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester to approve the 2023-24 annual insurance renewals with North Risk Partners and the League of Minnesota Cities Insurance Trust in the amount of \$1,336,726.00.

PASSED AND ADOPTED BY THE PUBLIC UTILITY BOARD OF THE CITY OF
ROCHESTER, MINNESOTA, THIS 24th DAY OF October, 2023.

PRESIDENT

SECRETARY



REQUEST FOR ACTION

Contract Award: Lake Zumbro Hydro Plant Controls Upgrade

MEETING DATE:

October 24, 2023

ORIGINATING DEPT:

Rochester Public Utilities

AGENDA SECTION:

Consideration of Bids

PRESENTER:

Tony Dzubay

Action Requested:

Adopting a resolution authorizing an agreement with L&S Electric, Inc. in the amount of \$913,420.00 for the Lake Zumbro Hydro Plant controls upgrade, plus 10% contingency, for a total of \$1,004,762.00. Approval of this action also authorizes the RPU Project Manager to perform the acts to execute the project.

Report Narrative:

The Lake Zumbro Hydroelectric Plant (Hydro) is a 2.8 MW generating facility on the Zumbro River owned and operated by RPU. The Hydro operates on a run-of-the-river basis and consists of a powerhouse, a gravity dam spillway, and various electrical generating components.

The RPU team solicited proposals to upgrade the electrical generation, protection and control equipment, which have been in service since 1984 or longer. The new system will improve remote monitoring, simplify startup and shutdown, and enhance load control based on MN DNR-required water flows or RPU-desired power output.

The proposal summary is as follows:

Contractor	Evaluated Total
L & S Electric, Inc.	\$ 913,420
Petrotech, Inc.	\$1,126,593

This work includes the purchase of equipment, demolition, installation, and configuration services to upgrade or replace obsolete equipment such as:

- static excitation systems
- existing Woodward gate shaft governors
- vibration monitoring system
- synchronization indication and controls
- generator protection relays
- headwater and tailwater monitoring

The completed project will also include updated drawings, new operation and maintenance manuals, staff training and factory acceptance testing. Continued investment in this facility is prudent given the renewable energy it will generate for the extended future and its permanency on the Zumbro River.

Fiscal & Resource Impact:

This is a multi-year project scheduled to be completed by March of 2025 and is within the overall project budget of \$1,115,000.

Prepared By:

Mona Hoeft

Attachments:

[Proposed Agreement: 23-99 L&S Electric Hydro Plant Upgrades](#)

[20231024 Resolution - Contract Award -Lake Zumbro Hydro Plant Controls Upgrade.docx](#)

Contract Signature Page
Lake Zumbro Hydro Plant Upgrades
Solicitation #2023-07

Contract Number: 23-99
Contractor Name: L&S Electric, Inc. DBA L&S Electric of Wisconsin, Inc.
Contractor Address: 9300 Evergreen Blvd, NW, Coon Rapids MN 55433
Contract Price: \$913,420

The contract documents as provided in the solicitation form the entire agreement between the parties and all contract documents are as fully a part of the agreement as if attached hereto or herein repeated. The hierarchy of contract documents is listed in order of precedence.

The contract documents shall consist of the following, if applicable:

Contract Signature Page
General Terms and Conditions, Rev 2
Contractor's Technical Proposal R1(12.0), EUCC Prelim Layout R1(12.1), Technical Exceptions R2 (12.14), Proposal Response R1 (12.18), Proposal Form R1 (12.20)
Approved Change Orders
Personnel Risk Assessment Form
Contractor Safety Acknowledgement
Purchase Order
Insurance Certificate
SDE Form

L&S ELECTRIC, INC. DBA
L&S ELECTRIC OF WISCONSIN, INC.

CITY OF ROCHESTER

Soroush Adib, VP Sales & Marketing
sadib@lselectric.com

Kim Norton, Mayor

Attest

Kelly K. Geistler, City Clerk

Approved as to Form:

Michael Spindler-Krage, City Attorney

ROCHESTER PUBLIC UTILITIES

Mark Kotschevar, General Manager



RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester to authorize an agreement with L&S Electric, Inc. in the amount of \$1,004,762.00, which includes controls upgrades for the Lake Zumbro Hydro Plant and a 10% project contingency. This also authorizes the RPU Project Manager to perform the acts to execute the project.

PASSED AND ADOPTED BY THE PUBLIC UTILITY BOARD OF THE CITY OF

ROCHESTER, MINNESOTA, THIS 24th DAY OF October, 2023.

PRESIDENT

SECRETARY



REQUEST FOR ACTION

2024-2025 Water Utility Budget

MEETING DATE:

October 24, 2023

ORIGINATING DEPT:

Rochester Public Utilities

AGENDA SECTION:

Regular Agenda

PRESENTER:

Peter Hogan

Action Requested:

Management recommends that the Board approve and request the City Council approve the RPU Water Utility capital, including multiyear projects, and operating budgets for 2024 and 2025.

Report Narrative:

The recommended 2024 and 2025 budget for the Water Utility was presented to the Board on August 11, 2023. In addition, the recommended budget has been included in several presentations to the City Council as part of the overall City budget review process. The public has had the opportunity to comment on the recommended budget during the August, September and October Board meetings.

The 2024 and 2025 Water Utility budget recommends a 5.5% general rate increase plus an Automated Metering Infrastructure related customer charge increase of \$1.32 per month in 2024 and 2025.

The significant drivers for the 2024 and 2025 Water Utility budget are:

- 2% increase in sales volume (CCF) and 0.8% increase in customers.
- No additional full-time positions.
- 30-year average cooling degree days and rainfall (27.8inches).
- Advanced Metering Infrastructure (AMI) - 2024: \$2,093K; 2025: \$2,349K.
- AMI related services – 2024: \$261K; 2025: \$261K.
- City street projects – 2024: \$3,335K; 2025: \$1,185K.
- Adoption of the utility method (Industry Standard) of rate setting.
- Sustainability: Rates set to recover revenue requirement based on a cost-of-service study completed in 2022.
- Progress toward targeted change in net assets to fund operations and future capital replacements – 2024: Budget \$2,121K, Target \$5,732K; 2025 Budget \$3,003K, Target \$5,903K.
- Exceed the minimum cash reserves - 2024 per policy \$8,971K; Budget \$12,158K; 2025 per policy \$8,767K; Budget \$12,659K.

The budget supports continued investment in infrastructure for both growth and replacement of aging infrastructure in 2024 and 2025.

Summary financial sheets are attached reflecting the recommended budget.

Staff will be available to answer questions.

Prepared By:

Peter Hogan

Attachments:

[Board Packet Wtr.pdf](#)

[20231024 Resolution - 2024-2025 Water Utility Budget.docx](#)



ROCHESTER PUBLIC UTILITIES
RECOMMENDED

2024-2025 WATER UTILITY OPERATING BUDGET

**ROCHESTER PUBLIC UTILITIES
WATER UTILITY
2024 - 2025 OPERATING BUDGET**

INDEX

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Forecast by Year 2024 through 2028	2
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Revenue Sources & Expense Categories - 2025	6
Operating Expenditures Graph	7
Production & Sales Statistics Forecast	8

**ROCHESTER PUBLIC UTILITIES
WATER UTILITY
2024 - 2025 OPERATING BUDGET**

ASSUMPTIONS

	<u>2024</u>	<u>2025</u>
• Interest Earnings Rate:	3.0%	3.0%
• Average Salary Expense Change: (excluding headcount additions)	2.6%	5.0%
	(consists of COLA, merit and promotion increases)	
• Anticipated Bonding	None	None
• Change in Full-time Equivalents:	0	0
• Minimum Cash Reserve Requirement:	\$8,970,600	\$8,767,100
• In Lieu of Tax	\$486,869	\$512,349
• Consumer Price Index (Average)	6.0%	4.0%

RETAIL REVENUES / SALES

	<u>2024</u>	<u>2025</u>
• Revenue Adjustment:	5.5% Proposed General Rate Increase Plus \$1.32 Customer Charge Increase	5.5% Proposed General Rate Increase Plus \$1.32 Customer Charge Increase
• Water CCF Sales Forecast:	3.2% Increase from 2023 F2 Projected Sales	1.3% Increase from 2024 Projected Sales
• Total Water Utility Customers:	0.8% Increase over Y/E 2023 F2 Projected Customers	0.8% Increase over Y/E 2024 Projected Customers
• Forecast Assumes Normal Weather :	536 Cooling Dregree Days 27.85 Inches Summer Rainfall	

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

	Historical Data		2023 F2					
	2021	2022		2024	2025	2026	2027	2028
in 000's								
RPU Rate Increase	0.0%	2.5%	5.0%	5.5%	5.5%	9.0%	7.0%	7.0%
Plus AMI Customer Charge				\$1.32	\$1.32			
1 Revenue								
2 Retail Water	\$11,064	\$11,026	\$11,390	\$12,506	\$14,037	\$15,479	\$16,903	\$18,280
3 Other Services & Fees	\$1,543	\$2,154	\$2,107	\$2,150	\$2,184	\$2,218	\$2,252	\$2,287
4 Total Revenue	\$12,607	\$13,180	\$13,497	\$14,656	\$16,220	\$17,697	\$19,156	\$20,567
5 Cost of Revenue								
6 Water Supply	\$2,002	\$2,120	\$2,130	\$2,182	\$2,176	\$2,194	\$2,214	\$2,230
7 Total Cost of Revenue	\$2,002	\$2,120	\$2,130	\$2,182	\$2,176	\$2,194	\$2,214	\$2,230
8 Gross Margin								
9 Retail Water	\$9,062	\$8,907	\$9,260	\$10,324	\$11,860	\$13,286	\$14,690	\$16,050
10 Other Services & Fees	\$1,543	\$2,154	\$2,107	\$2,150	\$2,184	\$2,218	\$2,252	\$2,287
11 TOTAL GROSS MARGIN	\$10,605	\$11,060	\$11,367	\$12,474	\$14,044	\$15,504	\$16,942	\$18,337
12 Controllable Costs								
13 Salaries & Benefits	\$3,197	\$3,338	\$3,414	\$3,506	\$3,677	\$3,946	\$4,099	\$4,388
14 Other Operating Expenses	\$1,329	\$1,176	\$1,309	\$1,289	\$1,370	\$1,453	\$1,539	\$1,630
15 Major Maintenance	\$225	\$448	\$782	\$908	\$1,075	\$858	\$1,333	\$1,083
16 Non-Bonded Capital Projects	\$4,088	\$2,890	\$4,956	\$9,458	\$5,239	\$8,750	\$7,611	\$4,113
17 TOTAL CONTROLLABLE COSTS	\$8,840	\$7,852	\$10,462	\$15,161	\$11,361	\$15,007	\$14,581	\$11,213
18 Depreciation & Amortization	\$2,785	\$2,862	\$3,020	\$3,233	\$3,421	\$3,722	\$4,085	\$4,333
19 Less Non Bonded Projects (capitalized)	(\$4,088)	(\$2,890)	(\$4,956)	(\$9,458)	(\$5,239)	(\$8,750)	(\$7,611)	(\$4,113)
20 Less Total Internal Costs (capitalized)	(\$398)	(\$291)	(\$319)	(\$242)	(\$274)	(\$304)	(\$287)	(\$204)
21 Interutility Allocation	\$1,876	\$1,874	\$1,962	\$1,971	\$2,030	\$2,091	\$2,154	\$2,219
22 Total Operating Expenses	\$9,014	\$9,408	\$10,169	\$10,665	\$11,299	\$11,766	\$12,923	\$13,448
23 Net Operating Income (Loss)	\$1,591	\$1,652	\$1,198	\$1,810	\$2,745	\$3,738	\$4,019	\$4,889
24 Financing & Other Non-Operating Items:								
26 Interest Income	\$196	\$676	\$702	\$799	\$770	\$729	\$679	\$723
27 Misc Non-Operating Income (Expense)	(\$126)	(\$34)	-	-	-	-	-	-
28 Total Financing & Non-Operating Items	\$70	\$642	\$702	\$799	\$770	\$729	\$679	\$723
29 Income Before Transfers or Capital Contributions	\$1,660	\$2,294	\$1,900	\$2,608	\$3,515	\$4,467	\$4,698	\$5,612
30 Transfers (In Lieu of Taxes)	(\$407)	(\$402)	(\$454)	(\$487)	(\$512)	(\$531)	(\$553)	(\$569)
31 Capital Contributions	\$3,160	\$3,271	\$1,100	\$1,100	\$1,100	\$1,100	\$1,100	\$1,100
32 Cash Transfers from City/Intercompany	\$540	\$193	\$230	\$3,740	-	-	-	-
33 NET INCOME	\$4,953	\$5,357	\$2,776	\$6,961	\$4,103	\$5,036	\$5,245	\$6,143
34 NET INCOME (Excluding Contrib & Cash Tfrs from City)			\$1,446	\$2,121	\$3,003	\$3,936	\$4,145	\$5,043
35 TARGET NET INCOME			\$ 5,431	\$ 5,732	\$ 5,903	\$ 6,183	\$ 6,428	\$ 6,562
36 Excess (Deficit) from Target			\$ (3,985)	\$ (3,610)	\$ (2,900)	\$ (2,247)	\$ (2,283)	\$ (1,519)
37 1/01 Cash Balance	\$ 12,903	\$ 14,147	\$ 14,147	\$ 13,194	\$ 12,158	\$ 12,659	\$ 10,876	\$ 10,845
38 Change in Net Assets	5,357	2,776	2,776	6,961	4,103	5,036	5,245	6,143
39 Depreciation & Amortization	2,862	3,020	3,020	3,233	3,421	3,722	4,085	4,333
40 Capital Additions	(3,181)	(5,275)	(5,275)	(9,700)	(5,513)	(9,054)	(7,898)	(4,317)
41 Non-Cash Contributions	(3,464)	(1,100)	(1,100)	(1,100)	(1,100)	(1,100)	(1,100)	(1,100)
42 Debt Principal Payments	-	-	-	-	-	-	-	-
43 Debt Proceeds	-	-	-	-	-	-	-	-
44 Net Change in Other Assets/Liabilities	(329)	(374)	(374)	(430)	(410)	(387)	(363)	(338)
45 Net Changes in Cash	1,244	(954)	(954)	(1,036)	502	(1,783)	(31)	4,722
46 12/31 Cash Balance	\$ 14,147	\$ 13,194	\$ 13,194	\$ 12,158	\$ 12,659	\$ 10,876	\$ 10,845	\$ 15,566
47 Minimum Cash Reserve	\$ 6,474	\$ 7,367	\$ 7,367	\$ 8,971	\$ 8,767	\$ 7,878	\$ 7,300	\$ 7,335
48 Excess (Deficit) from Minimum Cash Reserve	\$ 7,673	\$ 5,826	\$ 5,826	\$ 3,187	\$ 3,892	\$ 2,998	\$ 3,545	\$ 8,231

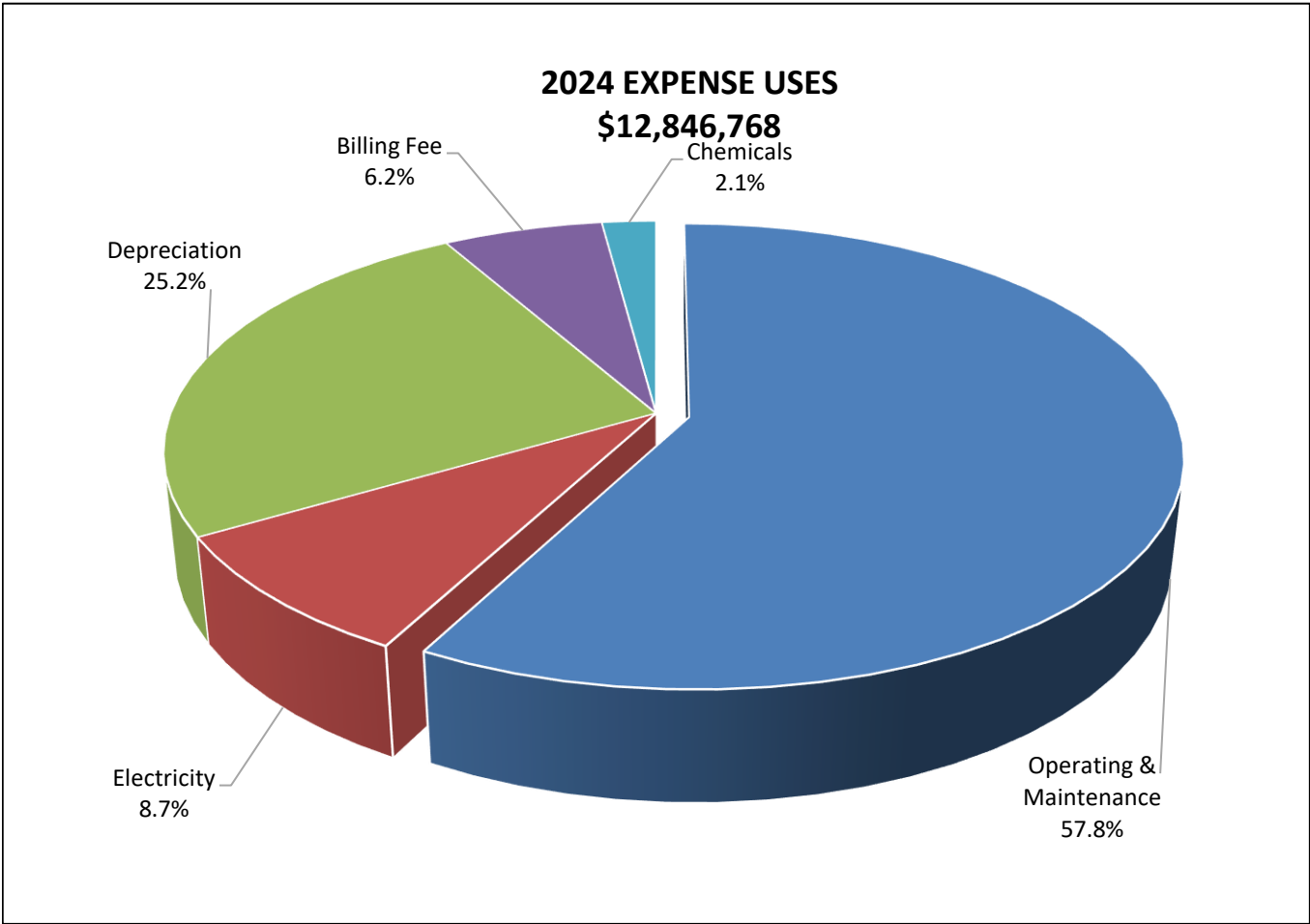
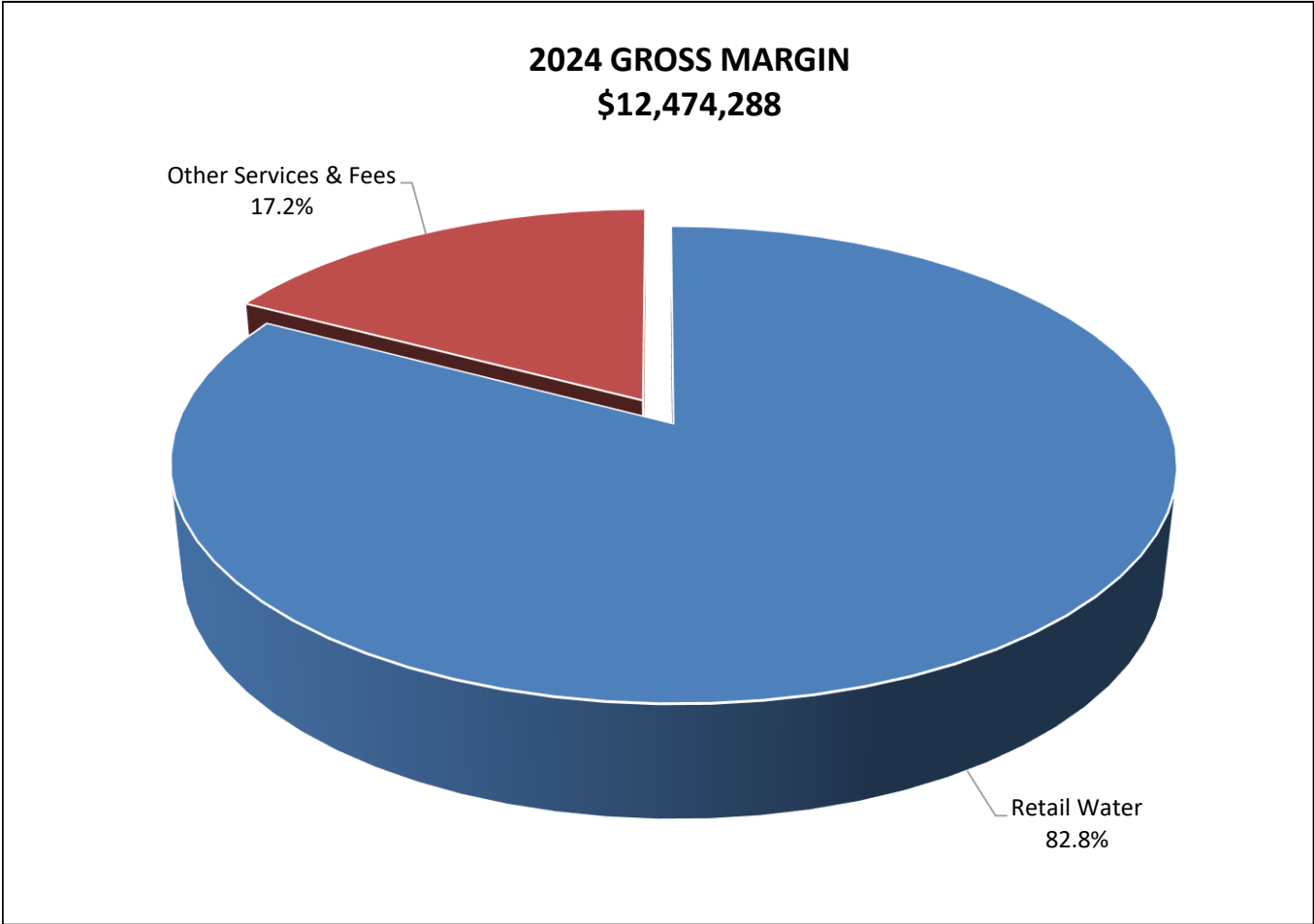
**ROCHESTER PUBLIC UTILITIES
WATER UTILITY
Management Reporting P&L**

	Historical Data		2023		2024		Variance 2023 to 2024	%
	2021	2022	Orig Bdgt	2023 F2	2024	Orig Bdgt	Orig Bdgt	Variance
in 000's								
1 Revenue								
2 Retail Water	\$11,064	\$11,026	\$11,746	\$11,390	\$12,506	\$12,478	\$28	0.2%
3 Other Services & Fees	\$1,543	\$2,154	\$1,989	\$2,107	\$2,150	\$2,022	\$128	6.3%
4 Total Revenue	\$12,607	\$13,180	\$13,734	\$13,497	\$14,656	\$14,501	\$156	1.1%
5 Cost of Revenue								
6 Water Supply	\$2,002	\$2,120	\$2,023	\$2,130	\$2,182	\$2,053	\$129	6.3%
7 Total Cost of Revenue	\$2,002	\$2,120	\$2,023	\$2,130	\$2,182	\$2,053	\$129	6.3%
8 Gross Margin								
9 Retail Water	\$9,062	\$8,907	\$9,723	\$9,260	\$10,324	\$10,425	(\$101)	-1.0%
10 Other Services & Fees	\$1,543	\$2,154	\$1,989	\$2,107	\$2,150	\$2,022	\$128	6.3%
11 TOTAL GROSS MARGIN	\$10,605	\$11,060	\$11,712	\$11,367	\$12,474	\$12,448	\$27	0.2%
12 Controllable Costs								
13 Salaries & Benefits	\$3,197	\$3,338	\$3,493	\$3,414	\$3,506	\$3,598	(\$93)	-2.6%
14 Other Operating Expenses	\$1,329	\$1,176	\$1,360	\$1,309	\$1,289	\$1,368	(\$79)	-5.7%
15 Major Maintenance	\$225	\$448	\$796	\$782	\$908	\$567	\$341	60.2%
16 Non-Bonded Capital Projects	\$4,088	\$2,890	\$6,508	\$4,956	\$9,458	\$6,960	\$2,498	35.9%
17 TOTAL CONTROLLABLE COSTS	\$8,840	\$7,852	\$12,158	\$10,462	\$15,161	\$12,493	\$2,668	21.4%
18 Depreciation & Amortization	\$2,785	\$2,862	3121	\$3,020	\$3,233	\$3,213	\$20	0.6%
19 Less Non Bonded Projects (capitalized)	(\$4,088)	(\$2,890)	(\$6,508)	(\$4,956)	(\$9,458)	(\$6,960)	(\$2,498)	35.9%
20 Less Total Internal Costs (capitalized)	(\$398)	(\$291)	(\$482)	(\$319)	(\$242)	(\$357)	\$115	-32.2%
21 Interutility Allocation	\$1,876	\$1,874	1983	\$1,962	\$1,971	\$2,023	(\$52)	-2.6%
22 Total Operating Expenses	\$9,014	\$9,408	\$10,272	\$10,169	\$10,665	\$10,411	\$253	2.4%
23 Net Operating Income (Loss)	\$1,591	\$1,652	\$1,440	\$1,198	\$1,810	\$2,036	(\$227)	-11.1%
24 Financing & Other Non-Operating Items:								
26 Interest Income	\$196	\$676	\$143	\$702	\$799	\$141	\$658	468.2%
27 Misc Non-Operating Income (Expense)	(\$126)	(\$34)	-	-	-	-	-	0.0%
28 Total Financing & Non-Operating Items	\$70	\$642	\$143	\$702	\$799	\$141	\$658	468.2%
29 Income Before Transfers or Capital Contributions	\$1,660	\$2,294	\$1,583	\$1,900	\$2,608	\$2,177	\$431	19.8%
30 Transfers (In Lieu of Taxes)	(\$407)	(\$402)	(\$438)	(\$454)	(\$487)	(\$471)	(\$16)	3.4%
31 Capital Contributions	\$3,160	\$3,271	\$1,100	\$1,100	\$1,100	\$1,100	-	0.0%
32 Cash Transfers from City	540	\$193	\$530	\$230	\$3,740	\$2,500	\$1,240	49.6%
33 NET INCOME	\$4,953	\$5,357	\$2,775	\$2,776	\$6,961	\$5,306	\$415	7.8%
34 1/01 Cash Balance	\$ 12,903		\$ 11,825	\$ 14,147	\$ 13,194	\$ 11,264	\$ 1,929	17.1%
35 Change in Net Assets		5,357	2,775	2,776	6,961	5,306	1,655	31.2%
36 Depreciation & Amortization		2,862	3,121	3,020	3,233	3,213	20	0.6%
37 Capital Additions/Service Territory Comp		(3,181)	(6,990)	(5,275)	(9,700)	(7,318)	(2,383)	32.6%
38 Non-Cash Contributions		(3,464)	(1,100)	(1,100)	(1,100)	(1,100)	-	0.0%
39 Debt Principal Payments		-	-	-	-	-	-	0.0%
40 Debt Proceeds		-	-	-	-	-	-	0.0%
41 Net Change in Other Assets/Liabilities		(329)	1,633	(374)	(430)	-	(430)	0.0%
42 Net Changes in Cash		1,244	(561)	(954)	(1,036)	102	(1,138)	-1119.1%
43 12/31 Cash Balance	\$ 14,147		\$ 11,264	\$ 13,194	\$ 12,158	\$ 11,366	\$ 792	7.0%
44 Minimum Cash Reserve	\$ 6,474		\$ 7,367	\$ 7,367	\$ 8,971	\$ 7,280	\$ 1,691	23.2%
45 Excess (Deficit) from Minimum Cash Reserve	\$ 7,673		\$ 3,897	\$ 5,826	\$ 3,187	\$ 4,086	\$ (899)	-22.0%

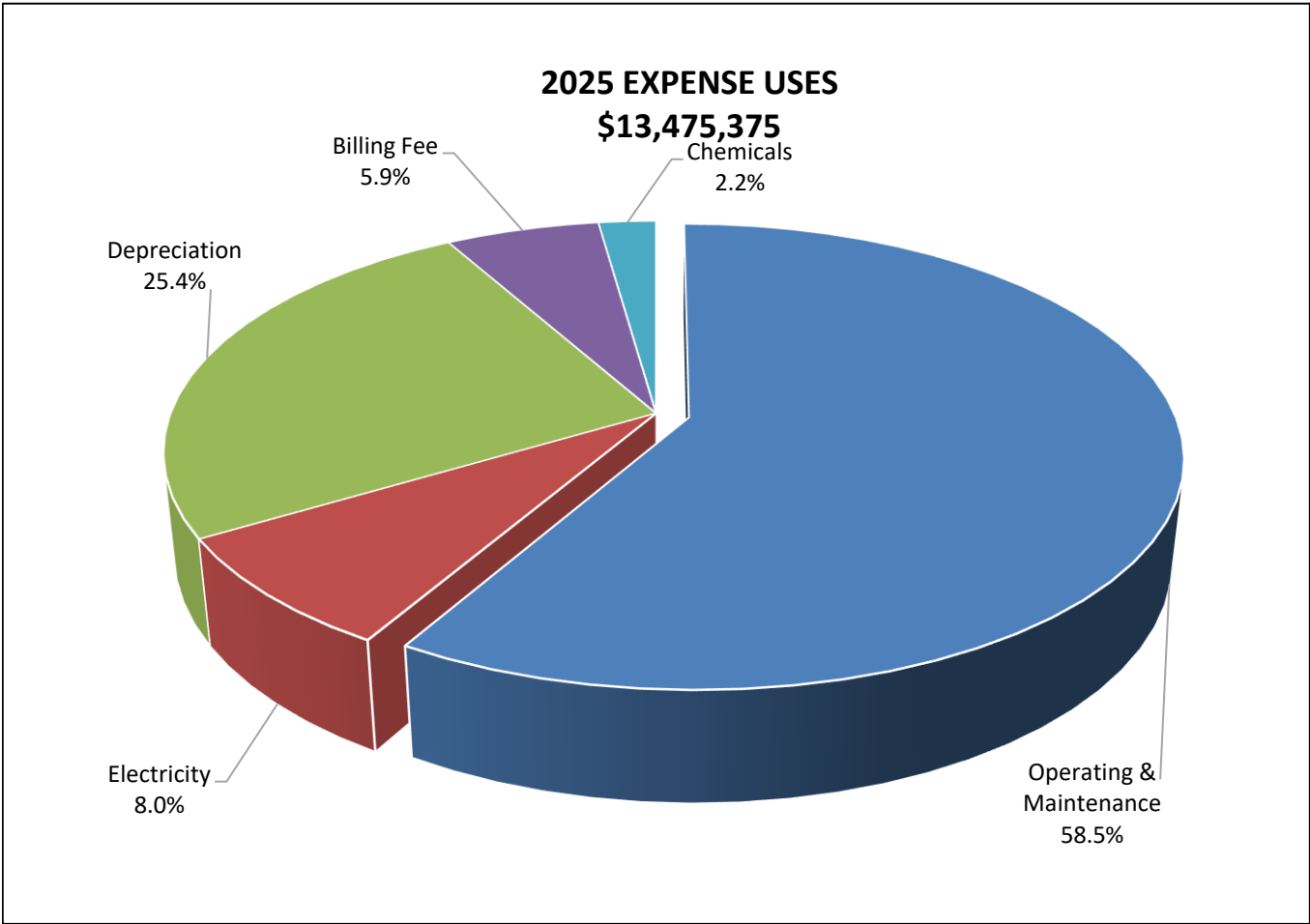
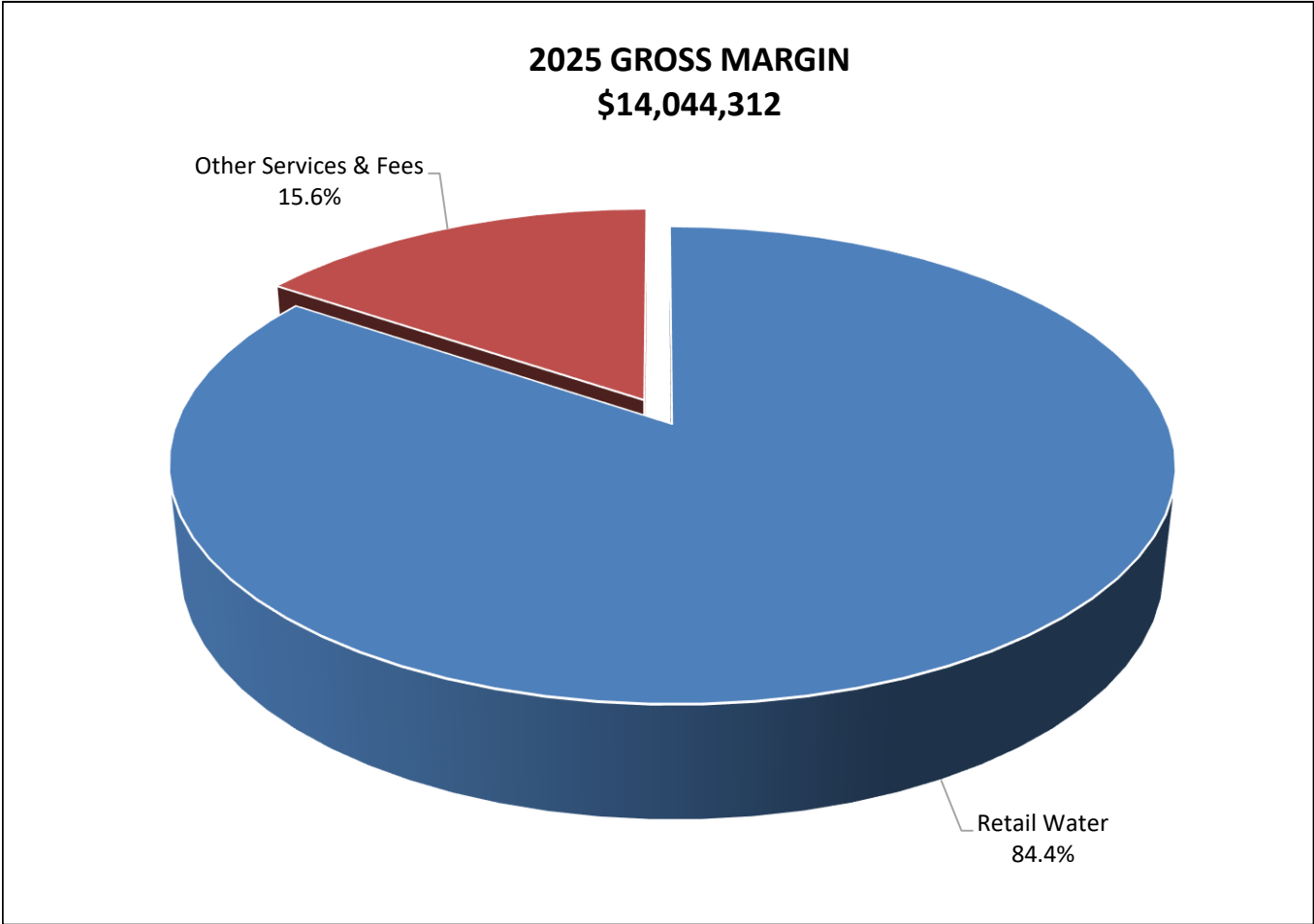
**ROCHESTER PUBLIC UTILITIES
WATER UTILITY
Management Reporting P&L**

	Historical Data		2023		2025		Variance	%
	2021	2022	Orig Bdgt	2023 F2	2025	Orig Bdgt	2025 to Orig Bdgt	Variance
in 000's								
1 <u>Revenue</u>								
2 Retail Water	\$11,064	\$11,026	\$11,746	\$11,390	\$14,037	\$13,205	\$832	6.3%
3 Other Services & Fees	\$1,543	\$2,154	\$1,989	\$2,107	\$2,184	\$2,055	\$129	6.3%
4 Total Revenue	\$12,607	\$13,180	\$13,734	\$13,497	\$16,220	\$15,260	\$960	6.3%
5 <u>Cost of Revenue</u>								
6 Water Supply	\$2,002	\$2,120	\$2,023	\$2,130	\$2,176	\$2,066	\$111	5.4%
7 Total Cost of Revenue	\$2,002	\$2,120	\$2,023	\$2,130	\$2,176	\$2,066	\$111	5.4%
8 <u>Gross Margin</u>								
9 Retail Water	\$9,062	\$8,907	\$9,723	\$9,260	\$11,860	\$11,139	\$721	6.5%
10 Other Services & Fees	\$1,543	\$2,154	\$1,989	\$2,107	\$2,184	\$2,055	\$129	6.3%
11 TOTAL GROSS MARGIN	\$10,605	\$11,060	\$11,712	\$11,367	\$14,044	\$13,195	\$850	6.4%
12 <u>Controllable Costs</u>								
13 Salaries & Benefits	\$3,197	\$3,338	\$3,493	\$3,414	\$3,677	\$3,855	(\$178)	-4.6%
14 Other Operating Expenses	\$1,329	\$1,176	\$1,360	\$1,309	\$1,370	\$1,406	(\$35)	-2.5%
15 Major Maintenance	\$225	\$448	\$796	\$782	\$1,075	\$670	\$405	60.4%
16 Non-Bonded Capital Projects	\$4,088	\$2,890	\$6,508	\$4,956	\$5,239	\$5,931	(\$693)	-11.7%
17 TOTAL CONTROLLABLE COSTS	\$8,840	\$7,852	\$12,158	\$10,462	\$11,361	\$11,863	(\$502)	-4.2%
18 Depreciation & Amortization	\$2,785	\$2,862	\$3,121	\$3,020	\$3,421	\$3,286	\$135	4.1%
19 Less Non Bonded Projects (capitalized)	(\$4,088)	(\$2,890)	(\$6,508)	(\$4,956)	(\$5,239)	(\$5,931)	\$693	-11.7%
20 Less Total Internal Costs (capitalized)	(\$398)	(\$291)	(\$482)	(\$319)	(\$274)	(\$350)	\$76	-21.8%
21 Interutility Allocation	\$1,876	\$1,874	\$1,983	\$1,962	\$2,030	\$2,063	(\$33)	-1.6%
22 Total Operating Expenses	\$9,014	\$9,408	\$10,272	\$10,169	\$11,299	\$10,930	\$369	3.4%
23 Net Operating Income (Loss)	\$1,591	\$1,652	\$1,440	\$1,198	\$2,745	\$2,265	\$481	21.2%
24 <u>Financing & Other Non-Operating Items:</u>								
26 Interest Income	\$196	\$676	\$143	\$702	\$770	\$141	\$630	447.5%
27 Misc Non-Operating Income (Expense)	(\$126)	(\$34)	-	-	-	-	-	0.0%
28 Total Financing & Non-Operating Items	\$70	\$642	\$143	\$702	\$770	\$141	\$630	447.5%
29 Income Before Transfers or Capital Contributions	\$1,660	\$2,294	\$1,583	\$1,900	\$3,515	\$2,405	\$1,110	46.2%
30 Transfers (In Lieu of Taxes)	(\$407)	(\$402)	(\$438)	(\$454)	(\$512)	(\$492)	(\$20)	4.1%
31 Capital Contributions	\$3,160	\$3,271	\$1,100	\$1,100	\$1,100	\$1,100	-	0.0%
32 Cash Transfers from City	\$540	\$193	\$530	\$230	-	\$1,000	(\$1,000)	-100.0%
33 NET INCOME	\$4,953	\$5,357	\$2,775	\$2,776	\$4,103	\$4,013	\$1,090	27.2%
34 1/01 Cash Balance	\$ 12,903		\$ 11,825	\$ 14,147	\$ 12,158	\$ 11,366	\$ 792	7.0%
35 Change in Net Assets		5,357	2,775	2,776	4,103	4,013	90	2.2%
36 Depreciation & Amortization		2,862	3,121	3,020	3,421	3,286	135	4.1%
37 Capital Additions/Service Territory Comp		(3,181)	(6,990)	(5,275)	(5,513)	(6,282)	769	-12.2%
38 Non-Cash Contributions		(3,464)	(1,100)	(1,100)	(1,100)	(1,100)	-	0.0%
39 Debt Principal Payments		-	-	-	-	-	-	0.0%
40 Debt Proceeds		-	-	-	-	-	-	0.0%
41 Net Change in Other Assets/Liabilities		(329)	1,633	(374)	(410)	-	(410)	0.0%
42 Net Changes in Cash		1,244	(561)	(954)	502	(83)	585	-704.6%
43 12/31 Cash Balance	\$ 14,147		\$ 11,264	\$ 13,194	\$ 12,659	\$ 11,283	\$ 1,376	12.2%
44 Minimum Cash Reserve	\$ 6,474		\$ 7,367	\$ 7,367	\$ 8,767	\$ 7,136	\$ 1,631	22.9%
45 Excess (Deficit) from Minimum Cash Reserve	\$ 7,673		\$ 3,897	\$ 5,826	\$ 3,892	\$ 4,147	\$ (255)	-6.1%

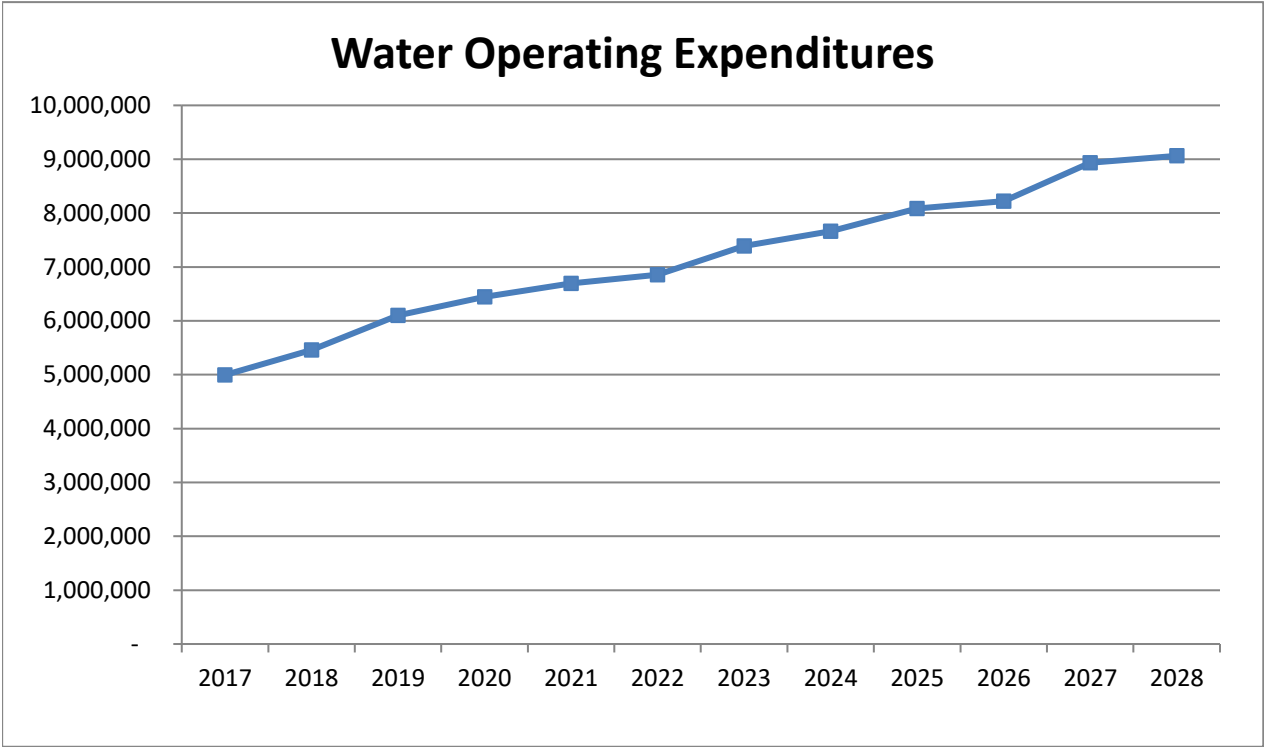
**ROCHESTER PUBLIC UTILITIES
WATER UTILITY
2024 - 2025 OPERATING BUDGET**



**ROCHESTER PUBLIC UTILITIES
WATER UTILITY
2024 - 2025 OPERATING BUDGET**



**ROCHESTER PUBLIC UTILITIES
WATER UTILITY
2024 - 2025 OPERATING BUDGET**



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

	2023 F2	2024	2025	2026	2027	2028
1 CCF Pumped	5,857,409	5,911,627	5,981,747	6,018,216	6,088,472	6,077,421
2 % Change	0.3%	0.9%	1.2%	0.6%	1.2%	-0.2%
3 Retail CCF	5,759,339	5,942,901	6,021,181	6,057,379	6,137,250	6,106,783
4 % Change	3.1%	3.2%	1.3%	0.6%	1.3%	-0.5%
5 Number of Service Points						
6 Residential	37,876	38,133	38,386	38,633	38,875	39,111
7 Commercial	3,885	3,976	4,046	4,119	4,194	4,269
8 Industrial	22	22	22	22	22	22
9 Interdepartmental	1	1	1	1	1	1
10 Total Customers	41,784	42,132	42,455	42,775	43,092	43,403
11 % Change		0.8%	0.8%	0.8%	0.7%	0.7%



ROCHESTER PUBLIC UTILITIES
RECOMMENDED

2024-2025 WATER UTILITY CAPITAL IMPROVEMENT & MAJOR MAINTENANCE BUDGET

**ROCHESTER PUBLIC UTILITIES
WATER UTILITY
2024 - 2025 CAPITAL IMPROVEMENT AND
MAJOR MAINTENANCE BUDGET**

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5 Year Project List:	
Major Maintenance	1
Capital	2

Rochester Public Utilities
Water Utility
2024 - 2028 Major Maintenance Plan

		Multiple-Year						5-Yr Total
		<u>Project Total</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	
1	<u>Core Services</u>							
2	Municipal Well Abandonment		80,000	-	-	-	-	80,000
3	Service Assured-Water		260,800	260,800	260,800	335,000	335,000	1,452,400
4	Water AMI Ongoing Operational Expenses		260,095	259,646	259,195	258,594	257,990	1,295,520
5	Allocation - Water Distribution System Maintenance		175,000	375,000	200,000	600,000	300,000	1,650,000
6	Water Storage Facility Painting		175,000	375,000	200,000	600,000	300,000	1,650,000
7	Water Cost-of-Service/Rate Design Study		-	47,500	-	-	50,000	97,500
8	Operating Contingency Fund		90,000	90,000	95,000	95,000	95,000	465,000
9	Total Core Services		865,895	1,032,946	814,995	1,288,594	1,037,990	5,040,420
10	<u>Power Resources</u>							
11	Allocation - RPU Water Facilities		42,000	42,000	43,000	44,000	45,000	216,000
12	Total Power Resources		42,000	42,000	43,000	44,000	45,000	216,000
13	Total Major Maintenance Plan - External Expenditures		907,895	1,074,946	857,995	1,332,594	1,082,990	5,256,420

**Rochester Public Utilities
Water Utility
2024 - 2028 Capital Improvement Plan**

	Multi-Year Project Total	2024	2025	2026	2027	2028	5-Yr Total
1	Core Services						
2	Well & Booster Station Metering	11,000	11,000	12,000	13,000	14,000	61,000
3	Install New AC Units at Wells & Boosters	38,600	39,800	41,000	42,200	43,500	205,100
4	Water PLC	24,000	25,000	26,000	27,000	28,000	130,000
5	Water AMI Implementation	14,569,571	2,093,061	2,349,130	4,201,482	4,183,673	14,569,571
6	Allocation - Water Distribution System Replacement	121,692	185,827	151,817	156,050	159,575	774,961
7	Replacement of Pumping Units	60,000	120,000	90,000	90,000	90,000	450,000
8	Well Motor Replacements	19,500	20,050	20,600	21,150	21,750	103,050
9	Installation of Variable Frequency Drive Units	18,492	21,377	16,067	19,000	21,125	96,061
10	Replacement of Booster Pumps	23,700	24,400	25,150	25,900	26,700	125,850
11	Allocation - Water Metering/AMR	112,668	118,306	124,221	128,977	135,426	619,598
12	Alloc - Residential Water Metering/AMR	66,000	69,300	72,765	74,948	78,695	361,708
13	Alloc - Commercial Water Metering/AMR	46,668	49,006	51,456	54,029	56,731	257,890
14	New Wells	135,000	385,000	525,000	475,000	125,000	1,645,000
15	Water Utility Contingency Fund	180,000	180,000	185,000	185,000	185,000	915,000
16	1.0MG Baihly High Level Tower	3,000,000	-	-	-	-	3,000,000
17	DMC - Broadway N, Zumbro River Bridge N to Elton Hills Dr	700,000	400,000	300,000	-	-	700,000
18	DMC - 6th St SE Bridge Construction	-	-	250,000	-	-	250,000
19	DMC - 3rd Ave SW - 2nd St SW to 4th St SW	250,000	-	-	-	-	250,000
20	DMC - Rochester Rapid Transit 2nd St SW Recon	880,000	440,000	440,000	-	-	880,000
21	Willow Heights High Level Booster Station	185,000	-	-	-	-	185,000
22	Center St to 11th Ave NE	-	-	690,000	-	-	690,000
23	Center St to 16th Ave NW	-	-	600,000	-	-	600,000
24	Marion Rd Duct Project	115,000	-	-	-	-	115,000
25	4th Ave SW (14th to 16th St SW)	1,300,000	-	-	-	-	1,300,000
26	11th Ave E (4th St SE to Silver Creek)	-	-	400,000	400,000	-	800,000
27	Wilder Rd NW Reconstruction	-	-	-	-	870,000	870,000
28	13th and 14th St NW Reconstruction	-	-	-	-	100,000	100,000
29	S Broadway 4th St-9th St	-	-	-	750,000	-	750,000
30	Allocation - Water Distribution System Expansion	910,000	995,000	1,250,000	1,130,000	650,000	4,935,000
31	T&D City Projects	760,000	445,000	600,000	480,000	-	2,285,000
32	T&D Developer Projects	150,000	150,000	150,000	150,000	150,000	750,000
33	T&D RPU Projects	-	400,000	500,000	500,000	500,000	1,900,000
34	Total Core Services	16,149,571	9,316,021	5,029,063	8,456,520	7,490,900	34,345,230
35	Power Resources						
36	Retaining Wall - Country Low	40,000	-	-	-	-	40,000
37	Allocation - Fleet	101,830	209,650	293,510	120,117	59,900	785,007
38	Total Power Resources	141,830	209,650	293,510	120,117	59,900	825,007
39	Total External Expenditures	9,457,851	5,238,713	8,750,030	7,611,017	4,112,626	35,170,237
40	Less: Bonding	-	-	-	-	-	-
41	Less: Contribution in Aid of Construction	(740,000)	-	-	-	-	(740,000)
42	Less: WAC Funds	(3,000,000)	-	-	-	-	(3,000,000)
43	Net Capital External Expenditures (Rate Funded)	5,717,851	5,238,713	8,750,030	7,611,017	4,112,626	31,430,237
44	Total Internal Expenditures (Capital Labor)	242,223	274,137	304,189	286,522	204,466	1,311,538
45	Total Contributed Assets	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000	5,500,000
46	Net Capital Expenditures	7,060,074	6,612,850	10,154,219	8,997,539	5,417,092	38,241,775



RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester to approve the 2024-2025 Water Utility capital, including multi-year projects, and operating budgets as submitted.

BE IT FURTHER RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, that the Common Council of the said City is requested to approved the 2024-2025 Water Utility capital, including multi-year projects, and operating budgets.

PASSED AND ADOPTED BY THE PUBLIC UTILITY BOARD OF THE CITY OF
ROCHESTER, MINNESOTA, THIS 24th DAY OF October, 2023.

PRESIDENT

SECRETARY



REQUEST FOR ACTION

2024-2025 Electric Utility Budget

MEETING DATE:

October 24, 2023

ORIGINATING DEPT:

Rochester Public Utilities

AGENDA SECTION:

Regular Agenda

PRESENTER:

Peter Hogan

Action Requested:

Management recommends that the Board approve and request the City Council to approve the 2024 and 2025 RPU Electric Utility capital, multiyear capital projects, and operating budgets.

Report Narrative:

The preliminary 2024-2025 Electric Utility budget was presented to the Board on August 8, 2023. In addition, the recommended budget has been included in several presentations to the City Council as part of the overall City budget review process. The public has had the opportunity to comment on the recommended budget at the August, September and October Board meetings.

The budget as presented reflects a reduction of approximately \$1,544K and \$291K in operating expenses and reductions of \$911K and \$1,149K in capital expenses from staff's original submissions in 2024 and 2025, respectively. These reductions were made in order to meet the goals of a 3.2% and 4.0% general rate increase in 2024 and 2025, respectively, plus an Advance Metering Infrastructure related customer charge increase of \$1.94 in 2024.

The significant drivers for the 2024-2025 budget are:

- Proposed overall electric revenue adjustment of 3.2% plus \$1.94 customer charge per month in 2024 and a 4.0% overall revenue adjustment in 2025.
- 4.0% and 1.3% growth in KWH sales and a 2.2% and 1.8% increase in customers in 2024 and 2025, respectively.
- \$1,014K and \$579K increase in Payment in Lieu of Tax to the City General Fund. The increase is driven primarily by an anticipated increase in the Consumer Price Index of 6% and 4% in 2024 and 2025, respectively.
- Advanced Metering Infrastructure (AMI) - 2024: \$3,918K; 2025: \$4,815K
- AMI related services - 2024: \$368K; 2025: \$368K
- Two incremental FTEs in 2024 and 2025. Two dollar neutral conversions of contract positions in 2024 and four incremental positions related to the AMI implementation.
- SMMPA wholesale rates for 2024 and 2025 will be unchanged. An Energy Cost Adjustment, which is similar to the RPU Power Cost Adjustment, was implemented in February 2023. This change will result in the actual cost, either higher or lower than SMMPA's budgeted cost of energy, being passed through to RPU customers through the RPU Power Cost Adjustment.
- Additional investments to address aging distribution infrastructure.
- Planning for the 2030 replacement of capacity and energy currently provided through a power sales contract with SMMPA.
- Investment in Demand Side Management to reduce the future need for generation capacity in addition to funding for our energy conservation programs.

- Movement towards the financial targets set based on the adoption of the utility method of rate setting in 2014.
- Guided by the 2023 Electric Utility Cost-of-Service Study, alignment of variable and fixed costs with corresponding variable and fixed revenues to reduce cross subsidies and improve financial sustainability.
- Progress toward targeted change in net assets to fund operations and future capital replacements
- 2024: Budget \$17,625K, Target \$19,947K; 2025 Budget \$16,305K, Target \$21,232K
- Debt Service Coverage Ratio, excluding payment in lieu of taxes (PILOT) of 3.0 times or greater; Budget projects 3.7 times in 2024 and 2025.
- Fully Fund minimum cash reserves - 2024 per policy \$62,629K; Budget \$93,028K; 2025 per policy \$64,058K; Budget \$64,058K.

Summary financial sheets are attached reflecting the recommended budget. If the Board approves the budget, the approved budget will be forwarded to the City Council to seek approval as part of the City budget process.

Staff will be available to answer questions.

Prepared By:

Peter Hogan

Attachments:

[Board Packet Elc.pdf](#)

[20231024 Resolution - 2024-2025 Electric Utility Budget.docx](#)



ROCHESTER PUBLIC UTILITIES
RECOMMENDED

2024-2025 ELECTRIC UTILITY OPERATING BUDGET

**ROCHESTER PUBLIC UTILITIES
ELECTRIC UTILITY
2024 - 2025 OPERATING BUDGET**

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Operating Expenditures Graph	7
Production & Sales Statistics Forecast	8

**ROCHESTER PUBLIC UTILITIES
ELECTRIC UTILITY
2024 - 2025 OPERATING BUDGET**

ASSUMPTIONS

	<u>2024</u>	<u>2025</u>
• Interest Earnings Rate:	3.0%	3.0%
• Average Salary Expense Change: (excluding headcount additions)	2.8%	5.5%
	(consists of COLA, merit and promotion increases)	
• Anticipated Bonding	None	None
• Change in Full-time Equivalents:	2 Incremental	2 Incremental
	2 Replacements of Contract Work	
	4 Incremental due to AMI	
• SMMPA Wholesale Power Cost:	0.0% increase	0.0% increase
• SMMPA CROD Level:	216 MW	216 MW
• Minimum Cash Reserve Requirement:	\$62,628,938	\$64,057,738
• In Lieu of Tax	\$10,758,822	\$11,338,353
Consumer Price Index (Average)	6.0%	4.0%

RETAIL REVENUES / SALES

	<u>2024</u>	<u>2025</u>
• Revenue Adjustment:	3.2% Proposed General Rate Increase Plus \$1.94 Customer Charge Increase	4.0% Proposed General Rate Increase
• Electric KWH Sales Forecast:	4.0% Increase from 2023 F2 Projected Sales	1.3% Increase from 2024 Projected Sales
• Total Electric Utility Customers:	2.2% Increase over Y/E 2023 F2 Projected Customers	1.8% Increase over Y/E 2024 Projected Customers
• Forecast Assumes Normal Weather :	30 Yr Average Heating/Cooling Degree Days per Year	

WHOLESALE FUEL COSTS

	<u>2024</u>	<u>2025</u>
• Estimated Cost of Fuel:	\$4.55/mcf	\$5.26/mcf

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

in 000's

RPU Rate Increase
Plus AMI Customer Charge

	Historical Data		2023 F2					
	2021	2022		2024	2025	2026	2027	2028
	0.0%	1.5%	2.5%	3.2%	4.0%	4.0%	4.0%	4.0%
				\$1.94				
1 Revenue								
2 Retail Electric	\$146,719	\$149,439	\$163,416	\$170,177	\$178,571	\$189,071	\$200,212	\$209,327
3 Wholesale Electric	\$6,621	\$8,864	\$4,922	\$4,436	\$4,711	\$4,323	\$4,323	\$4,323
4 Wholesale Steam	\$6,841	\$7,871	\$5,207	\$5,161	\$5,602	\$5,580	\$5,580	\$5,580
5 Transmission	\$6,456	\$7,367	\$6,255	\$6,684	\$6,000	\$6,117	\$8,498	\$8,498
6 Other Services & Fees	\$8,617	\$1,652	\$4,173	\$4,156	\$4,209	\$4,265	\$4,321	\$4,378
7 Total Revenue	\$175,254	\$175,193	\$183,972	\$190,614	\$199,093	\$209,357	\$222,935	\$232,107
8 Cost of Revenue								
9 Power Supply	\$87,766	\$88,583	\$98,846	\$101,388	\$102,445	\$93,607	\$82,827	\$83,062
10 Generation Fuel	\$8,958	\$9,833	\$5,213	\$5,473	\$6,307	\$5,902	\$5,906	\$5,911
11 Total Cost of Revenue	\$96,723	\$98,417	\$104,059	\$106,861	\$108,752	\$99,509	\$88,734	\$88,973
12 Gross Margin								
13 Retail Electric	\$58,954	\$60,856	\$64,570	\$68,789	\$76,126	\$95,464	\$117,385	\$126,265
14 Wholesale	\$4,505	\$6,902	\$4,915	\$4,124	\$4,006	\$4,002	\$3,997	\$3,993
15 Transmission	\$6,456	\$7,367	\$6,255	\$6,684	\$6,000	\$6,117	\$8,498	\$8,498
16 Other Services & Fees	\$8,617	\$1,652	\$4,173	\$4,156	\$4,209	\$4,265	\$4,321	\$4,378
17 TOTAL GROSS MARGIN	\$78,531	\$76,776	\$79,914	\$83,753	\$90,341	\$109,848	\$134,202	\$143,134
18 Controllable Costs								
19 Salaries & Benefits	\$23,470	\$26,879	\$27,073	\$29,288	\$31,846	\$33,507	\$35,231	\$37,036
20 Other Operating Expenses	\$10,208	\$9,651	\$11,924	\$12,378	\$12,440	\$12,783	\$13,219	\$13,576
21 Major Maintenance	\$3,681	\$6,479	\$5,224	\$5,174	\$6,793	\$6,222	\$5,101	\$5,372
22 Non-Bonded Capital Projects	\$12,062	\$19,713	\$53,323	\$19,941	\$18,513	\$21,254	\$21,094	\$18,865
23 TOTAL CONTROLLABLE COSTS	\$49,420	\$62,723	\$97,545	\$66,781	\$69,592	\$73,765	\$74,645	\$74,850
24 Depreciation & Amortization	\$14,744	\$15,017	\$15,700	\$16,707	\$17,995	\$18,346	\$18,724	\$19,113
25 Less Non Bonded Projects (capitalized)	(\$12,062)	(\$19,713)	(\$53,323)	(\$19,941)	(\$18,513)	(\$21,254)	(\$21,094)	(\$18,865)
26 Less Total Internal Costs (capitalized)	(\$4,857)	(\$4,193)	(\$4,642)	(\$8,358)	(\$6,212)	(\$6,306)	(\$6,388)	(\$4,749)
27 Interutility Allocation	(\$1,876)	(\$1,874)	(\$1,962)	(\$1,971)	(\$2,030)	(\$2,091)	(\$2,154)	(\$2,219)
28 Total Operating Expenses	\$45,370	\$51,959	\$53,317	\$53,218	\$60,832	\$62,460	\$63,733	\$68,130
29 Net Operating Income (Loss)	\$33,161	\$24,818	\$26,597	\$30,535	\$29,510	\$47,388	\$70,469	\$75,004
30 Financing & Other Non-Operating Items:								
31 Bond & Interest Related Expenses	(\$5,656)	(\$5,463)	(\$5,320)	(\$5,138)	(\$4,942)	(\$6,462)	(\$27,593)	(\$26,997)
32 Interest Income	(\$388)	(\$2,621)	\$2,378	\$3,011	\$3,100	\$3,373	\$12,192	\$11,314
33 Misc Non-Operating Income (Expense)	(\$659)	(\$356)	(\$17)	(\$24)	(\$24)	(\$25)	(\$25)	(\$26)
34 Total Financing & Non-Operating Items	(\$6,703)	(\$8,440)	(\$2,959)	(\$2,151)	(\$1,866)	(\$3,113)	(\$15,427)	(\$15,709)
35 Income Before Transfers or Capital Contributions	\$26,458	\$16,378	\$23,638	\$28,384	\$27,644	\$44,275	\$55,042	\$59,296
36 Transfers (In Lieu of Taxes)	(\$8,469)	(\$8,756)	(\$9,745)	(\$10,759)	(\$11,338)	(\$11,869)	(\$12,431)	(\$12,848)
37 Capital Contributions/Intercompany	\$4,933	\$8,824	\$22,485	\$4,832	\$2,852	\$615	\$626	\$399
38 NET INCOME	\$22,922	\$16,446	\$36,378	\$22,457	\$19,157	\$33,021	\$43,237	\$46,846
39 NET INCOME (Excluding Capital Contributions)			\$13,893	\$17,625	\$16,305	\$32,406	\$42,611	\$46,448
40 TARGET NET INCOME			\$ 18,503	\$ 19,947	\$ 21,232	\$ 22,325	\$ 21,928	\$ 19,982
41 Excess (Deficit) from Target			\$ (4,610)	\$ (2,322)	\$ (4,926)	\$ 10,081	\$ 20,683	\$ 26,466
42 1/01 Cash Balance	\$ 103,773	\$ 103,856	\$ 103,856	\$ 90,699	\$ 93,028	\$ 96,718	\$ 111,548	\$ 131,134
43 Change in Net Assets		16,446	36,378	22,457	19,157	33,021	43,237	46,846
44 Depreciation & Amortization		15,017	15,700	16,707	17,995	18,346	18,724	19,113
45 Capital Additions/Service Territory Comp		(23,906)	(57,966)	(28,299)	(24,726)	(47,560)	(119,483)	(146,614)
46 Bond Principal Payments		(7,085)	(7,395)	(7,730)	(8,005)	(8,305)	(34,691)	(14,957)
47 Bond Proceeds		-	-	-	-	20,000	410,400	-
48 Net Change in Other Assets/Liabilities		(389)	125	(806)	(731)	(672)	(298,602)	122,506
49 Net Changes in Cash		83	(13,157)	2,329	3,690	14,830	19,586	26,894
50 12/31 Cash Balance	\$ 103,856	\$ 90,699	\$ 90,699	\$ 93,028	\$ 96,718	\$ 111,548	\$ 131,134	\$ 158,029
51 Minimum Cash Reserve	\$ 52,102	\$ 53,826	\$ 53,826	\$ 62,629	\$ 64,058	\$ 62,726	\$ 54,308	\$ 55,897
52 Excess (Deficit) from Minimum Cash Reserve	\$ 51,754	\$ 36,873	\$ 36,873	\$ 30,399	\$ 32,660	\$ 48,822	\$ 76,827	\$ 102,131
53 Debt Service Coverage Ratio	2.7	3.3	3.3	3.7	3.7	4.6	2.4	2.5

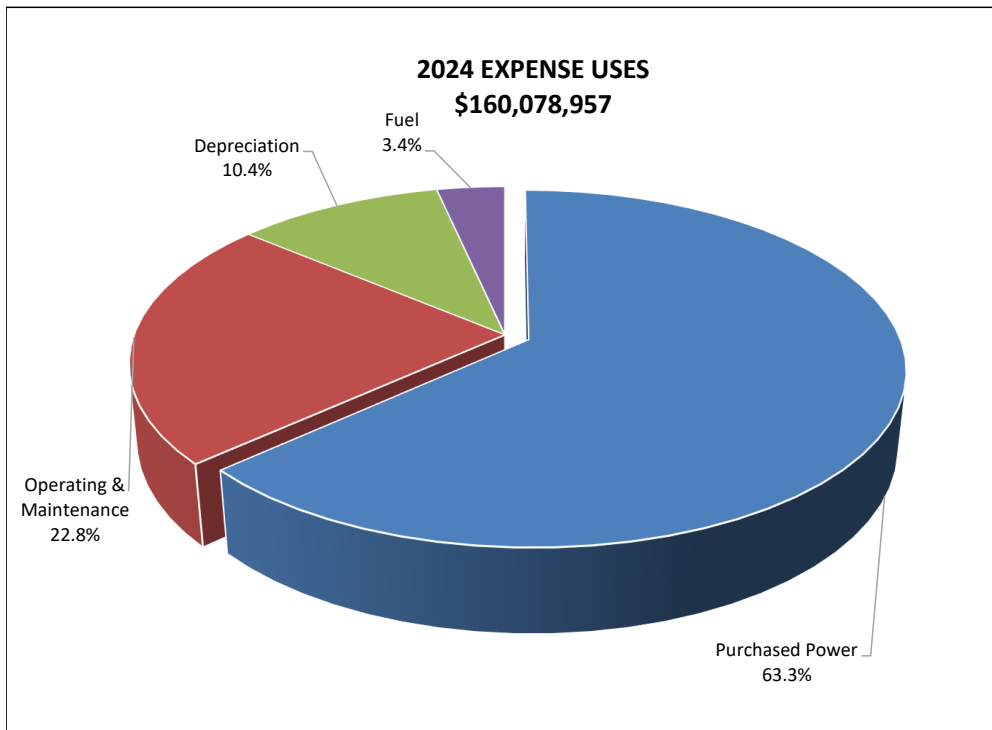
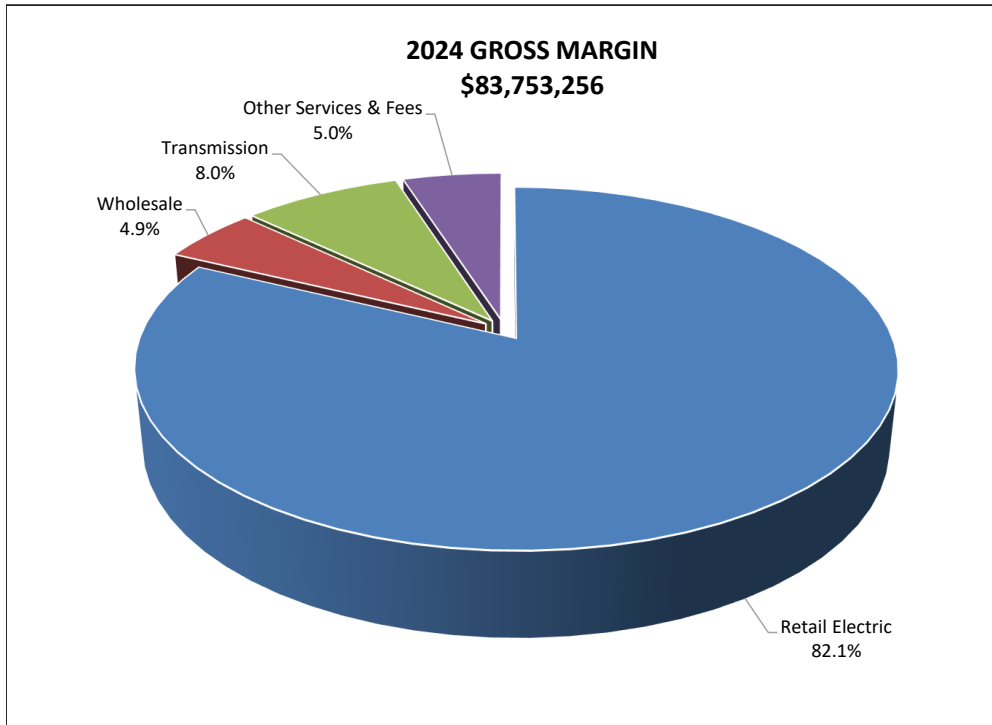
**ROCHESTER PUBLIC UTILITIES
ELECTRIC UTILITY
Management Reporting P&L**

	Historical Data		2023		2024		Variance	%
	2021	2022	Orig Bdgt	2023 F2	2024	Orig Bdgt	2024 to Orig Bdgt	Variance
in 000's								
1 Revenue								
2 Retail Electric	\$146,719	\$149,439	\$151,922	\$163,416	\$170,177	\$156,959	\$13,218	8.4%
3 Wholesale Electric	\$6,621	\$8,864	\$5,840	\$4,922	\$4,436	\$4,932	(\$496)	-10.0%
4 Wholesale Steam	\$6,841	\$7,871	\$6,342	\$5,207	\$5,161	\$5,708	(\$547)	-9.6%
5 Transmission	\$6,456	\$7,367	\$6,000	\$6,255	\$6,684	\$6,000	\$684	11.4%
6 Other Services & Fees	\$8,617	\$1,652	\$4,086	\$4,173	\$4,156	\$4,137	\$19	0.4%
7 Total Revenue	\$175,254	\$175,193	\$174,190	\$183,972	\$190,614	\$177,736	\$12,878	7.2%
8 Cost of Revenue								
9 Power Supply	\$87,766	\$88,583	\$88,392	\$98,846	\$101,388	\$88,473	\$12,914	14.6%
10 Generation Fuel	\$8,958	\$9,833	\$7,570	\$5,213	\$5,473	\$6,937	(\$1,464)	-21.1%
11 Total Cost of Revenue	\$96,723	\$98,417	\$95,963	\$104,059	\$106,861	\$95,411	\$11,450	12.0%
12 Gross Margin								
13 Retail Electric	\$58,954	\$60,856	\$63,529	\$64,570	\$68,789	\$68,486	\$303	0.4%
14 Wholesale	\$4,505	\$6,902	\$4,612	\$4,915	\$4,124	\$3,702	\$421	11.4%
15 Transmission	\$6,456	\$7,367	\$6,000	\$6,255	\$6,684	\$6,000	\$684	11.4%
16 Other Services & Fees	\$8,617	\$1,652	\$4,086	\$4,173	\$4,156	\$4,137	\$19	0.4%
17 TOTAL GROSS MARGIN	\$78,531	\$76,776	\$78,227	\$79,914	\$83,753	\$82,326	\$1,427	1.9%
18 Controllable Costs								
19 Salaries & Benefits	\$23,470	\$26,879	\$27,308	\$27,073	\$29,288	\$29,297	(\$9)	0.0%
20 Other Operating Expenses	\$10,208	\$9,651	\$11,983	\$11,924	\$12,378	\$11,958	\$419	3.5%
21 Major Maintenance	\$3,681	\$6,479	\$4,850	\$5,224	\$5,174	\$6,895	(\$1,721)	-25.0%
22 Non-Bonded Capital Projects	\$12,062	\$19,713	\$55,804	\$53,323	\$19,941	\$16,645	\$3,296	19.8%
23 TOTAL CONTROLLABLE COSTS	\$49,420	\$62,723	\$99,944	\$97,545	\$66,781	\$64,796	\$1,986	3.1%
24 Depreciation & Amortization	\$14,744	\$15,017	\$15,657	\$15,700	\$16,707	\$16,293	\$415	2.5%
25 Less Non Bonded Projects (capitalized)	(\$12,062)	(\$19,713)	(\$55,804)	(\$53,323)	(\$19,941)	(\$16,645)	(\$3,296)	19.8%
26 Less Total Internal Costs (capitalized)	(\$4,857)	(\$4,193)	(\$5,076)	(\$4,642)	(\$8,358)	(\$7,339)	(\$1,019)	13.9%
27 Interutility Allocation	(\$1,876)	(\$1,874)	(\$1,983)	(\$1,962)	(\$1,971)	(\$2,023)	\$52	-2.6%
28 Total Operating Expenses	\$45,370	\$51,959	\$52,738	\$53,317	\$53,218	\$55,081	(\$1,863)	-3.4%
29 Net Operating Income (Loss)	\$33,161	\$24,818	\$25,489	\$26,597	\$30,535	\$27,245	\$3,290	12.1%
30 Financing & Other Non-Operating Items:								
31 Bond & Interest Related Expenses	(\$5,656)	(\$5,463)	(\$5,316)	(\$5,320)	(\$5,138)	(\$5,930)	\$792	-13.4%
32 Interest Income	(\$388)	(\$2,621)	\$1,278	\$2,378	\$3,011	\$1,267	\$1,743	137.5%
33 Misc Non-Operating Income (Expense)	(\$659)	(\$356)	(\$23)	(\$17)	(\$24)	(\$24)	-	0.0%
34 Total Financing & Non-Operating Items	(\$6,703)	(\$8,440)	(\$4,062)	(\$2,959)	(\$2,151)	(\$4,687)	\$2,536	-54.1%
35 Income Before Transfers or Capital Contributions	\$26,458	\$16,378	\$21,427	\$23,638	\$28,384	\$22,558	\$5,826	25.8%
36 Transfers (In Lieu of Taxes)	(\$8,469)	(\$8,756)	(\$9,607)	(\$9,745)	(\$10,759)	(\$10,197)	(\$562)	5.5%
37 Capital Contributions/Intercompany	\$4,933	\$8,824	\$17,200	\$22,485	\$4,832	\$7,373	(\$2,541)	-34.5%
38 NET INCOME	\$22,922	\$16,446	\$29,020	\$36,378	\$22,457	\$19,735	\$2,722	13.8%
39 1/01 Cash Balance	\$ 103,773		\$ 94,334	\$ 103,856	\$ 90,699	\$ 86,988	\$ 3,711	4.3%
40 Change in Net Assets		16,446	29,020	36,378	22,457	19,735	2,722	13.8%
41 Depreciation & Amortization		15,017	15,657	15,700	16,707	16,293	415	2.5%
42 Capital Additions/Service Territory Comp		(23,906)	(60,945)	(57,966)	(28,299)	(25,899)	(2,401)	9.3%
43 Bond Principal Payments		(7,085)	(7,395)	(7,395)	(7,730)	(8,786)	1,056	-12.0%
44 Bond Proceeds		-	13,600	-	-	-	-	0.0%
45 Net Change in Other Assets/Liabilities		(389)	2,718	125	(806)	1,078	(1,884)	-174.7%
46 Net Changes in Cash		83	(7,346)	(13,157)	2,329	2,421	(92)	-3.8%
47 12/31 Cash Balance	\$ 103,856		\$ 86,988	\$ 90,699	\$ 93,028	\$ 89,409	\$ 3,619	4.0%
48 Minimum Cash Reserve	\$ 52,102		\$ 53,826	\$ 53,826	\$ 62,629	\$ 55,577	\$ 7,052	12.7%
49 Excess (Deficit) from Minimum Cash Reserve	\$ 51,754		\$ 33,162	\$ 36,873	\$ 30,399	\$ 33,832	\$ (3,433)	-10.1%

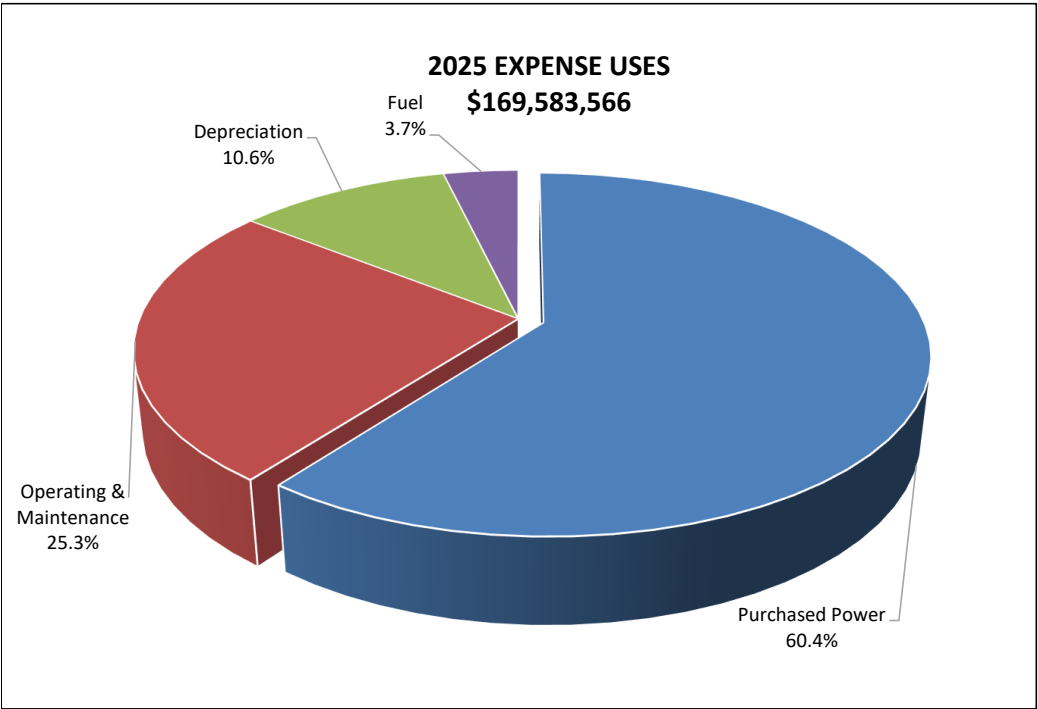
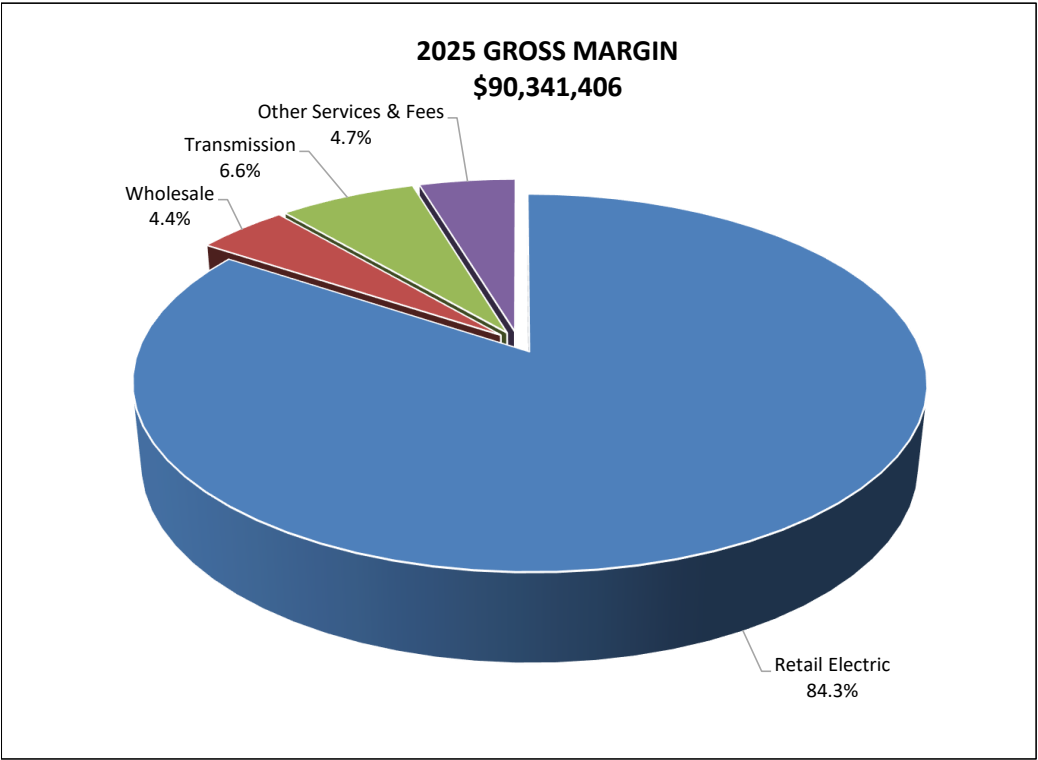
**ROCHESTER PUBLIC UTILITIES
ELECTRIC UTILITY
Management Reporting P&L**

	Historical Data		2023		2025		Variance	%
	2021	2022	Orig Bdgt	2023 F2	2025	Orig Bdgt	2025 to Orig Bdgt	Variance
in 000's								
1 Revenue								
2 Retail Electric	\$146,719	\$149,439	\$151,922	\$163,416	\$178,571	\$161,737	\$16,834	10.4%
3 Wholesale Electric	\$6,621	\$8,864	\$5,840	\$4,922	\$4,711	\$4,932	(\$221)	-4.5%
4 Wholesale Steam	\$6,841	\$7,871	\$6,342	\$5,207	\$5,602	\$5,642	(\$40)	-0.7%
5 Transmission	\$6,456	\$7,367	\$6,000	\$6,255	\$6,000	\$6,000	-	0.0%
6 Other Services & Fees	\$8,617	\$1,652	\$4,086	\$4,173	\$4,209	\$4,191	\$18	0.4%
7 Total Revenue	\$175,254	\$175,193	\$174,190	\$183,972	\$199,093	\$182,502	\$16,591	9.1%
8 Cost of Revenue								
9 Power Supply	\$87,766	\$88,583	\$88,392	\$98,846	\$102,445	\$88,604	\$13,841	15.6%
10 Generation Fuel	\$8,958	\$9,833	\$7,570	\$5,213	\$6,307	\$6,876	(\$569)	-8.3%
11 Total Cost of Revenue	\$96,723	\$98,417	\$95,963	\$104,059	\$108,752	\$95,480	\$13,272	13.9%
12 Gross Margin								
13 Retail Electric	\$58,954	\$60,856	\$63,529	\$64,570	\$76,126	\$73,133	\$2,993	4.1%
14 Wholesale	\$4,505	\$6,902	\$4,612	\$4,915	\$4,006	\$3,699	\$308	8.3%
15 Transmission	\$6,456	\$7,367	\$6,000	\$6,255	\$6,000	\$6,000	-	0.0%
16 Other Services & Fees	\$8,617	\$1,652	\$4,086	\$4,173	\$4,209	\$4,191	\$18	0.4%
17 TOTAL GROSS MARGIN	\$78,531	\$76,776	\$78,227	\$79,914	\$90,341	\$87,022	\$3,319	4.3%
18 Controllable Costs								
19 Salaries & Benefits	\$23,470	\$26,879	\$27,308	\$27,073	\$31,846	\$30,833	\$1,013	3.3%
20 Other Operating Expenses	\$10,208	\$9,651	\$11,983	\$11,924	\$12,440	\$12,445	(\$5)	0.0%
21 Major Maintenance	\$3,681	\$6,479	\$4,850	\$5,224	\$6,793	\$5,088	\$1,705	33.5%
22 Non-Bonded Capital Projects	\$12,062	\$19,713	\$55,804	\$53,323	\$18,513	\$10,448	\$8,065	77.2%
23 TOTAL CONTROLLABLE COSTS	\$49,420	\$62,723	\$99,944	\$97,545	\$69,592	\$58,815	\$10,778	18.3%
24 Depreciation & Amortization	\$14,744	\$15,017	\$15,657	\$15,700	\$17,995	\$17,533	\$463	2.6%
25 Less Non Bonded Projects (capitalized)	(\$12,062)	(\$19,713)	(\$55,804)	(\$53,323)	(\$18,513)	(\$10,448)	(\$8,065)	77.2%
26 Less Total Internal Costs (capitalized)	(\$4,857)	(\$4,193)	(\$5,076)	(\$4,642)	(\$6,212)	(\$4,428)	(\$1,784)	40.3%
27 Interutility Allocation	(\$1,876)	(\$1,874)	(\$1,983)	(\$1,962)	(\$2,030)	(\$2,063)	\$33	-1.6%
28 Total Operating Expenses	\$45,370	\$51,959	\$52,738	\$53,317	\$60,832	\$59,408	\$1,424	2.4%
29 Net Operating Income (Loss)	\$33,161	\$24,818	\$25,489	\$26,597	\$29,510	\$27,615	\$1,895	6.9%
30 Financing & Other Non-Operating Items:								
31 Bond & Interest Related Expenses	(\$5,656)	(\$5,463)	(\$5,316)	(\$5,320)	(\$4,942)	(\$5,670)	\$729	-12.9%
32 Interest Income	(\$388)	(\$2,621)	\$1,278	\$2,378	\$3,100	\$1,318	\$1,782	135.2%
33 Misc Non-Operating Income (Expense)	(\$659)	(\$356)	(\$23)	(\$17)	(\$24)	(\$25)	\$1	-3.4%
34 Total Financing & Non-Operating Items	(\$6,703)	(\$8,440)	(\$4,062)	(\$2,959)	(\$1,866)	(\$4,377)	\$2,512	-57.4%
35 Income Before Transfers or Capital Contributions	\$26,458	\$16,378	\$21,427	\$23,638	\$27,644	\$23,237	\$4,407	19.0%
36 Transfers (In Lieu of Taxes)	(\$8,469)	(\$8,756)	(\$9,607)	(\$9,745)	(\$11,338)	(\$10,625)	(\$713)	6.7%
37 Capital Contributions/Intercompany	\$4,933	\$8,824	\$17,200	\$22,485	-	\$627	(\$627)	-100.0%
38 NET INCOME	\$22,922	\$16,446	\$29,020	\$36,378	\$19,157	\$13,239	\$5,918	44.7%
39 1/01 Cash Balance		\$ 103,773		\$ 94,334 \$ 103,856		\$ 93,028 \$ 89,409 \$ 3,619		4.0%
40 Change in Net Assets		16,446	29,020	36,378	19,157	13,239	5,918	44.7%
41 Depreciation & Amortization		15,017	15,657	15,700	17,995	17,533	463	2.6%
42 Capital Additions/Service Territory Comp		(23,906)	(60,945)	(57,966)	(24,726)	(19,419)	(5,307)	27.3%
43 Bond Principal Payments		(7,085)	(7,395)	(7,395)	(8,005)	(9,119)	1,114	-12.2%
44 Bond Proceeds		-	13,600	-	-	-	-	0.0%
45 Net Change in Other Assets/Liabilities		(389)	2,718	125	(731)	3,794	(4,525)	-119.3%
46 Net Changes in Cash		83	(7,346)	(13,157)	3,690	6,027	(2,337)	-38.8%
47 12/31 Cash Balance		\$ 103,856		\$ 86,988 \$ 90,699		\$ 96,718 \$ 95,436 \$ 1,282		1.3%
48 Mimimum Cash Reserve		\$ 52,102		\$ 53,826 \$ 53,826		\$ 64,058 \$ 57,293 \$ 6,765		11.8%
49 Excess (Deficit) from Mimimum Cash Reserve		\$ 51,754		\$ 33,162 \$ 36,873		\$ 32,660 \$ 38,143 \$ (5,483)		-14.4%

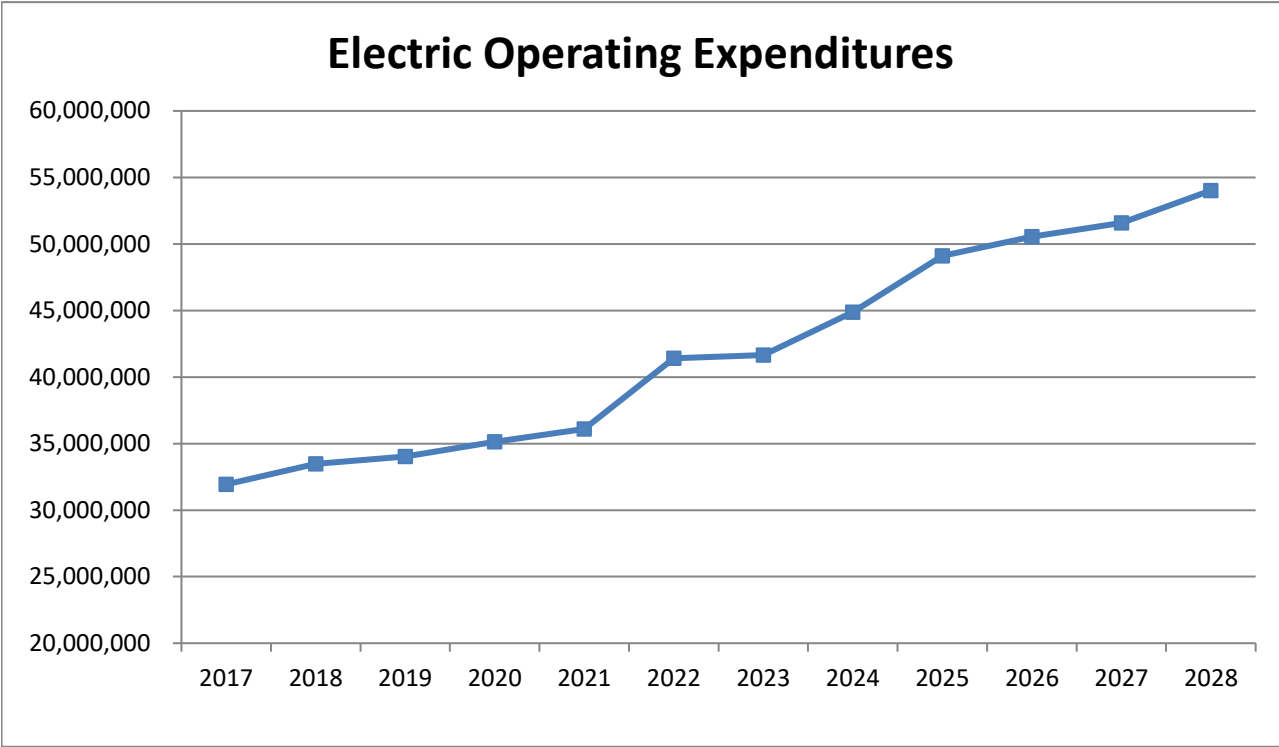
**ROCHESTER PUBLIC UTILITIES
ELECTRIC UTILITY
2024 - 2025 OPERATING BUDGET**



**ROCHESTER PUBLIC UTILITIES
ELECTRIC UTILITY
2024 - 2025 OPERATING BUDGET**



**ROCHESTER PUBLIC UTILITIES
ELECTRIC UTILITY
2024 - 2025 OPERATING BUDGET**



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

	2023 F2	2024	2025	2026	2027	2028
1 Peak MW						
2 SMMPA	216	216	216	216	216	216
4 Market	24	77	81	86	91	92
5 Total Peak MW	240	293	297	302	307	308
6 % Change	-10.3%	22.4%	1.4%	1.4%	1.7%	0.4%
7 Retail MWH	1,157,542	1,204,079	1,219,926	1,239,769	1,260,589	1,264,383
8 % Change	2.7%	4.0%	1.3%	1.6%	1.7%	0.3%
9 Purchased Power MWH						
10 SMMPA	1,167,905	1,225,266	1,241,751	1,262,144	1,283,681	1,288,085
11 Other	3,270	3,402	3,450	3,502	3,562	3,574
12 Total Purchased Power MWH	1,171,175	1,228,669	1,245,201	1,265,645	1,287,243	1,291,659
13 % Change	1.1%	4.9%	1.3%	1.6%	1.7%	0.3%
14 Generation MWH						
15 Total Generation MWH	68,412	69,780	69,780	69,780	69,780	69,780
16 % Change	-9.5%	2.0%	0.0%	0.0%	0.0%	0.0%
17 Number of Service Points						
18 Residential	55,893	57,128	58,198	59,300	60,435	61,604
19 Small General Service	4,241	4,328	4,397	4,467	4,538	4,611
20 Medium General Service	947	954	959	960	961	969
21 Large General Service	13	13	13	13	13	12
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	61,099	62,428	63,572	64,745	65,952	67,201
26 % Change		2.2%	1.8%	1.8%	1.9%	1.9%
27 Blended cost per MWH for retail supply	\$ 84.40	\$ 82.52	\$ 82.27	\$ 73.96	\$ 64.34	\$ 64.31
28 Steam Generation MLBS	419,136	438,000	438,000	438,000	438,000	438,000
29 % Change	-6.1%	4.5%	0.0%	0.0%	0.0%	0.0%



ROCHESTER PUBLIC UTILITIES
RECOMMENDED

2024-2025 ELECTRIC UTILITY CAPITAL IMPROVEMENT & MAJOR MAINTENANCE BUDGET

**ROCHESTER PUBLIC UTILITIES
ELECTRIC UTILITY
2024 - 2025 CAPITAL IMPROVEMENT AND
MAJOR MAINTENANCE BUDGET**

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5 Year Project List:	
Major Maintenance Projects	1
Capital Projects	2 - 3

**Rochester Public Utilities
Electric Utility
2024 - 2028 Major Maintenance Plan**

		Multi-Year						
		Project Total	2024	2025	2026	2027	2028	5-Yr Total
Core Services								
1	Substation Asset Management Services		80,000	80,000	80,000	80,000	80,000	400,000
2	Arc Flash Assessment Services		40,000	40,000	40,000	40,000	40,000	200,000
3	Vegetation Management Program Improvements		75,000	75,000	75,000	-	-	225,000
4	Tree Trimming		1,700,000	1,700,000	1,700,000	1,700,000	1,700,000	8,500,000
5	Asbestos Mitigation in Manholes		75,000	100,000	100,000	-	-	275,000
6	Service Assured - Electric		19,500	19,500	19,500	19,500	19,500	97,500
7	T&D Inspection Services		85,000	87,550	90,175	92,900	95,670	451,295
8	Allocation - New Services		290,000	300,000	300,000	300,000	300,000	1,490,000
9	Transmission Lines & Equipment Maintenance		50,000	50,000	50,000	50,000	50,000	250,000
10	Distribution Lines & Equipment Maintenance		240,000	250,000	250,000	250,000	250,000	1,240,000
11	Capacitor Bank Controls Replacement		10,000	5,000	-	-	-	15,000
12	Allocation - Substation Asset Management (Maint)		225,000	185,000	169,000	148,500	160,000	887,500
13	AMI Ongoing Operational Requirements		367,910	368,360	368,810	369,411	370,015	1,844,506
14	Distribution System Planning Study		130,000	-	-	-	-	130,000
15	ArcFlash Study for Downtown		50,000	-	-	-	-	50,000
16	DER Hosting Capacity Study		-	-	150,000	-	-	150,000
17	DER Software Portal		100,000	50,000	-	-	-	150,000
18	Engineering Records in ImageNow		-	-	-	-	200,000	200,000
19	Transmission LIDAR & Clearance Analysis		-	270,000	-	-	-	270,000
20	Pole Attachment & Clearance Violation Survey		(80,000)	-	-	-	-	(80,000)
21	Stray Voltage Survey		45,000	-	-	-	-	45,000
22	Downtown Electric Reconfiguration Study		40,000	120,000	-	-	-	160,000
23	Joint Pole Use Software		80,000	50,000	-	-	-	130,000
24	AMI and Outage Management Integration		-	-	85,000	-	-	85,000
25	Total Core Services	-	3,332,410	3,450,410	3,177,485	2,750,311	2,965,185	15,675,801
Customer Relations								
27	Customer Portal		50,350	100,000	165,000	165,000	165,000	645,350
28	Bill Print Redesign		-	-	125,000	-	-	125,000
29	Phone Tech Upgrade		20,000	-	-	-	-	20,000
30	Cayenta Application Enhancements		120,000	70,000	100,000	100,000	100,000	490,000
31	SEW Modifications		45,000	-	-	-	-	45,000
32	Total Customer Relations	-	235,350	170,000	390,000	265,000	265,000	1,325,350
Corporate Services								
34	Elec Cost-of-Srvcs/Rate Design Study		-	-	95,000	-	-	95,000
35	Rates Modeling		20,000	20,000	20,000	20,000	20,000	100,000
36	Budgeting System		61,700	33,075	34,750	36,465	38,300	204,290
37	SAP ERP/HCM		-	-	-	479,000	479,000	958,000
38	Integration (HPC) Support Contract		75,000	75,000	75,000	75,000	75,000	375,000
39	SAP Technical Upgrade		-	-	100,000	-	-	100,000
40	Sharepoint Site		30,000	30,000	30,000	30,000	30,000	150,000
41	ImageNow Upgrade		-	45,000	-	45,000	-	90,000
42	SCADA Pen Test		25,000	25,000	25,000	25,000	25,000	125,000
43	Allocation - Technology		44,500	54,500	44,500	45,000	55,000	243,500
44	Info Risk & Security/City Shared Infrastructure		4,500	14,500	4,500	5,000	15,000	43,500
45	Business Systems/Applications		40,000	40,000	40,000	40,000	40,000	200,000
46	Total Corporate Services	-	256,200	282,575	424,250	755,465	722,300	2,440,790
Compliance and Public Affairs								
48	WES Emissions Testing		-	-	-	-	75,000	75,000
49	Website Upgrade		50,000	150,000	-	-	-	200,000
50	Total Compliance and Public Affairs	-	50,000	150,000	-	-	75,000	275,000
Power Resources								
48	SLP Decommissioning		30,000	400,000	200,000	200,000	125,000	955,000
49	Silver Lake Dam Modification		50,000	1,240,000	760,000	-	-	2,050,000
50	Allocation - Power Resources		650,000	430,000	690,000	550,000	640,000	2,960,000
51	Master Plan		-	95,000	-	-	-	95,000
52	Allocation - Facilities		210,000	215,000	220,000	220,000	220,000	1,085,000
53	Total Power Resources	-	940,000	2,380,000	1,870,000	970,000	985,000	7,145,000
General Management								
55	Operating Contingency Fund		360,000	360,000	360,000	360,000	360,000	1,800,000
56	Total General Management	-	360,000	360,000	360,000	360,000	360,000	1,800,000
57	Total Major Maintenance Plan - External Expenditures	-	5,173,960	6,792,985	6,221,735	5,100,776	5,372,485	28,661,941

**Rochester Public Utilities
Electric Utility
2024 - 2028 Capital Improvement Plan**

		Multi-Year					5-Yr Total	
		Project Total	2024	2025	2026	2027		2028
1	Core Services							
2	OSI SCADA Version Upgrade		115,000	10,000	11,000	12,000	593,000	741,000
3	Work Management		100,000	-	-	-	-	100,000
4	Web-Based Service Application		75,000	25,000	25,000	25,000	25,000	175,000
5	Ground Protection Mats		73,000	-	-	-	-	73,000
4	Allocation - New Services		1,226,715	1,255,901	1,218,339	1,244,520	1,226,182	6,171,657
5	New Service Installations		818,046	833,205	812,480	830,359	821,317	4,115,407
6	Distribution Lines & Equipment - Capital		243,720	254,012	241,758	247,597	240,387	1,227,474
7	Property Damage - Repair/Replace		110,949	114,437	114,318	117,398	118,431	575,533
8	T&D Equipment Upgrade/Replace		54,000	54,247	49,783	49,166	46,047	253,243
9	Load Management Installations		7,500	7,500	7,500	7,500	-	30,000
10	Substation/Shop Test Equipment Upgrade/Repl		40,000	30,000	30,000	30,000	30,000	160,000
11	Substation Spares and Replacements		62,500	20,000	20,000	20,000	20,000	142,500
12	Demand Side Management System & Software		-	-	1,400,000	1,200,000	100,000	2,700,000
13	Cascade Creek Control Bldg Improvements		76,500	-	-	-	-	76,500
14	Allocation - Substation Asset Management Capital		200,000	220,000	307,100	290,250	284,000	1,301,350
15	Metering/Shop Test Equipment Upgrade/Repl		55,000	45,000	-	-	65,000	165,000
16	AMI Implementation Services	13,616,624	3,917,779	4,814,648	4,147,558	736,639	-	13,616,624
17	Primary Metering Replacement - Kemps		-	28,000	-	-	-	28,000
18	Primary Metering Replacement - Federal Medical		26,000	-	-	-	-	26,000
19	Allocation - Metering		151,811	150,000	-	-	-	301,811
20	Feeder 306 Install		-	-	-	-	400,000	400,000
21	Feeder 615 Install		-	-	400,000	250,000	-	650,000
22	Feeder 913 Install		-	-	-	700,000	-	700,000
23	Feeder 914 Install		-	-	-	-	600,000	600,000
24	Feeder 1315 Install		-	-	-	600,000	-	600,000
25	Feeder 1602 Install		-	-	-	300,000	300,000	600,000
26	Feeder 1913 Install		245,000	-	-	-	-	245,000
27	Feeder 1914 Install		-	-	2,000,000	-	-	2,000,000
28	65th St - 50th to 60th Ave		-	400,000	-	-	-	400,000
29	Downtown New Duct Systems		-	-	1,500,000	2,250,000	2,800,000	6,550,000
30	65th St - 34th to 50th Ave NW		200,000	-	-	-	-	200,000
31	Q2 Rebuild from Bear Creek - RCTC		-	-	-	750,000	-	750,000
32	Q4 Rebuild from BV Sub to Salem Rd		-	-	280,000	540,000	-	820,000
33	Q7 Rebuild to Grade B		-	-	-	500,000	500,000	1,000,000
34	Q11 W.C. to new St. Bridget Sub - ROW	725,000	125,000	600,000	-	-	-	725,000
35	Fiber Cascade Creek to Westside		50,000	-	-	-	-	50,000
36	Hydro Line Reconfig for New Hydro Sub		-	-	-	-	300,000	300,000
37	New Padmount Hydro Sub		-	-	-	-	600,000	600,000
38	New Mayo Feeders	3,400,000	2,000,000	1,400,000	-	-	-	3,400,000
39	Volt/VAR Optimization		-	-	-	-	150,000	150,000
40	Capacitor Control Replacement (10/yr)		-	-	-	-	100,000	100,000
41	Grid North Partners-N Rochester 345kV Line		280,000	432,000	1,855,000	12,000,000	9,000,000	23,567,000
42	DMC-BRT West Transit Village	500,000	400,000	100,000	-	-	-	500,000
43	DMC-BRT Route Corridor	700,000	300,000	400,000	-	-	-	700,000
44	Fiber-Crosstown to Silver Lake		75,000	-	-	-	-	75,000
45	Fiber-Marion to Cty PW/St Bridget Twr to WC		-	-	400,000	400,000	-	800,000
46	WCS 9QB6 Circuit Breaker Replacement		100,000	-	-	-	-	100,000
47	Fiber Relocation Silver Lake	300,000	230,000	70,000	-	-	-	300,000
48	FDR 803 & 812 Reconfiguration at 18th Ave		320,000	-	-	-	-	320,000
49	BRT 6th St SE OH to Underground Conversion		400,000	-	-	-	-	400,000
50	Q6 NESC Clearance Mitigation W of E River Rd	110,000	40,000	70,000	-	-	-	110,000
51	Q6 Galloping Dampers	265,000	140,000	125,000	-	-	-	265,000
52	Mayo Downtown Feeder Rework	-	100,000	100,000	200,000	200,000	200,000	800,000
53	Feeder Extension 50th Ave - S of 50th St NW		-	145,000	-	-	-	145,000
54	N Broadway between Elton Hills & the Bridge		400,000	-	-	-	-	400,000
55	CSAH 44 and Hwy 14 Interchange	610,000	435,000	175,000	-	-	-	610,000
56	EV Bus Charging Expansion		-	-	150,000	-	225,000	375,000
57	6th St SE Bridge	950,000	50,000	250,000	650,000	-	-	950,000
58	E Center Street		-	625,000	-	-	-	625,000
59	50th Ave NW - 19th St to Valleyhigh		-	-	-	1,050,000	1,050,000	2,100,000
60	18th Ave SW - Mayowood to 40th		-	75,000	1,100,000	-	-	1,175,000
61	Eastwood Rd SE		-	-	-	570,000	-	570,000
62	DMC - South Broadway from 4th St to 9th St		-	50,000	400,000	-	-	450,000
63	TH 14E and S Broadway Intersection		-	-	300,000	-	-	300,000
64	Replace 20kA, 161kV Circuit Breakers	210,000	200,000	10,000	-	-	-	210,000
65	Bamber Valley Sub Capacitor Bank		-	-	-	185,000	-	185,000
66	Replace 161kV Disconnect Switches		-	90,000	95,000	100,000	100,000	385,000
67	KEMPS Metering Replacement & 406 Reconfiguration		-	105,000	-	-	-	105,000
68	NE Substation		-	-	-	200,000	2,000,000	2,200,000
69	Allocation - Distribution Expansion		2,547,742	2,706,097	2,710,669	2,802,751	2,942,820	13,710,079
70	Feeder Extensions		109,189	117,656	117,490	124,752	127,429	596,516
71	Feeder Rebuilds		104,639	113,131	109,098	112,277	111,501	550,646
72	Transmission Projects		40,950	45,253	41,961	45,742	47,786	221,692
73	Substation Projects		104,639	185,535	146,863	124,742	119,465	681,244
74	Road Projects		113,737	135,757	167,843	187,128	199,108	803,573
75	Road Projects - DMC		90,992	95,030	92,314	95,643	95,572	469,551
76	Manhole Switch Replacements		95,540	99,555	96,510	99,802	99,554	490,961

**Rochester Public Utilities
Electric Utility
2024 - 2028 Capital Improvement Plan**

		Multi-Year						
		Project Total	2024	2025	2026	2027	2028	5-Yr Total
77	Cable Replacement		227,475	226,262	209,804	187,128	179,197	1,029,866
78	Manhole Repair/Replace		245,675	248,889	234,981	241,187	238,930	1,209,662
79	Capacitor Bank Installations		-	18,101	41,961	41,584	23,893	125,539
80	Fiber Optic Projects		200,180	122,182	159,451	112,277	143,358	737,448
81	Distribution Transformers		809,815	859,797	839,216	914,848	955,720	4,379,396
82	Overhead to Underground Conversion		300,270	316,767	314,706	332,671	338,484	1,602,898
83	Pole Replacements		50,045	54,303	54,549	58,218	63,715	280,830
84	Upgrades Due to Electrification		54,596	67,879	83,922	124,752	199,108	530,257
85	Survey GPS Replacement		40,000	-	-	-	-	40,000
86	GIS Utility Network Implementation	410,000	160,000	250,000	-	-	-	410,000
87	Drone Replacement		-	15,000	-	-	-	15,000
88	Service Territory Payments		383,157	436,454	507,596	590,334	686,559	2,604,100
89	Service Territory Payments - SMMPA Reimbursement		(191,572)	(218,227)	(253,798)	(295,167)	(343,280)	(1,302,044)
90	Designer XI Implementation		-	-	500,000	-	-	500,000
91	Responder Grid Ops Implementation		-	-	-	800,000	-	800,000
92	Total Core Services	21,796,624	15,156,132	15,017,373	19,960,964	28,058,827	23,954,281	102,147,577
93	Customer Relations							
94	Payment Kiosk		11,090	-	-	-	-	11,090
95	Total Customer Relations	-	11,090	-	-	-	-	11,090
96	Corporate Services							
97	SAP ERP/HCM		-	-	300,000	1,500,000	1,500,000	3,300,000
98	Work Management Solution		-	-	-	500,000	-	500,000
99	Racking Replacement in Stockyard		20,000	20,000	20,000	-	-	60,000
100	NSX Implementation	184,000	42,000	42,000	100,000	-	-	184,000
101	Business Intelligence/Reporting		45,000	45,000	45,000	45,000	45,000	225,000
102	Core Switch Replacement		1,400,000	-	-	-	-	1,400,000
103	Allocation - Technology		639,001	927,001	837,001	683,000	303,001	3,389,004
104	Network Management		121,494	194,509	131,165	97,838	68,669	613,675
105	Output Management		34,315	20,874	20,760	34,476	18,884	129,309
106	Server Management		126,131	152,761	147,206	182,630	52,360	661,088
107	Workstation Management		143,752	128,091	146,263	125,791	115,878	659,775
108	Backup/DR		-	33,209	-	-	-	33,209
109	Storage Management		-	-	-	163,063	-	163,063
110	Operation Technology		213,309	397,557	391,607	79,202	47,210	1,128,885
111	Total Corporate Services	184,000	2,146,001	1,034,001	1,302,001	2,728,000	1,848,001	9,058,004
112	Power Resources							
113	2030 Resource Plan		-	-	18,145,000	80,000,000	114,000,000	212,145,000
114	Lake Zumbro Hydro Controls and Electrical Upgrade	900,000	350,000	450,000	-	-	-	800,000
115	Allocation - Power Resources		40,000	100,000	125,000	550,000	200,000	1,015,000
116	Fleet Hoist Addition		204,000	-	-	-	-	204,000
117	UPS #2 Backup Replacement - CSC		85,000	-	-	-	-	85,000
118	Replace East Driveway		138,000	-	-	-	-	138,000
119	Replace Sky Lights		66,000	-	-	-	-	66,000
120	Business Services Cubicles		50,000	-	-	-	-	50,000
121	UPS #3 Main Replacement - BUCC		-	75,600	-	-	-	75,600
122	Allocation - Facilities		30,000	30,000	30,000	30,000	30,000	150,000
123	Fleet Van		65,000	-	-	-	-	65,000
124	Allocation - Fleet		800,264	1,006,320	890,713	927,252	1,032,676	4,657,225
125	Total Power Resources	900,000	1,828,264	1,661,920	19,190,713	81,507,252	115,262,676	219,450,825
126	General Management							
127	Project Contingency Fund		800,000	800,000	800,000	800,000	800,000	4,000,000
128	Total General Management	-	800,000	800,000	800,000	800,000	800,000	4,000,000
129	Total External Expenditures	22,880,624	19,941,487	18,513,294	41,253,678	113,094,079	141,864,958	334,667,496
130	Less: Bonding				(20,000,000)	(92,000,000)	(123,000,000)	(235,000,000)
131	Less: Contributions in Aid of Construction		(4,831,867)	(2,851,617)	(614,855)	(626,427)	(398,770)	(9,323,536)
132	Net Capital External Expenditures (Rate Funded)	22,880,624	15,109,620	15,661,677	20,638,823	20,467,652	18,466,188	90,343,960
133	Total Internal Expenditures (Capital Labor)		8,357,975	6,212,463	6,306,234	6,388,435	4,749,072	32,014,179
134	Net Capital Expenditures	22,880,624	23,467,595	21,874,140	26,945,057	26,856,087	23,215,260	122,358,139



ROCHESTER PUBLIC UTILITIES
RECOMMENDED

PERSONNEL BUDGET

**ROCHESTER PUBLIC UTILITIES
2024 - 2025 PERSONNEL BUDGET**

INDEX

<u>Title</u>	<u>Pages</u>
Full-Time Staff Per Customer Served/Retail Sales	1
Full-Time and Temporary Staffing Comparison	2

**ROCHESTER PUBLIC UTILITIES
2024 - 2025 PERSONNEL BUDGET
Regular Staff Per Customer Served
And Dollars of Retail Sales**

<u>Year</u>	<u>Total Service Points</u>	<u>Retail Sales \$'s</u>	<u>Authorized Number of Utility Employees</u>	<u># Customers Served Per Employee</u>	<u>\$'s of Retail Sales Per Employee</u>
2025	106,027 ⁽¹⁾	192,607,723 ⁽¹⁾	221 ⁽²⁾	480	871,528
2024	104,560 ⁽¹⁾	182,682,852 ⁽¹⁾	219 ⁽²⁾	477	834,168
2023	102,883 ⁽¹⁾	174,805,852 ⁽¹⁾	211 ⁽²⁾	488	828,464
2022	99,950	160,465,198	211	474	760,499
2021	99,386	157,782,929	208	478	758,572
2020	98,503	154,640,308	207	476	747,055

NOTES: Numbers include combined water and electric utilities.

For Electric Utilities, APPA 2021 Retail Customers per Non-Power-Generation Employee for customer size class of 50K-100K customers, is 308. RPU comparison using this criteria and 2022 data is 350.

(1) Forecasted

(2) Staff changes:

2024

Four potential reclassifications

Adding two new positions:

- Tech Services Utility Technician
- NERC Program Coordinator

Replacement of two existing contract positions with FTE's

Adding four new positions for AMI:

- AMI MDM Support Specialist
- AMI Operations Specialist
- IT Analyst
- IT System Administrator

2025

Adding two new positions

**ROCHESTER PUBLIC UTILITIES
2024 - 2025 PERSONNEL BUDGET
Regular and Temporary Staffing
Total Costs**

<u>Year</u>	<u>2023 Original budget</u>	<u>2023 Projected</u>	<u>2024 Estimated</u>	<u>2025 Estimated</u>	<u>Difference 2023 original to 2024</u>	<u>% Change</u>	<u>Difference 2024 to 2025</u>	<u>% Change</u>
Regular Employees	\$30,133,171	\$29,179,109	\$32,018,108	\$34,657,839	\$1,884,937	6.3%	\$2,639,731	8.2%
Limited-Term Employees	\$174,561	\$159,262	\$372,141	\$449,522	\$197,580	113.2%	\$77,381	20.8%
Temporary/Contract Labor	<u>\$493,390</u>	<u>\$470,295</u>	<u>\$403,520</u>	<u>\$415,975</u>	<u>(\$89,870)</u>	<u>-18.2%</u>	<u>\$12,455</u>	<u>3.1%</u>
Total	\$30,801,122	\$29,808,665	\$32,793,769	\$35,523,337	\$1,992,647	6.5%	\$2,729,568	8.3%

NOTE: Estimated cost include base salaries, salary increases, overtime, RPU's share of employee pensions, payroll taxes, and benefits. Excludes accrual adjustment for unfunded PERA liability.



ROCHESTER PUBLIC UTILITIES
RECOMMENDED

SUPPLEMENTAL DATA CAPITAL/OPERATING BUDGETS

**ROCHESTER PUBLIC UTILITIES
2024 - 2025 SUPPLEMENTAL DATA
CAPITAL / OPERATING BUDGETS**

INDEX

<u>Title</u>	<u>Pages</u>
Electric & Water Rate Increases vs. Inflation	1
Year End Cash Balances	2
RPU Tax and Tax Equivalents	3

**ROCHESTER PUBLIC UTILITIES
2024 - 2025 CAPITAL / OPERATING BUDGETS
ELECTRIC AND WATER REVENUE CHANGE
VERSUS INFLATION**

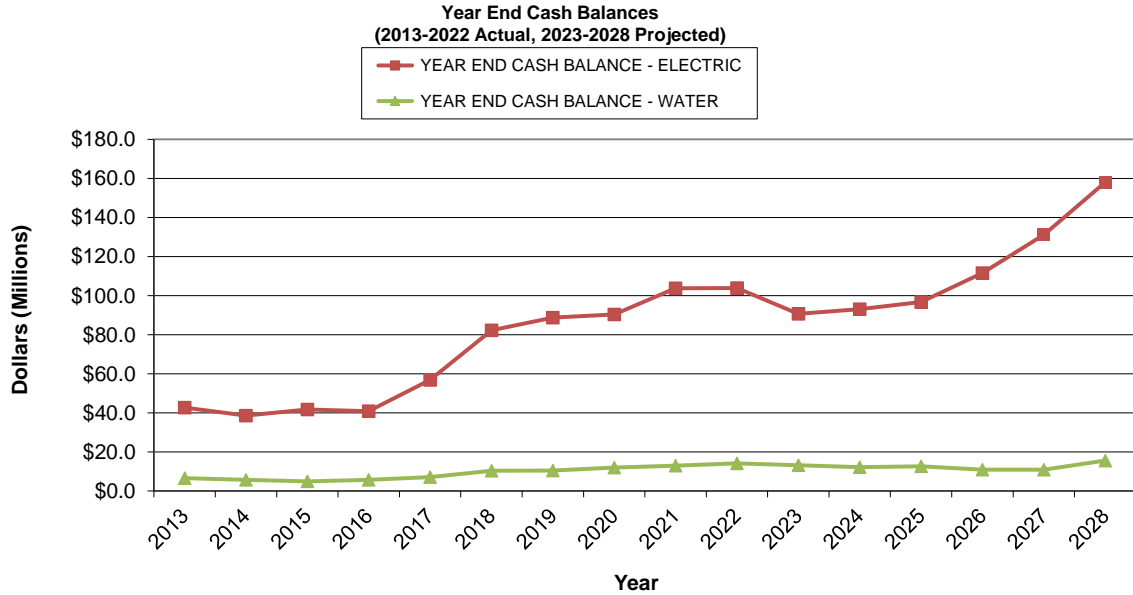
<u>Year</u>	<u>Inflation %</u>	<u>Electric Rates %</u>	<u>Water Rates %</u>	<u>SMMPA Rates %</u>
2023*	3.3%	2.5%	5.0%	10.0%
2022	8.0%	1.5%	2.5%	0.0%
2021	4.7%	0.0%	0.0%	0.0%
2020	1.2%	0.0%	3.5%	-4.0%
2019	1.8%	1.9%	6.0%	0.0%
2018	2.4%	1.5%	6.0%	2.0%
2017	2.1%	3.7%	6.0%	6.0%
2016	1.3%	1.7%	6.0%	0.0%
2015	0.1%	3.5%	3.5%	0.0%
2014	1.6%	3.0%	1.5%	0.0%
10-Year Annualized Average	2.6%	1.9%	4.0%	1.4%
2024*		3.2% **	5.5% ***	0.0%
2025*		4.0%	5.5% ***	0.0%

*Estimated Yearly Values

**Plus AMI Customer Charge of \$1.94 for 2024

***Plus AMI Customer Charge of \$1.32 for 2024 and 2025

**ROCHESTER PUBLIC UTILITIES
2024 - 2025 CAPITAL / OPERATING BUDGETS
YEAR END CASH BALANCES**



(Millions of Dollars)

Year	YEAR END CASH BALANCE - ELECTRIC	YEAR END REMAINING DEBT PROCEEDS ELECTRIC	YEAR END CASH BALANCE - WATER	YEAR END REMAINING DEBT PROCEEDS WATER
2013 *	42.7	25.9	6.6	
2014	38.6	15.7	5.7	
2015 *	41.7	3.1	4.9	
2016 *	40.8		5.7	
2017 *	56.8	23.1	7.1	
2018	82.3		10.4	
2019	88.7		10.5	
2020	90.4		12.0	
2021 *	103.8		12.9	
2022	103.9		14.1	
2023	90.7		13.2	
2024	93.0		12.2	
2025	96.7		12.7	
2026	111.5		10.9	
2027 *	131.1	261.4	10.8	
2028	158.0	138.4	15.6	

* The Electric Utility has had debt financings of \$34 million in December 2000, \$9.9 million in August 2002, \$5.7 million in March 2005, \$76.7 million in March 2007 which included an advance refunding of the 2000 bond issue in the amount of \$30.2 million, \$6.7 million in September 2009, \$4.0 million in February 2013 to refinance the remaining 2002 issue, \$38.4 million in May 2013, \$39.97 in November 2015 to advance refund the new money portion of the 2007C bond issue, a \$25.0 million temporary borrowing in April 2016, \$108.3 in February 2017, which included \$23.6 million to refund the remaining portion of the 2007C bond issue and \$20.9 million to pay off the 2016 temporary borrowing, and \$37.17 in February 2021 to advance refund the 2013B bond issue. The Water Utility has had debt financings of \$1.5 million in August 2006. There is proposed future debt financings in 2026 of \$20.0 million in short-term borrowing for the Electric Utility, replaced by long-term borrowing of \$410.4 million in 2027 for the Grid North Partners transmission investment and 2030 Resource Plan.

**ROCHESTER PUBLIC UTILITIES
2024 - 2025 CAPITAL / OPERATING BUDGETS
RPU ESTIMATED TAX AND TAX EQUIVALENTS**

	<u>2024</u>	<u>2025</u>
Utility Licenses, Permits & Penalties	312,007	792,520
Water Appropriation Fees	65,073	67,025
Payment to General Fund		
Electric	10,758,822	11,338,353
Water	<u>486,869</u>	<u>512,349</u>
Total	<u>11,245,691</u>	<u>11,850,702</u>
Sales Tax - Electric & Water	1,658,988	1,598,457
SMMPA Property Taxes ¹	<u>3,958,021</u>	<u>3,997,601</u>
Total Tax & Tax Equivalents	<u><u>17,239,781</u></u>	<u><u>18,306,305</u></u>
Electric/Water Retail Sales	<u><u>182,682,852</u></u>	<u><u>192,607,723</u></u>
% of Electric/Water Retail Sales	9.4%	9.5%

¹Value represents RPU's 42% membership share in SMMPA.



RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester to approve the 2024-2025 Electric Utility capital, including multi-year projects and operating budgets as submitted.

BE IT FURTHER RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, that the Common Council of the said City is requested to approve the 2024-2025 Electric Utility capital, including multi-year projects and operating budgets.

PASSED AND ADOPTED BY THE PUBLIC UTILITY BOARD OF THE CITY OF
ROCHESTER, MINNESOTA, THIS 24th DAY OF October, 2023.

PRESIDENT

SECRETARY



REQUEST FOR ACTION

2024-2025 Water Utility Rate Adjustment

MEETING DATE:

October 24, 2023

ORIGINATING DEPT:

Rochester Public Utilities

AGENDA SECTION:

Regular Agenda

PRESENTER:

Peter Hogan

Action Requested:

Management recommends the Board approve and recommend the City Council approve the Water Utility rates tariff and fees to take effect on or about January 1, 2024, and January 1, 2025, respectively.

Report Narrative:

Rochester Home Rule Charter Chapter 15.05, Subd. 3 states, *"The public utility board may adopt, amend, and rescind such rules and regulations as it may deem necessary for the control, management, and operation of the public utilities under its jurisdiction. The board shall, with the concurrence of the common council, fix the rates to be charged for the availability and use of the public utility commodities and services under its jurisdiction. Rates shall be **reasonable and compensatory** so as to cover all of the costs of the respective public utility and shall be **uniform for all consumers within the same class**, but different rates may be established for different classifications by the board. Rates within the city corporate limits may be less but shall be no greater than rates for the same classification outside the city limits."*

Based on the Charter, the RPU Board has further developed a policy for determining rates. The main objective of the policy is, *"to recover, through the application of rates and charges for utility services, revenues which are sufficient to meet the financial obligations of each independent utility enterprise. Further, the Board intends to apply rates and charges which are equitable among customer or classes of customers based on the Utility Basis of (generally accepted industry) rate-making principles."*

The results of the 2022 Cost-of-Service study for the Water Utility were presented to the Board and placed on file during the September 27, 2022 Board meeting. The Cost-of-Service study informs the revenue requirements by customer class to reduce cross subsidization between customer classes and within customer classes.

The Board reviewed the recommended 2024 and 2025 Water Utility budget on August 8, 2023. The recommended budgets included a 5.5% general retail revenue increase, plus an additional \$1.32 per month customer charge related to the Advanced Metering Infrastructure project in both 2024 and 2025. The water Cost-of-Service study and proposed water rates assume historically normal customer growth and replacement of infrastructure. The impact of the recommended general rate increase on the average residential customer is approximately \$1.65 per month in 2024 and \$1.67 per month in 2025.

A notice of the proposed revenue adjustment was approved by the Board in accordance with the Board's rate setting policy on September 26, 2023. The attached notice was provided to the public via the

newspaper of record on September 30, 2023.

If the Board approves the proposed rate changes, management will forward the recommended rate tariff and fee schedule to the City Council for inclusion in their budget approval process. The City Council Budget approval request is currently scheduled for December 4, 2023.

Prepared By:

Peter Hogan

Attachments:

[20231024 Resolution - 2024-2025 Water Utility Rate Adjustment.docx](#)

[2024-2025 Notice of Proposed Rate Change](#)

[2024-2025 Water Rates PDF 2023 10 24.pdf](#)



RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester to approve rate, fee and tariff adjustments for the Water Utility according to the attached tariffs, effective on or about January 1, 2025 and January 1, 2025.

BE IT FURTHER RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, that the Common Council of the said City is requested to approve the rate, fee and tariff adjustments according to the attached tariffs, to take effect on or about January 1, 2024 and January 1, 2025.

PASSED AND ADOPTED BY THE PUBLIC UTILITY BOARD OF THE CITY OF
ROCHESTER, MINNESOTA, THIS 24th DAY OF October, 2023.

PRESIDENT

SECRETARY

ROCHESTER PUBLIC UTILITIES
EMAIL ONLY
Fargo, MN 58102

AFFIDAVIT OF PUBLICATION

STATE OF MINNESOTA

ss.

COUNTY OF OLMSTED

Taylor Herhold, being first duly sworn, on oath states as follows:

1. I am the publisher of the POST BULLETIN, or the publisher's designated agent. I have personal knowledge of the facts stated in this Affidavit, which is made pursuant to Minnesota Statutes §331A.07.

2. The newspaper has complied with all of the requirements to constitute a qualified newspaper under Minnesota law, including those requirements found in Minnesota Statutes §331A.02.

3. The dates of the month and the year and day of the week upon which the public notice attached/copied below was published in the newspaper are as follows: Saturday, September 30, 2023.

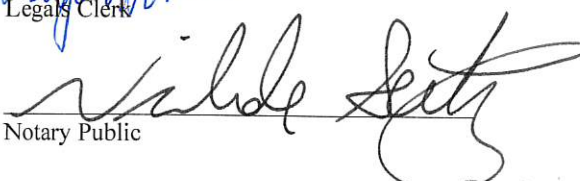
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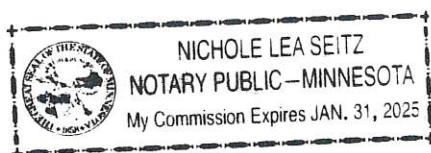
Dated this 30th day of September, 2023.



Legals Clerk



Notary Public



Rochester Public Utilities

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Management is seeking the Board's approval to post the proposed rate schedule according to the Board's rate setting policy. The Board invites public comment up to and including the upcoming October 24, 2023 Board meeting. Approval will be requested during the October 24, 2023 Board meeting.

Please contact Tony Benson at 507-250-1534 or email at tbenson@rpu.org.

Proposed 2024 and 2025 Electric Rate Tariff changes

		2023	2024	2025
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Large Industrial Service Interruptible Rate	Demand Charge/KW	\$ 11.720	\$ 12.40	\$ 13.15
Electric Vehicle Charging Time of Use (EV TOU)	Customer Charge	\$ 6.34	\$ 8.26	\$ 8.65
	Non-Summer Energy:			
	On-peak Energy / KWH	\$ 0.18168	\$ 0.18725	\$ 0.19570
	Off-peak Energy /KWH	\$ 0.07364	\$ 0.07590	\$ 0.07932
	Summer Energy Charge:			
	On-peak / KWH	\$ 0.25153	\$ 0.25924	\$ 0.27094
City Street Lights	Off-peak / KWH	\$ 0.7364	\$ 0.07580	\$ 0.07932
	Mercury Vapor (All Sizes)	\$ 0.23830	\$ 0.24545	\$ 0.25281
	Metal Halide (All Sizes)	\$ 0.25273	\$ 0.26031	\$ 0.26812
	LED RPU Owned (All Sizes)	\$ 0.57113	\$ 0.58683	\$ 0.62369
	LED (All Sizes)	\$ 0.42891	\$ 0.45466	\$ 0.48421
Traffic Signals	High Pressure Sodium (All Sizes)	\$ 0.23830	\$ 0.24545	\$ 0.25281
Unmetered Devices	Fixed Charge	\$ 34.85	\$ 35.90	\$ 36.97
	Energy Charge	\$ 0.10811	\$ 0.11135	\$ 0.11470
Security Lighting	Fixed Charge	\$ 11.46	\$ 11.80	\$ 12.16
	Energy Charge/ Kwh	\$ 0.11734	\$ 0.12086	\$ 0.12449
Line Extensions	Mercury Vapor (MV) Lights			
	175 Watt MV (Closed)	\$ 10.92	\$ 11.25	\$ 11.59
	250 Watt MV (Closed)	\$ 13.35	\$ 13.75	\$ 14.16
	400 Watt MV (Closed)	\$ 18.96	\$ 19.53	\$ 20.11
	High Pressure Sodium (HPS) Lights			
	70 Watt HPS (Closed)	\$ 9.50	\$ 9.79	\$ 10.08
	100 Watt HPS(Closed)	\$ 11.32	\$ 11.66	\$ 12.01
	150 Watt HPS (Roadway) (Closed)	\$ 12.73	\$ 13.11	\$ 13.51
	250 Watt HPS (Closed)	\$ 15.85	\$ 16.39	\$ 16.82
	400 Watt HPS(Closed)	\$ 20.78	\$ 21.40	\$ 22.05
Solar Interconnection	Light Emitting Diode (LED) Lights			
	LED Area Light	\$ 11.32	\$ 11.66	\$ 12.01
Clean Air Rider	LED Roadway Light	\$ 15.85	\$ 16.33	\$ 16.82
	Residential	\$ 900.00		
	Up to 25 kVa	\$ 1,100.00		
	25 kVa up to 50 kVa	\$ 2,600.00		
	50 kVa up to 75 kVa	\$ 4,500.00		
	75 kVa up to 10,000 kVa	Total cost of Standard Service less a credit of \$63/ kVa of installed transformer capacity.		
Transformer Ownership Credit	(25 kVa up to 10,000 kVa in 2024 and 2025)			
Commodity Charge	Administrative Fee < 40 kVa	\$ -0-	\$ 400.00	\$ 400.00
	Administrative Fee > 40 kVa	\$ -0-	Negotiated	Negotiated
Fire Hydrant Facilities Charges	Credit per / KW	\$ -0.35	\$ -0.50	\$ -0.50

Effective January 2024 all Small General Service rates will be available for loads less than 25 KW, Medium General Service rates will be available for loads over 25KW and less than 1,000 KW.

Proposed 2024 and 2025 Water Rate Tariff 5.5% Annual Rate Increase

Meter Charge	Meter Size	2023	2024	2025
Residential	5/8"	\$ 9.22	\$ 10.54	\$ 11.86
	3/4"	\$ 12.85	\$ 14.17	\$ 15.49
	1"	\$ 19.86	\$ 21.18	\$ 22.50
	1-1/2"	\$ 37.77	\$ 39.09	\$ 40.41
	2"	\$ 59.30	\$ 60.62	\$ 61.94
	3"	\$ 109.81	\$ 111.13	\$ 112.45
	4"	\$ 181.80	\$ 183.12	\$ 184.44
	6"	\$ 362.20	\$ 363.54	\$ 364.84
	8"	\$ 646.54	\$ 647.86	\$ 649.18
Commercial /CCF	0-7 /CCF	\$ 0.946	\$ 0.998	\$ 1.053
	7.01-12 /CCF	\$ 1.039	\$ 1.096	\$ 1.156
	12.01 and over /CCF	\$ 1.179	\$ 1.244	\$ 1.312
	Commercial /CCF	\$ 0.946	\$ 0.998	\$ 1.053
	Industrial /CCF	\$ 0.946	\$ 0.998	\$ 1.053
	Interdepartmental /CCF	\$ 0.946	\$ 0.998	\$ 1.053
	Irrigation Meter (All Classes) /CCF	\$ 1.179	\$ 1.244	\$ 1.312

(Sept. 30, 2023) 263546

WATER SERVICE

AVAILABILITY:

At all locations within the Rochester City limits and at locations external to the City limits, that have been authorized by the Rochester Common Council.

MONTHLY RATE:

		2024	2025
<u>Customer Charge:</u>	Size of Meter	Amount	Amount
	5/8"	\$ 10.54	\$ 11.86
	3/4"	\$ 14.17	\$ 15.49
	1"	\$ 21.18	\$ 22.50
	1-1/2"	\$ 39.09	\$ 40.41
	2"	\$ 60.62	\$ 61.94
	3"	\$111.13	\$112.45
	4"	\$183.12	\$184.44
	6"	\$363.52	\$364.84
	8"	\$647.86	\$649.18
<u>Commodity Charge Rate/CCF:</u>			
Residential	0 - 7 CCF	99.8¢	105.3¢
	7.01 - 12 CCF	109.6¢	115.6¢
	12.01 and over CCF	124.4¢	131.2¢
Commercial	.....	99.8¢	105.3¢
Industrial	.....	99.8¢	105.3¢
Interdepartmental	.....	99.8¢	105.3¢
Irrigation Meter (All Classes)	.....	124.4¢	131.2¢

NOTE: Customers whose service is taken outside the Rochester city limits with individual water systems not connected to the City water system shall have a rate of 2.0 times the customer and commodity charges.

MINIMUM BILL:

Applicable monthly customer charge according to size of meter provided.

PAYMENT:

Payments are due on or before the due date.

CONDITIONS OF DELIVERY:

1. Service furnished under this rate schedule is subject to connection policies of the Rochester City Council.
2. Service furnished under this rate schedule is subject to provisions of RPU's Water Service Rules and Regulations.
3. RPU shall not be liable for damage or loss sustained by customer in conjunction with taking service under this rate.
4. Water furnished under this rate shall not be resold.
5. This tariff assumes use of metering technology capable of being read using automated equipment. Customers choosing the option to have a meter that is not capable of being read using automated equipment, thus requiring a manual reading, are subject to a monthly surcharge. Additional one-time meter change-out fees also apply. (See the RPU Miscellaneous Fee Schedule for the amount of the monthly surcharge and the one-time meter change-out fees).

Approved by Rochester Public Utility Board:
Effective Date:

October 24, 2023
January 1, 2024

SERVICE ASSURED®

AVAILABILITY:

Coverage is available to RPU residential water customers living in single-family homes, single-owner duplexes, and some townhome associations, individual twinhomes, and triplexes where each has its own service line. Water Service Assured® will be applied to all Water Service customers effective January 1, 2022. Customers wishing to not receive Service Assured® protection may opt out by calling the RPU Service Center to request removal from the program. Customers may request to have their electric service protected under the Electric Service Assured® program without the Water Service Assured® program, or in combination with the Water Service Assured® program.

CONDITIONS OF SERVICE:

Conditions of Service will be governed by the Service Assured® Terms and Conditions Agreement.

MONTHLY RATE:

<u>Customer Charge:</u>	<u>Amount</u>
Water	\$ 1.99
Electric	\$ 1.99
Water and Electric	\$ 3.00

PAYMENT:

Payments are due on or before the due date.

Approved by Rochester Public Utility Board:
Effective Date:

October 26, 2021
January 1, 2022

FIRE HYDRANT FACILITIES CHARGE

APPLICABILITY:

To all residential and commercial and industrial water utility customers.

MONTHLY RATE:

<u>Customer Class</u>	2024	2025
Residential	\$1.06	\$1.11
Commercial/Industrial	\$4.36	\$4.60

BILLINGS:

Billings will be on a monthly basis.

PAYMENT:

Payments are due on or before the due date.

CONDITIONS OF DELIVERY:

1. RPU shall not be liable for any damage or loss sustained by customer resulting from interruptions, deficiencies, or imperfections of service provided under this rate.
2. The rate will not be applied to water service meters that are used exclusively for irrigation purposes.
3. The rate will not be applied to water service meters that are not connected to the City's central water system.
4. The rate will be applied regardless of the property's water service status (active or non-active).

Approved by Rochester Public Utility Board:
Effective Date:

October 24, 2023
January 1, 2024

MISCELLANEOUS FEES – WATER UTILITY

<u>Applicable to All Charges and Amounts Due on RPU Invoices</u>	
Not Sufficient Funds (NSF) Check	\$ 30.00
<u>Curb Box Operation</u>	\$ 60.00
<u>Frozen Meter Repair</u>	\$ 100.00
<u>Frozen Pipes (Per Hour Labor)</u>	\$ 90.00
<u>Meter</u>	
Installation Fee	\$ 50.00
Removal Fee	\$ 50.00
<u>Optional Non-AMR Meter</u>	
Change Out Fee (Water)	\$ 80.00
Monthly Fee (Per Premise)	\$ 55.00
<u>Hydrant Meter Rental</u>	
Flat Fee for Installation and Retrieval (Plus Tax)	\$ 130.00
Addition for 1" Meter	\$ 45.00
Addition for 2-3" Meter	\$ 85.00
<u>State Mandated Water Charge</u>	\$ 0.81
<u>Tower Access (After Hours)</u>	\$ 140.00
<u>Unauthorized Use – Valve or Hydrant (Per Occurrence)</u>	\$ 500.00
<u>Water Leak Detection</u>	
1 person	\$ 170.00
2 people	\$ 320.00
<u>Water Main Tapping Fees</u>	
3/4"	\$ 230.00
1"	\$ 230.00
4"	\$ 760.00
6"	\$ 760.00
8"	\$ 760.00
10"	\$ 760.00
12"	\$ 760.00



REQUEST FOR ACTION

2024-2025 Electric Utility Rate Adjustment

MEETING DATE:

October 24, 2023

ORIGINATING DEPT:

Rochester Public Utilities

AGENDA SECTION:

Regular Agenda

PRESENTER:

Peter Hogan

Action Requested:

Approve and recommend the City Council approve the 2024 and 2025 Electric Utility rate tariff and fees to take effect on or about January 1, 2024, and January 1, 2025, respectively.

Report Narrative:

Rochester Home Rule Charter Chapter 15.05, Subd. 3 states, *"The public utility board may adopt, amend, and rescind such rules and regulations as it may deem necessary for the control, management, and operation of the public utilities under its jurisdiction. The board shall, with the concurrence of the common council, fix the rates to be charged for the availability and use of the public utility commodities and services under its jurisdiction. Rates shall be **reasonable and compensatory** so as to cover all of the costs of the respective public utility and shall be **uniform for all consumers within the same class**, but different rates may be established for different classifications by the board. Rates within the city corporate limits may be less but shall be no greater than rates for the same classification outside the city limits."*

Based on the Charter, the RPU Board has further developed a policy for determining rates. The main objective of the policy is, *"to recover, through the application of rates and charges for utility services, revenues which are sufficient to meet the financial obligations of each independent utility enterprise. Further, the Board intends to apply rates and charges which are equitable among customer or classes of customers based on the Utility Basis of (generally accepted industry) rate-making principles."*

During 2023, a Cost-of-Service study for the Electric Utility was conducted and the results of the study were presented to the Board and placed on file during the September 26, 2023 Board meeting. The Cost-of-Service study informs the revenue requirements by customer class to reduce cross subsidization between customer classes and within customer classes.

The Board reviewed the recommended 2024 and 2025 Electric Utility budget on August 8, 2023. The recommended budgets included a 3.2% general retail revenue increase, plus an additional \$1.94 per month customer charge increase related to the Advanced Metering Infrastructure project in 2024 and a 4.0% general retail revenue increase in 2025. The Cost-of-Service study and proposed electric rates assume historically normal customer growth and replacement of infrastructure as anticipated in the 2023 budget projection. The impact of the recommended general rate increase on the average residential customer is approximately \$4.12 per month in 2024, and \$4.30 per month in 2025.

A notice of the proposed revenue adjustment was approved by the Board in accordance with the Board's rate setting policy on September 26, 2023. The attached notice was provided to the public via the newspaper of record on September 30, 2023.

If the Board approves the proposed rate changes, management will forward the recommended rate tariff and fee schedule to the City Council for inclusion in their budget approval process. The City Council Budget approval request is currently scheduled for December 4, 2023.

Prepared By:

Peter Hogan

Attachments:

[2024 2025 Notice of Proposed Rate Change 2023 09 30.pdf](#)

[2024-2025 Electric Rates PDF 2023 10 24.pdf](#)

[20231024 Resolution - 2024-2025 Electric Utility Rate Adjustment.docx](#)

ROCHESTER PUBLIC UTILITIES
EMAIL ONLY
Fargo, MN 58102

AFFIDAVIT OF PUBLICATION

STATE OF MINNESOTA

ss.

COUNTY OF OLMSTED

Taylor Herhold, being first duly sworn, on oath states as follows:

1. I am the publisher of the POST BULLETIN, or the publisher's designated agent. I have personal knowledge of the facts stated in this Affidavit, which is made pursuant to Minnesota Statutes §331A.07.

2. The newspaper has complied with all of the requirements to constitute a qualified newspaper under Minnesota law, including those requirements found in Minnesota Statutes §331A.02.

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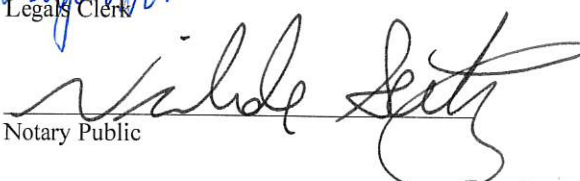
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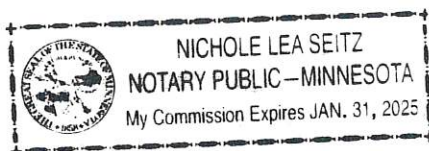
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Notary Public



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Electric Vehicle Charging Time of Use (EV TOU)	Customer Charge	\$ 6.34	\$ 8.26	\$ 8.65
	Non-Summer Energy:			
	On-peak Energy / KWH	\$ 0.18168	\$ 0.18725	\$ 0.19570
	Off-peak Energy /KWH	\$ 0.07364	\$ 0.07590	\$ 0.07932
	Summer Energy Charge:			
	On-peak / KWH	\$ 0.25153	\$ 0.25924	\$ 0.27094
City Street Lights	Off-peak / KWH	\$ 0.7364	\$ 0.07580	\$ 0.07932
	Mercury Vapor (All Sizes)	\$ 0.23830	\$ 0.24545	\$ 0.25281
	Metal Halide (All Sizes)	\$ 0.25273	\$ 0.26031	\$ 0.26812
	LED RPU Owned (All Sizes)	\$ 0.57113	\$ 0.58683	\$ 0.62369
	LED (All Sizes)	\$ 0.42891	\$ 0.45466	\$ 0.48421
Traffic Signals	High Pressure Sodium (All Sizes)	\$ 0.23830	\$ 0.24545	\$ 0.25281
	Fixed Charge	\$ 34.85	\$ 35.90	\$ 36.97
Unmetered Devices	Energy Charge	\$ 0.10811	\$ 0.11135	\$ 0.11470
	Fixed Charge	\$ 11.46	\$ 11.80	\$ 12.16
Security Lighting	Energy Charge/ Kwh	\$ 0.11734	\$ 0.12086	\$ 0.12449
	Mercury Vapor (MV) Lights			
	175 Watt MV (Closed)	\$ 10.92	\$ 11.25	\$ 11.59
	250 Watt MV (Closed)	\$ 13.35	\$ 13.75	\$ 14.16
	400 Watt MV (Closed)	\$ 18.96	\$ 19.53	\$ 20.11
Line Extensions	High Pressure Sodium (HPS) Lights			
	70 Watt HPS (Closed)	\$ 9.50	\$ 9.79	\$ 10.08
	100 Watt HPS(Closed)	\$ 11.32	\$ 11.66	\$ 12.01
	150 Watt HPS (Roadway) (Closed)	\$ 12.73	\$ 13.11	\$ 13.51
	250 Watt HPS (Closed)	\$ 15.85	\$ 16.39	\$ 16.82
	400 Watt HPS(Closed)	\$ 20.78	\$ 21.40	\$ 22.05
Solar Interconnection	Light Emitting Diode (LED) Lights			
	LED Area Light	\$ 11.32	\$ 11.66	\$ 12.01
	LED Roadway Light	\$ 15.85	\$ 16.33	\$ 16.82
Clean Air Rider	Residential	\$ 900.00		
	Up to 25 kVa	\$ 1,100.00		
	25 kVa up to 50 kVa	\$ 2,600.00		
	50 kVa up to 75 kVa	\$ 4,500.00		
	75 kVa up to 10,000 kVa	Total cost of Standard Service		
	(25 kVa up to 10,000 kVa in 2024 and 2025)	less a credit of \$63/ kVa of installed transformer capacity.		
Transformer Ownership Credit	Administrative Fee < 40 kVa	\$ -0-	\$ 400.00	\$ 400.00
	Administrative Fee > 40 kVa	\$ -0-	Negotiated	Negotiated
Commodity Charge	Credit per / KW	\$ -0.35	\$ -0.50	\$ -0.50
Effective January 2024 all Small General Service rates will be available for loads less than 25 KW, Medium General Service rates will be available for loads over 25KW and less than 1,000 KW.				
Proposed 2024 and 2025 Water Rate Tariff 5.5% Annual Rate Increase				
Meter Charge	Meter Size	2023	2024	2025
	5/8"	\$ 9.22	\$ 10.54	\$ 11.86
	3/4"	\$ 12.85	\$ 14.17	\$ 15.49
	1"	\$ 19.86	\$ 21.18	\$ 22.50
	1-1/2"	\$ 37.77	\$ 39.09	\$ 40.41
	2"	\$ 59.30	\$ 60.62	\$ 61.94
	3"	\$ 109.81	\$ 111.13	\$ 112.45
	4"	\$ 181.80	\$ 183.12	\$ 184.44
	6"	\$ 362.20	\$ 363.54	\$ 364.84
	8"	\$ 646.54	\$ 647.86	\$ 649.18
Fire Hydrant Facilities Charges	Residential	\$ 0.946	\$ 0.998	\$ 1.053
	Commercial Industrial	\$ 1.039	\$ 1.096	\$ 1.156
	0-7 /CCF	\$ 1.179	\$ 1.244	\$ 1.312
	7.01-12 /CCF	\$ 0.946	\$ 0.998	\$ 1.053
	12.01 and over /CCF	\$ 0.946	\$ 0.998	\$ 1.053
	Commercial /CCF	\$ 0.946	\$ 0.998	\$ 1.053
	Industrial /CCF	\$ 1.179	\$ 1.244	\$ 1.312

(Sept. 30, 2023) 263546

RESIDENTIAL SERVICE

AVAILABILITY:

At all locations where facilities of adequate capacity and suitable voltage are adjacent to the premises to be served. Where service desired by the customer is not adjacent to the premises to be served, additional contract arrangements may be required prior to service being furnished.

APPLICATION:

To electric service required for residential purposes in individual private dwellings and in individually metered apartments when such service is supplied at one point of delivery and measured through one meter. Existing single metered, multi-unit dwellings having not in excess of three separate dwelling units in the same structure may be served under this rate.

CHARACTER OF SERVICE:

Single phase, 60 Hertz, 120/240 volts alternating current.

RATE:

	2024	2025
Customer Charge:	\$22.44	\$23.44
Energy Charge:		
Non-Summer Energy / kWh	11.547¢	12.068¢
Summer Energy / kWh	13.792¢	14.415¢

Definition of Season: Summer months are June through September.
Non-summer months are January through May
and October through December.

POWER COST ADJUSTMENT:

Bills computed under this rate schedule are subject to adjustment in accordance with the Power Cost Adjustment (PCA).

	2024	2025
MINIMUM BILL: per month:	\$22.44	\$23.44

PAYMENT: Payments are due on or before the due date.

CONDITIONS OF DELIVERY:

1. Service furnished under this rate schedule is subject to applicable provisions of RPU's published Electric Service Rules and Regulations.
2. RPU shall not be liable for any damage or loss sustained by customer resulting from interruptions, deficiencies, or imperfections of service provided under this rate.
3. Energy furnished under this rate shall not be resold.
4. This tariff assumes use of metering technology capable of being read using automated equipment. Customers choosing the option to have a meter that is not capable of being read using automated equipment, thus requiring a manual reading, are subject to a monthly surcharge. Additional one-time meter change-out fees also apply. (See the RPU Miscellaneous Fee Schedule for the amount of the monthly surcharge and the one-time meter change-out fees).

Approved by Rochester Public Utility Board:
Effective Date:

October 24, 2023
January 1, 2024

RESIDENTIAL SERVICE - DUAL FUEL - Closed

AVAILABILITY:

Available only to existing dual fuel customers transferred from People's Energy Cooperative electrical system to RPU's system as part of RPU's electric service territory acquisitions and are currently on the Residential Service Dual Fuel rate as of January 1, 2022.

APPLICATION:

To electric heating service required for residential purposes in individual private buildings. Such electric heating load shall be metered separately from the rest of the service.

CHARACTER OF SERVICE:

Single phase, 60 Hertz, 120/240 volts alternating current.

RATE:

	2024	2025
Energy Charge /kWh	8.618¢	9.007¢

POWER COST ADJUSTMENT:

Bills computed under this rate schedule are subject to adjustment in accordance with the Power Cost Adjustment (PCA).

MINIMUM BILL:

Energy usage.

PAYMENT:

Payments are due on or before the due date.

CONDITIONS OF DELIVERY:

1. Service under this rate is only for electric heating. All other electrical loads shall be metered under the RES residential service rate.
2. Customer must keep his or her alternate fuel source heating system in satisfactory operating condition.
3. RPU reserves the right to transfer RES-DF customers from the primary electric heat source to the alternate fuel source at any such time that the electric heating load would add to RPU's monthly electric peak.
4. Customers that remove existing dual fuel heating systems shall not be eligible for the RES-DF rate with replacement heating systems.
5. Service furnished under this rate schedule is subject to applicable provisions of RPU's published Electric Service Rules and Regulations.
6. RPU shall not be liable for any damage or loss sustained by customer resulting from interruptions, deficiencies, or imperfections of service provided under this rate.
7. Energy furnished under this rate shall not be resold.
8. This tariff assumes use of metering technology capable of being read using automated equipment. Customers choosing the option to have a meter that is not capable of being read using automated equipment, thus requiring a manual reading, are subject to a monthly surcharge. Additional one-time meter change-out fees also apply. (See the RPU Miscellaneous Fee Schedule for the amount of the monthly surcharge and the one-time meter change-out fees).

RESIDENTIAL SERVICE – HIGH EFFICIENCY HVAC - Closed

AVAILABILITY:

To RPU residential customers that:

1. Are currently on the Residential Service-High Efficiency HVAC rate as of January 1, 2022.
2. Use either an air source or ground source heat pump system as the only source of heating and cooling in their home.
3. Use an electric water heater (usually connected to a desuperheater on the heat pump) as their only source of domestic water heating.
4. Receive prior approval of the equipment from RPU. Note that equipment must be rated by the Air-Conditioning, Heating, and Refrigeration Institute (AHRI)*, and at the time of installation, meet the minimum efficiency requirements found on the Residential Electric Efficiency Rebate Application in effect at the time. The current application is available at www.rpu.org.

*For air source and ground source heat pumps the efficiency ratings are determined using the Air-Conditioning, Heating, and Refrigeration Institute's (AHRI) directory, which may be found at www.ahridirectory.org.

APPLICATION:

Electric service required for residential purposes in individual private dwellings where service is supplied at one point of delivery and measured through one meter.

CHARACTER OF SERVICE:

Single phase, 60 hertz, 120/240 volts alternating current.

RATE:

	2024	2025
Customer Charge	\$22.44	\$23.44
Energy Charge:		
Winter first 600 kWh	11.547¢	12.068¢
Winter over 600 kWh	9.676¢	10.113¢
Summer kWh	13.792¢	14.415¢

Definition of Season: Summer months are June through September.
Non-summer months are January through May and October through December.

POWER COST ADJUSTMENT:

Bills computed under this rate schedule are subject to adjustment in accordance with the Power Cost Adjustment (PCA).

	2024	2025
MINIMUM BILL: per month:	\$22.44	\$23.44

PAYMENT:

Payments are due on or before the due date.

CONDITIONS OF DELIVERY:

1. Service under this rate is only for air-source or ground-source heat pump systems that meet the stated efficiency requirements as explained in the Availability subhead of this rate schedule.
2. Service provided under this rate is subject to applicable provisions of RPU's published Electric Service Rules and Regulations.
3. Energy provided under this rate shall not be resold.
4. RPU shall not be liable for any damage or loss sustained by the customer resulting from interruptions, deficiencies, or imperfections of service provided under this rate.
5. This tariff assumes use of metering technology capable of being read using automated equipment. Customers choosing the option to have a meter that is not capable of being read using automated equipment, thus requiring a manual reading, are subject to a monthly surcharge. Additional one-time meter change-out fees also apply. (See the RPU Miscellaneous Fee Schedule for the amount of the monthly surcharge and the one-time meter change-out fees).

*Approved by Rochester Public Utility Board:
Effective Date:*

*October 24, 2023
January 1, 2024*

RESIDENTIAL – TIME-OF-USE

AVAILABILITY:

At all locations where facilities of adequate capacity and suitable voltage are adjacent to the premises to be served. Where service desired by the customer is not adjacent to the premises to be served, additional contract arrangements may be required prior to service being furnished. RPU reserves the right to limit both the number of customers and the amount of load taken under this rate schedule.

APPLICATION:

To electric service required for residential purposes in individual private dwellings and in individually metered apartments when such service is supplied at one point of delivery and measured through one meter.

CHARACTER OF SERVICE:

Single phase, 60 Hertz, 120/240 volts alternating current.

RATE:

	2024	2025
Customer Charge:	\$22.44	\$23.44
Energy Charge:		
Non-Summer Energy:		
Super-peak Energy / kWh	14.975¢	15.650¢
On-peak Energy / kWh	14.975¢	15.650¢
Off-peak Energy / kWh	7.590¢	7.932¢
Summer Energy:		
Super-peak Energy / kWh	31.005¢	32.404¢
On-peak Energy / kWh	18.441¢	19.273¢
Off-peak Energy / kWh	7.590¢	7.932¢

Definition of Season: Summer months are June through September.
Non-summer months are January through May
and October through December.

Definition of Super-Peak Energy: All energy used by the customer between the hours of 4:00 p.m. and 8:00 p.m. (4 Hours) Monday through Friday.

Definition of On-Peak Energy: All energy used by the customer between the hours of 8:00 a.m. and 4:00 p.m. (8 hours) and between the hours of 8:00 p.m. and 10:00 p.m. (2 hours) Monday through Friday.

Definition of Off-Peak Energy: All energy used by the customer for all others hours, including weekends and holidays.

POWER COST ADJUSTMENT:

Bills computed under this rate schedule are subject to adjustment in accordance with the Power Cost Adjustment (PCA).

	2024	2025
MINIMUM BILL: per month:	\$22.44	\$23.44

PAYMENT: Payments are due on or before the due date.

DISTRIBUTED ENERGY RESOURCES:

Customers who have installed Distributed Energy Resources and have elected to receive the average retail utility rate are eligible to participate in the Residential Time-of-Use rate. All energy supplied by the customer's qualifying facility will be purchased by RPU at the Residential Average Retail Rate as listed in Schedule 1 of the Rules Governing the Interconnection of Cogeneration and Small Power Production Facilities with Rochester Public Utilities. Schedule 1 is updated annually and can be found on RPU's website.

CONDITIONS OF DELIVERY:

1. Service furnished under this rate schedule is subject to applicable provisions of RPU's published Electric Service Rules and Regulations.
2. RPU shall not be liable for any damage or loss sustained by customer resulting from interruptions, deficiencies, or imperfections of service provided under this rate.
3. Energy furnished under this rate shall not be resold.
4. Service under this rate will be made available at the option of the residential service customer, subject to the availability of the necessary time-of-use metering equipment.
5. A customer may switch to the RESIDENTIAL SERVICE rate providing the customer gives RPU at least 45 days' notice.
6. A customer may only switch from RESIDENTIAL SERVICE to RESIDENTIAL TIME-OF-USE SERVICE rate one time.
7. This tariff require the use of metering technology capable of being read using automated equipment.

GENERAL SERVICE

AVAILABILITY:

At all locations for loads of less than 25 kW where facilities of adequate capacity and suitable voltage are adjacent to the premises to be served. For loads where the service desired by the customer is not adjacent to the premises to be served, additional contract arrangements may be required prior to service being furnished.

APPLICATION:

To commercial, industrial, governmental, and other types of General Service customers with all service taken at one point and measured through one meter. Also applicable to temporary service in accordance with RPU's published Electric Service Rules and Regulations. Not applicable to standby service.

CHARACTER OF SERVICE:

Single or three phase, 60 Hertz, alternating current at any one of the standard secondary service voltages as described in RPU's published Electric Service Rules and Regulations.

RATE:

	2024	2025
Customer Charge	\$32.00	\$29.00
Energy Charge:		
Non-Summer kWh	11.484¢	12.196¢
Summer kWh	14.780¢	15.697¢

Definition of Season: Summer months are June through September.
Non-summer months are January through May
and October through December.

POWER COST ADJUSTMENT:

Bills computed under this rate schedule are subject to adjustment in accordance with the Power Cost Adjustment (PCA).

	2024	2025
MINIMUM BILL: per month:	\$32.00	\$29.00

PAYMENT:

Payments are due on or before the due date.

CONDITIONS OF DELIVERY:

1. Service furnished under this rate schedule is subject to applicable provisions of RPU's published Electric Service Rules and Regulations.
2. Unless authorized by separate written agreement, standby electric generating equipment installed by the customer shall not be interconnected, or operated in parallel, with the RPU system. Customer shall own, install, operate, and maintain electrical interlocking equipment, which will prevent parallel operation, and such equipment shall be approved by RPU prior to installation.
3. RPU shall not be liable for any damage or loss sustained by customer resulting from interruptions, deficiencies, or imperfections of service provided under this rate.
4. Energy furnished under this rate shall not be resold.
5. This tariff assumes use of metering technology capable of being read using automated equipment. Customers choosing the option to have a meter that is not capable of being read using automated equipment, thus requiring a manual reading, are subject to a monthly surcharge. Additional one-time meter change-out fees also apply. (See the RPU Miscellaneous Fee Schedule for the amount of the monthly surcharge and the one-time meter change-out fees).

*Approved by Rochester Public Utility Board:
Effective Date:*

*October 24, 2023
January 1, 2024*

GENERAL SERVICE - HIGH EFFICIENCY HVAC - Closed

AVAILABILITY:

At all locations for loads of less than 25 kW where facilities of adequate capacity and suitable voltage are adjacent to the premises to be served and to customers who:

1. Are currently on the General Service-High Efficiency HVAC rate as of January 1, 2022.
2. Use either an air source or ground source heat pump system as the only source of heating and cooling in their facility.
3. Use an electric water heater (usually connected to a desuperheater on the heat pump) as the only source of water heating.
4. Receive prior approval of the equipment from RPU. Note that equipment must be rated by the Air-Conditioning, Heating, and Refrigeration Institute (AHRI)* and at the time of installation, meet the minimum efficiency requirements found on the Commercial Heat Pumps Rebate Application in effect at the time. The current application is available at www.rpu.org.
5. Service under this rate must be separately metered from other facility loads.

*For air source and ground source heat pumps the efficiency ratings are determined using the Air-Conditioning, Heating and Refrigeration Institute's (AHRI) directory, which may be found at www.ahridirectory.org Note: Other all-electric HVAC systems may be considered for this rate if they meet the stated efficiency standards. To have a system considered, customers must submit an engineering analysis documenting the efficiency of the system.

APPLICATION:

To commercial, industrial, governmental, and other types of General Service customers currently receiving their service through this rate as of January 1, 2022. Not applicable to standby service. .

CHARACTER OF SERVICE:

Single or three phase, 60 Hertz, alternating current at any one of the standard secondary service voltages as described in RPU's published Electric Service Rules and Regulations.

RATE:

	2024	2025
Customer Charge	\$32.00	\$29.00
Energy Charge:		
Non-Summer /kWh	9.581¢	10.175¢
Summer /kWh	14.782¢	15.699¢
Definition of Season:	Summer months are June through September. Non-summer months are January through May and October through December.	

POWER COST ADJUSTMENT:

Bills computed under this rate schedule are subject to adjustment in accordance with the Power Cost Adjustment (PCA).

	2024	2025
MINIMUM BILL: per month:	\$32.00	\$29.00

PAYMENT:

Payments are due on or before the due date.

CONDITIONS OF DELIVERY:

1. Service under this rate is only for air source or ground source heat pumps and any other all-electric systems that meet the stated efficiency requirements as explained in the Availability subhead of this rate schedule.
2. Service under this rate must be separately metered from other facility loads.
3. Since the HVAC system must be separately metered for this rate, the customer is responsible for any rewiring and its associated costs.
4. Service provided under this rate is subject to applicable provisions of RPU's published Electric Service Rules and Regulations.
5. Energy provided under this rate shall not be resold.
6. RPU shall not be liable for any damage or loss sustained by the customer resulting from interruptions, deficiencies, or imperfections of service provided under this rate.
7. Unless authorized by a separate written agreement, standby electric generating equipment installed by the customer shall not be interconnected, or operated in parallel, with the RPU system. Customer shall own, install, operate, and maintain electrical interlocking equipment, which will prevent parallel operation, and such equipment shall be approved by RPU prior to installation.
8. This tariff assumes use of metering technology capable of being read using automated equipment. Customers choosing the option to have a meter that is not capable of being read using automated equipment, thus requiring a manual reading, are subject to a monthly surcharge. Additional one-time meter change-out fees also apply. (See the RPU Miscellaneous Fee Schedule for the amount of the monthly surcharge and the one-time meter change-out fees).

*Approved by Rochester Public Utility Board:
Effective Date:*

*October 24, 2023
January 1, 2024*

GENERAL SERVICE - TIME-OF-USE

AVAILABILITY:

At all locations for loads of less than 25 kW where facilities of adequate capacity and suitable voltage are adjacent to the premises to be served. For loads where the service desired by the customer is not adjacent to the premises to be served, additional contract arrangements may be required prior to service being furnished. RPU reserves the right to limit both the number of customers and the amount of load taken under this rate schedule.

APPLICATION:

To commercial, industrial, governmental, and other types of General Service customers with all service taken at one point and measured through one meter. All electrical requirements at one location shall be taken under this rate schedule. Not applicable to temporary or standby service.

CHARACTER OF SERVICE:

Single or three phase, 60 Hertz, alternating current at any one of the standard secondary service voltages as described in RPU's published Electric Service Rules and Regulations.

RATE:

	2024	2025
Customer Charge:	\$ 32.00	\$ 29.00
Energy Charge:		
Non-Summer Energy:		
On-peak Energy / kWh	19.901¢	21.135¢
Off-peak Energy / kWh	6.832¢	7.256¢
Summer Energy:		
On-peak Energy / kWh	24.838¢	26.379¢
Off-peak Energy / kWh	7.241¢	7.690¢
Definition of Season:	Summer months are June through September. Non-summer months are January through May and October through December.	
Definition of On-Peak Energy:	All energy used by the customer between the hours of 10:00 a.m. and 10:00 p.m. Monday through Friday.	
Definition of Off-Peak Energy:	All energy used by the customer that is not on-peak energy.	
*Customer Charge:	Customer charge per month plus any additional meter charge for costs above RPU's standard GS meter costs.	

POWER COST ADJUSTMENT:

Bills computed under this rate schedule are subject to adjustment in accordance with the Power Cost Adjustment (PCA).

MINIMUM BILL:

Customer charge per month.

PAYMENT:

Payments are due on or before the due date.

CONDITIONS OF DELIVERY:

8. Service under this rate will be made available at the option of the general service customer, subject to the availability of the necessary time-of-use metering equipment.
9. Customers converting to the GS-TOU rate from the General Service (GS) rate shall make a one-time payment to RPU for any conversion cost above the normal cost to install GS-TOU metering.
10. A customer may switch back to the GS rate providing the customer gives RPU at least 60 days' notice and agrees to pay any metering conversion costs.
11. Service furnished under this rate schedule is subject to applicable provisions of RPU's published Electric Service Rules and Regulations.
12. Unless authorized by a separate written agreement, standby electric generating equipment installed by the customer shall not be interconnected, or operated in parallel, with the RPU system. Customer shall own, install, operate, and maintain electrical interlocking equipment, which will prevent parallel operation, and such equipment shall be approved by RPU prior to installation.
13. RPU shall not be liable for any damage or loss sustained by customer resulting from interruptions, deficiencies, or imperfections of service provided under this rate.
14. Energy furnished under this rate shall not be resold.
15. This tariff requires the use of metering technology capable of being read using automated equipment.

*Approved by Rochester Public Utility Board:
Effective Date:*

*October 24, 2023
January 1, 2024*

MEDIUM GENERAL SERVICE

AVAILABILITY:

At all locations for loads where the demand is at least 25 kW or more for three or more billing periods in a given calendar year, but less than 1,000 kW, and where facilities of adequate capacity and suitable voltage are adjacent to the premises to be served. For loads where the service desired by the customer is not adjacent to the premises to be served, additional contract arrangements may be required prior to service being furnished.

APPLICATION:

To commercial, industrial, and governmental customers with all service taken at one point and measured through one meter. Also applicable to temporary service in accordance with RPU's published Electric Service Rules and Regulations. Not applicable to standby service.

CHARACTER OF SERVICE:

Single or three phase, 60 Hertz, alternating current at any one of the standard secondary service voltages as described in RPU's published Electric Service Rules and Regulations.

RATE:

	2024	2025
Demand Charge:		
Non-Summer / kW	\$18.74	\$19.30
Summer / kW	\$25.28	\$26.03

Energy Charge:

Non-Summer / kWh	6.148¢	6.434¢
Summer / kWh	6.148¢	6.434¢

Definition of Season:

Summer months are June through September.
Non-summer months are January through May
and October through December.

POWER COST ADJUSTMENT:

Bills computed under this rate schedule are subject to adjustment in accordance with the Power Cost Adjustment (PCA).

POWER FACTOR ADJUSTMENT:

The customer agrees to maintain an average power factor of 0.95 or greater for the billing period and to prevent a leading power factor. If the customer's average power factor is less than 0.95 for the billing period, the billing demand will be determined by multiplying the measured demand by 0.95 and dividing the results by the customer's average power factor. The average power factor is defined to be the quotient obtained by dividing the kWh used during the month by the square root of the sum of the squares of the kWh used and the lagging reactive kilovolt-ampere hours supplied during the same period. The customer's average power factor will be determined by means of permanently installed meters.

PRIMARY METER DISCOUNT:

Customers approved for metering at 13.8 kV will receive a discount of 1.25% on base rate charges for measured demand and energy.

TRANSFORMER OWNERSHIP CREDIT:

Customers owning transformers will receive a credit on each month's measured demand.

	2024	2025
Credit per kW	\$ 0.50	\$ 0.50

DETERMINATION OF DEMAND:

Measured demand is defined as the maximum rate at which energy is used for any period of fifteen consecutive minutes during the billing period. The billing demand shall be the greater of the measured demand for the billing period adjusted for power factor, or 50% of the ratcheted demand. The ratcheted demand is the maximum measured demand adjusted for power factor of four consecutive billing cycles during the most recent May through October billing periods depending on the billing cycle. Billing periods may not coincide with calendar months.

MINIMUM BILL:

The minimum bill shall not be less than the billing demand, as provided above, whether or not energy is used.

PAYMENT:

Payments are due on or before the due date.

CONDITIONS OF DELIVERY:

1. Service furnished under this rate schedule is subject to applicable provisions of RPU's published Electric Service Rules and Regulations.
2. Unless authorized by a separate written agreement, standby electric generating equipment installed by the customer shall not be interconnected or operated in parallel with the RPU system. Customer shall own, install, operate, and maintain electrical interlocking equipment, which will prevent parallel operation, and such equipment shall be approved by RPU prior to installation.
3. RPU shall not be liable for any damage or loss sustained by customer resulting from interruptions, deficiencies, or imperfections of service provided under this rate.
4. Energy furnished under this rate shall not be resold.

MEDIUM GENERAL SERVICE - HIGH EFFICIENCY HVAC - Closed

AVAILABILITY:

At all locations for loads where the demand is at least 25 kW or more for three or more billing periods in a given calendar year, but less than 1,000 kW, and where facilities of adequate capacity and suitable voltage are adjacent to the premises to be served, and to customers who:

1. Are currently on the Medium General Service-High Efficiency HVAC rate as of January 1, 2022.
2. Use either an air source or ground source heat pump as the only source of heating and cooling in their facility.
3. Use an electric water heater (usually connected to a desuperheater on the heat pump) as the only source of water heating.
4. Receive prior approval of the equipment from RPU. Note that equipment must be rated by the Air-Conditioning, Heating, and Refrigeration Institute (AHRI)* and at the time of installation, meet the minimum efficiency requirements found on the Commercial Heat Pumps Rebate Application in effect at the time. The current application is available at www.rpu.org.
5. Service under this rate must be separately metered from other facility loads.

*For air source and ground source heat pumps the efficiency ratings are determined using the Air-Conditioning, Heating and Refrigeration Institute's (AHRI) directory, which may be found at www.ahridirectory.org.

Note: Other all-electric HVAC systems may be considered for this rate if they meet the stated efficiency standards. To have a system considered, customers must submit an engineering analysis documenting the efficiency of the system.

APPLICATION:

To commercial, industrial, governmental, and other types of Medium General Service customers reconfiguring their current electric service, or adding a new service, to separately meter their high efficiency HVAC equipment. Not applicable to standby service.

CHARACTER OF SERVICE:

Single or three phase 60 Hertz, alternating current at any one of the standard secondary service voltages as described in RPU's published Electric Service Rules and Regulations.

RATE:

	2024	2025
Demand Charge per kW:		
Non-Summer	\$17.34	\$17.86
Summer	\$21.68	\$22.33
Energy Charge per kWh:		
Non-Summer	5.140¢	5.379¢
Summer	6.400¢	6.698¢

Definition of Season: Summer months are June through September.
Non-summer months are January through May and October through December.

POWER COST ADJUSTMENT:

Bills computed under this rate schedule are subject to adjustment in accordance with the Power Cost Adjustment (PCA).

POWER FACTOR ADJUSTMENT:

The customer agrees to maintain an average power factor of 0.95 or greater for the billing period and to prevent a leading power factor. If the customer's average power factor is less than 0.95 for the billing period, the billing demand will be determined by multiplying the measured demand by 0.95 and dividing the results by the customer's average power factor. The average power factor is defined to be the quotient obtained by dividing the kWh used during the month by the square root of the sum of the squares of the kWh used and the lagging reactive kilovolt-ampere hours supplied during the same period. The customer's average power factor will be determined by means of permanently installed meters.

PRIMARY METER DISCOUNT:

Customers approved for metering at 13.8 kV will receive a discount of 1.25% on base rate charges for measured demand and energy.

TRANSFORMER OWNERSHIP CREDIT:

Customers owning transformers will receive a credit on each month's measured demand.

	2024	2025
Credit per kW	\$ 0.50	\$ 0.50

DETERMINATION OF DEMAND:

Measured demand is defined as the maximum rate at which energy is used for any period of fifteen consecutive minutes during the billing period. The billing demand shall be the greater of the measured demand for the billing period adjusted for power factor, or 50% of the ratcheted demand. The ratcheted demand is the maximum measured demand adjusted for power factor of four consecutive billing cycles during the most recent May through October billing periods depending on the billing cycle. Billing periods may not coincide with calendar months.

For an existing facility reconfiguring its current electric service to come under this rate by separately metering its high efficiency HVAC equipment, the ratchet will be removed from the current electric service. The ratchet will be effective beginning in October following the first separately metered high efficiency HVAC service during one of the May through October billing periods described above.

At that time the ratchet will be reapplied to the current electric service and will be applied for the first time to the high-efficiency HVAC service.

MINIMUM BILL:

The minimum bill shall not be less than the billing demand, as provided above, whether or not energy is used.

PAYMENT:

Payments are due on or before the due date.

CONDITIONS OF DELIVERY:

1. Service under this rate is only for air source or ground source heat pumps and any other all-electric HVAC systems that meet the stated efficiency requirements as explained in the Availability subhead of this rate schedule.
2. Service under this rate must be separately metered from other facility loads.
3. Since the HVAC system must be separately metered for this rate, the customer is responsible for any rewiring and its associated costs.
4. Service provided under this rate is subject to applicable provisions of RPU's published Electric Service Rules and Regulations.
5. Energy provided under this rate shall not be resold.
6. RPU shall not be liable for any damage or loss sustained by the customer resulting from interruptions, deficiencies, or imperfections of service provided under this rate.
7. Unless authorized by a separate written agreement, standby electric generating equipment installed by the customer shall not be interconnected, or operated in parallel, with the RPU system. Customer shall own, install, operate, and maintain electrical interlocking equipment, which will prevent parallel operation, and such equipment shall be approved by RPU prior to installation.

*Approved by Rochester Public Utility Board:
Effective Date:*

*October 24, 2023
January 1, 2024*

MEDIUM GENERAL SERVICE - TIME-OF-USE

AVAILABILITY:

At all locations for loads where the demand is at least 25 kW or more for three or more billing periods in a given calendar year, but less than 1,000 kW, and where facilities of adequate capacity and suitable voltage are adjacent to the premises to be served. For loads where the service desired by the customer is not adjacent to the premises to be served, additional contract arrangements may be required prior to service being furnished. RPU reserves the right to limit both the number of customers and the amount of load taken under this rate schedule.

APPLICATION:

To commercial, industrial, and governmental customers with all service taken at one point and measured through one meter. All electrical requirements at one location shall be taken under this rate schedule. Not applicable to temporary or standby service.

CHARACTER OF SERVICE:

Single or three phase, 60 Hertz, alternating current at any one of the standard secondary service voltages as described in RPU's published Electric Service Rules and Regulations.

RATE:

Meter Charge: Any additional meter charge for costs above RPU's standard MGS meter costs.

Non-Summer:	2024	2025
On-peak Demand / kW	\$18.74	\$19.30
Off-peak Demand/ kW	\$ 2.03	\$ 2.09
Energy Charge / kWh	6.348¢	6.643¢

Summer:		
On-peak Demand / kW	\$25.28	\$26.03
Off-peak Demand / kW	\$ 2.03	\$ 2.09
Energy Charge / kWh	6.348¢	6.643¢

Definition of Season: Summer months are June through September.
Non-summer months are January through May and October through December.

Definition of On-Peak Demand: The maximum kW used by the customer in any fifteen-minute period between the hours of 10:00 a.m. and 10:00 p.m.
Monday through Friday.

Definition of Off-Peak Demand: The maximum kW used by the customer in any fifteen-minute period during the off-peak period.

POWER COST ADJUSTMENT:

Bills computed under this rate schedule are subject to adjustment in accordance with the Power Cost Adjustment (PCA).

POWER FACTOR ADJUSTMENT:

The customer agrees to maintain an average power factor of 0.95 or greater for the billing period and to prevent a leading power factor. If the customer's average power factor is less than 0.95 for the billing period, the billing demand will be determined by multiplying the measured demand by 0.95 and dividing the results by the customer's average power factor. The average power factor is defined to be the quotient obtained by dividing the kWh used during the month by the square root of the sum of the squares of the kWh used and the lagging reactive kilovolt-ampere hours supplied during the same period. The customer's average power factor will be determined by means of permanently installed meters.

PRIMARY METER DISCOUNT:

Customers approved for metering at 13.8 kV will receive a discount of 1.25% on base rate charges for measured demand and energy.

TRANSFORMER OWNERSHIP CREDIT:

Customers owning transformers will receive a credit on each month's measured demand.

	2024	2025
Credit per kW	\$ 0.50	\$ 0.50

DETERMINATION OF DEMAND:

Measured demand is defined as the maximum rate at which energy is used for any period of fifteen consecutive minutes during the billing period.

BILLING DEMAND:

The on-peak billing demand shall be the greater of the measured on-peak demand for the billing period adjusted for power factor, or 50% of the ratcheted on-peak demand. The ratcheted on-peak demand is the maximum measured on-peak demand adjusted for power factor of four consecutive billing cycles during the most recent May through October billing periods depending on the billing cycle. Billing periods may not coincide with calendar months.

The off-peak billing demand shall be the measured off-peak demand for the billing period adjusted for power factor less the on-peak billing demand for the billing period.

The total billing demand shall be the sum of the on-peak billing demand and the off-peak billing demand.

MINIMUM BILL:

The minimum bill shall not be less than the billing demand, as provided above, whether or not energy is used plus any meter charge.

PAYMENT:

Payments are due on or before the due date.

CONDITIONS OF DELIVERY:

1. Service under this rate will be made available at the option of the medium general service customer, subject to the availability of the necessary TOU metering equipment.
2. Customers converting to the MGS-TOU rate from the MGS rate shall make a one-time payment to RPU for any conversion cost above the normal cost to install MGS-TOU metering.
3. A customer may switch back to the MGS rate providing the customer gives RPU at least 60 days' notice and agrees to pay any metering conversion costs.
4. Service furnished under this rate schedule is subject to applicable provisions of RPU's published Electric Service Rules and Regulations.
5. Unless authorized by a separate written agreement, standby electric generating equipment installed by the customer shall not be interconnected or operated in parallel with the RPU system. Customer shall own, install, operate, and maintain electrical interlocking equipment, which will prevent parallel operation, and such equipment shall be approved by RPU prior to installation.
6. RPU shall not be liable for any damage or loss sustained by customer resulting from interruptions, deficiencies, or imperfections of service provided under this rate.
7. Energy furnished under this rate shall not be resold.

LARGE GENERAL SERVICE

AVAILABILITY:

At all locations for loads where the measured demand is at least 1,000 kW or more for three or more billing periods in a given calendar year, but less than 10,000 kW, and where facilities of adequate capacity and suitable voltage are adjacent to the premises to be served. For loads where the service desired by the customer is not adjacent to the premises to be served, additional contract arrangements may be required prior to service being furnished.

APPLICATION:

To commercial, industrial, and governmental customers with all service taken at one point and measured through one meter. Also applicable to temporary service in accordance with RPU's published Electric Service Rules and Regulations. Not applicable to standby service.

CHARACTER OF SERVICE:

Three phase, 60 Hertz, alternating current at any one of the standard secondary service voltages as described in RPU's published Electric Service Rules and Regulations.

RATE:

	2024	2025
Demand Charge / kW	\$21.92	\$22.22
Energy Charge / kWh	6.148¢	6.434¢

POWER COST ADJUSTMENT:

Bills computed under this rate schedule are subject to adjustment in accordance with the Power Cost Adjustment (PCA).

POWER FACTOR ADJUSTMENT:

The customer agrees to maintain an average power factor of 0.95 or greater for the billing period and to prevent a leading power factor. If the customer's average power factor is less than 0.95 for the billing period, the billing demand will be determined by multiplying the measured demand by 0.95 and dividing the results by the customer's average power factor. The average power factor is defined to be the quotient obtained by dividing the kWh used during the month by the square root of the sum of the squares of the kWh used and the lagging reactive kilovolt-ampere hours supplied during the same period. The customer's average power factor will be determined by means of permanently installed meters.

PRIMARY METER DISCOUNT:

Customers approved for metering at 13.8 kV will receive a discount of 1.25% on base rate charges for measured demand and energy.

TRANSFORMER OWNERSHIP CREDIT:

Customers owning transformers will receive a credit on each month's measured demand.

	2024	2025
Credit per kW	\$ 0.50	\$ 0.50

DETERMINATION OF DEMAND:

Measured demand is defined as the maximum rate at which energy is used for any period of fifteen consecutive minutes during the billing period. The billing demand shall be the greater of the measured demand for the billing period adjusted for power factor, or 50% of the ratcheted demand. The ratcheted demand is the maximum measured demand adjusted for power factor of four consecutive billing cycles during the most recent May through October billing periods depending on the billing cycle. Billing periods may not coincide with calendar months.

MINIMUM BILL:

The minimum bill shall not be less than the billing demand, as provided above, whether or not energy is used.

PAYMENT:

Payments are due on or before the due date.

CONDITIONS OF DELIVERY:

1. Service furnished under this rate schedule is subject to applicable provisions of RPU's published Electric Service Rules and Regulations.
2. Unless authorized by a separate written agreement, standby electric generating equipment installed by the customer shall not be interconnected or operated in parallel with the RPU system. Customer shall own, install, operate, and maintain electrical interlocking equipment, which will prevent parallel operation, and such equipment shall be approved by RPU prior to installation.
3. RPU shall not be liable for any damage or loss sustained by customer resulting from interruptions, deficiencies, or imperfections of service provided under this rate.
4. Energy furnished under this rate shall not be resold.
5. A separate electric service agreement may be required for service under this rate schedule.

LARGE INDUSTRIAL SERVICE

AVAILABILITY:

At all locations for loads with measured demands in excess of 10,000 kW for three or more billing periods in a given calendar year, and where facilities of adequate capacity and voltage are adjacent to the premises to be served. For loads where the service desired by the customer is not adjacent to the premises to be served, contract arrangements may be required prior to service being furnished.

APPLICATION:

To industrial customers with all service taken at one point and measured through one meter or meter totalizer. Not applicable to stand-by service.

CHARACTER OF SERVICE:

Three phase, 60 Hertz alternating current at 13,800 GRDY/7970 volts.

RATE:

	2024	2025
Demand Charge / kW	\$21.16	\$21.83
Energy Charge / kWh	5.728¢	5.911¢

POWER COST ADJUSTMENT:

Bills computed under this rate schedule are subject to adjustment in accordance with the Power Cost Adjustment (PCA).

POWER FACTOR ADJUSTMENT:

The customer agrees to maintain an average power factor of 0.95 or greater for the billing period and to prevent a leading power factor. If the customer's average power factor is less than 0.95 for the billing period, the billing demand will be determined by multiplying the measured demand by 0.95 and dividing the results by the customer's average power factor. The average power factor is defined to be the quotient obtained by dividing the kWh used during the month by the square root of the sum of the squares of the kWh used and the lagging reactive kilovolt-ampere hours supplied during the same period. The customer's average power factor will be determined by means of permanently installed meters.

DETERMINATION OF DEMAND:

Measured demand is defined as the maximum rate at which energy is used for any period of fifteen consecutive minutes during the billing period. The billing demand shall be the greater of the measured demand for the billing period adjusted for power factor, or 50% of the ratcheted demand. The ratcheted demand is the maximum measured demand adjusted for power factor of four consecutive billing cycles during the most recent May through October billing periods depending on the billing cycle. Billing periods may not coincide with calendar months.

MINIMUM BILL:

The minimum bill shall not be less than the billing demand, as provided above, whether or not energy is used.

PAYMENT:

Payments are due on or before the due date.

CONDITIONS OF DELIVERY:

1. Service furnished under this rate schedule is subject to applicable provisions of RPU's published Electric Service Rules and Regulations.
2. Unless authorized by a separate written agreement, stand-by electric generating equipment installed by the customer shall not be interconnected or operated in parallel with the RPU system: Customer shall own, install, operate, and maintain electrical interlocking equipment which will prevent parallel operation, and such equipment shall be approved by RPU prior to installation.
3. RPU shall not be liable for any damage or loss sustained by customer resulting from interruptions, deficiencies or imperfections of service provided under this rate.
4. Energy furnished under this rate shall not be resold.
5. Customer agrees to manage its utilization equipment so as not to unbalance the current per phase by more than 10%.
6. RPU may require a separate electric service agreement for service under this rate schedule.

*Approved by Rochester Public Utility Board:
Effective Date:*

*October 24, 2023
January 1, 2024*

INTERRUPTIBLE SERVICE

AVAILABILITY:

At all locations for customers who qualify and where facilities of adequate capacity and suitable voltage are adjacent to the premises to be served. Additional contractual arrangements may be required prior to service being furnished. RPU reserves the right to limit the amount of interruptible load taken by a customer and the total amount of interruptible load on the RPU system.

APPLICATION:

To commercial, industrial, and governmental customers contracting for electrical service for a period of one (1) year or more and having an interruptible load with a measured demand of 100 kW or more.

The INTR interruptible rate schedule is used in conjunction with the MGS, LGS, and LIS firm power rate schedules. To qualify for the INTR rate schedule, customers must have a minimum of 100 kW of interruptible demand. RPU reserves the right to limit the amount of interruptible load, which may be nominated.

Customers who qualify for the INTR rate shall either nominate an interruptible demand amount or a firm demand amount. Customers nominating an interruptible demand amount shall be required to interrupt at least the amount nominated, or their total load if their total load is less than the amount nominated. Customers nominating a firm demand amount shall be required to interrupt an amount sufficient to bring their load to or below the firm demand nominated. In no case shall the INTR rate be made available to customers with less than 100 kW of interruptible load.

All interruptible loads recognized under the INTR rate schedule shall be electrical loads that are coincident with RPU's system peak. Customers' electrical loads occurring outside this peak period shall not qualify for the INTR rate schedule. Any generation equipment used by the customer to qualify for the INTR rate shall be located at the site of the interruptible load such that RPU does not have to use its electrical facilities to transmit power for the customer.

CHARACTER OF SERVICE:

Three phase, 60 Hertz, alternating current at one of the standard secondary service voltages as described in RPU's published Electric Service Rules and Regulations. Service is subject to interruption at the sole discretion of RPU at any time during the year. There will be no more than 175 hours or 35 interruptions per year.

RATE:

MGS, LGS, and LIS customers are billed for interruptible power at the following rates:

Demand Charge per kW:	2024	2025
MGS	\$13.87	\$14.57
LGS	\$12.59	\$13.34
LIS	\$12.40	\$13.15

The Energy Charge per kWh shall be equal to the appropriate customer class energy rate defined in the rate tariffs for the MGS, LGS, and LIS customer classes.

POWER COST ADJUSTMENT:

Bills computed under this rate schedule are subject to adjustment in accordance with the Power Cost Adjustment (PCA).

POWER FACTOR ADJUSTMENT:

The customer agrees to maintain an average power factor of 0.95 or greater for the billing period and to prevent a leading power factor. If the customer's average power factor is less than 0.95 for the billing period, the billing demand will be determined by multiplying the measured demand by 0.95 and dividing the results by the customer's average power factor. The average power factor is defined to be the quotient obtained by dividing the kWh used during the month by the square root of the sum of the squares of the kWh used and the lagging reactive kilovolt-ampere hours supplied during the same period. The customer's average power factor will be determined by means of permanently installed meters.

PRIMARY METER DISCOUNT:

Customers approved for metering at 13.8 kV will receive a discount of 1.25% on base rate charges for measured demand and energy.

TRANSFORMER OWNERSHIP CREDIT:

Customers owning transformers will receive a credit on each month's measured demand.

	2024	2025
Credit per / kW	\$ 0.50	\$ 0.50

SURCHARGE:

Customers whose service is taken outside the Rochester City limits are subject to a 10% surcharge on their bills (excluding charges computed under the Power Cost Adjustment).

PENALTY:

Unauthorized use of electricity during a peak period of service interruption ordered by RPU will require the customer to pay a penalty (in addition to standard charges) which is reflective of the uninterrupted load's cost impact on RPU's wholesale power cost from SMMPA over the ensuing 12 months:

- A. No impact - No penalty
- B. Occurs on monthly peak - Uninterrupted kW contribution to RPU's peak is billed at SMMPA rate.
- C. Occurs on annual peak (as determined by analysis from October 1 analysis of summer demands) - Uninterrupted kW contribution to RPU's annual peak is additionally penalized at two times SMMPA rate and added to participants October billing.

Exception for first-time participants in an RPU peak reduction rate who have interruptible nominations of less than 500KW: The penalty for failure to interrupt will be waived during the initial 24 months.

DETERMINATION OF DEMAND:

Measured demand is defined as the maximum rate at which energy is used for any period of fifteen (15) consecutive minutes during the billing period.

BILLING DEMAND:

Customers nominating an amount of interruptible demand are required to interrupt at least their nominated interruptible demand. Customers may interrupt demand greater than their nominated interruptible demand. The billed interruptible demand for the month shall be the hourly integrated demand interrupted during the peak period of a service interruption requested by RPU. This interruptible demand will be billed at the appropriate interruptible rate for that month. Where no RPU requested interruption occurs during the month, all demand above the nominated interruptible demand shall be billed at the firm demand rate under the appropriate MGS, LGS, or LIS firm rate schedule.

Customers nominating an amount of firm demand are required to interrupt all demand over their firm service level.

Customers may interrupt demand below the firm service level. When peak metered demand for the billing period is equal to or greater than the firm service level, the Firm Billing Demand shall be equal to the actual metered demand during the RPU-requested service interruption concurrent with the system peak for the billing period. When peak metered demand for the billing period is less than the firm service level, the Firm Billing Demand will be the greater of either the peak metered demand for the billing period minus the actual demand reduction during the RPU-requested service interruption concurrent with the RPU system peak for the billing period, or 50% of the Firm Demand Nomination for the most current June-September months minus the actual demand reduction during the RPU-requested service interruption concurrent with the RPU system peak for the billing period. All demand above the firm service level for the month shall be billed at the appropriate interruptible rate. Where no RPU requested interruption occurs during the month, all demand up to the firm demand nomination shall be billed at the appropriate firm demand rate.

Both firm and interruptible billing demands shall be adjusted for power factor.

There is no ratchet provision for interruptible demand.

MINIMUM BILL:

The minimum bill shall not be less than the adjusted billing demand, as provided above, whether or not energy is used.

PAYMENT:

Payments are due on or before the due date.

CONDITIONS OF DELIVERY:

1. Service furnished under this rate schedule is subject to applicable provisions of RPU's published Electric Service Rules and Regulations.
2. The Customer shall install, own, operate, and maintain the equipment necessary to interrupt its load.
3. In certain cases, the interruptible portion of the customer's load may have to be metered separately.
4. The Customer shall pay in advance of construction, all costs estimated by RPU for facilities located on Customer's premises which are necessary to serve the interruptible portion of the Customer's load and which duplicate other RPU facilities which are utilized to deliver electric service under other schedules. This includes any special metering needed for RPU to administer the INTR rate. Upon completion of the installation of such facilities by RPU, the actual cost of such facilities shall be charged to the Customer with the Customer's advance payment being applied as credit to such actual costs. The cost of major renewal and replacement of RPU-owned electric facilities located on the Customer's premises which are utilized for interruptible service and which duplicate other RPU facilities, shall be borne by the Customer.
5. When notified by RPU, the Customer shall remove the interruptible portion of its load from RPU's system in two (2) hours or less.
6. Upon one year's notice to the Customer, RPU may modify the hours and frequency of interruption specified herein to reflect changes in RPU's electric system load characteristics.
7. Interruptions of service caused by fire, accident, explosion, flood, strike, acts of God, or causes other than intentional interruptions ordered by RPU shall not be considered in determining the hours or frequency of interruption specified herein.
8. RPU, at its sole discretion, may immediately terminate service under this rate schedule upon the repeated unauthorized use of electricity by the customer during periods of interruption ordered by RPU.
9. Interruptible service shall not be used as standby for any other forms of energy or fuel.
10. Unless authorized by a separate written agreement, standby electric generating equipment installed by the Customer shall not be interconnected or operated in parallel with the RPU system. Customer shall own, install, operate, and maintain electrical interlocking equipment, which will prevent parallel operation, and such equipment shall be approved by RPU prior to installation. RPU shall have the right to inspect the Customer's interrupting facilities as often as deemed prudent by RPU to verify their operating condition and proper interconnection.
11. RPU shall not be liable for any damage or loss sustained by Customer resulting from interruptions, deficiencies or imperfections of service provided under this rate.
12. Energy furnished under this rate shall not be resold.
13. Customers shall provide RPU with sufficient advance notice of their intention to use the INTR rate to allow RPU time to provide any necessary supplemental equipment and metering.
14. Customers using the INTR rate shall notify RPU in writing of their intention to use either the interruptible demand nomination or the firm demand nomination and the amount of their interruptible or firm loads.
15. Customers may change their method of nomination or level of nomination or both no more frequently than once per year with 60 days written notice and approval from RPU.

POWER COST ADJUSTMENT

APPLICATION:

Applicable to all rate schedules where there is a kWh charge.

1. The Power Cost Adjustment will be determined monthly, with application to the first revenue cycle each month.
2. The Power Cost Adjustment is determined by calculating the average actual cost per kWh of retail power supply from all sources, and subtracting the Established Power Supply Cost. All calculations will be carried out to \$.00001 per kWh. Power supply costs include the cost of purchased power including charges for energy, demand, transmission, cost adjustments, and fees for regional power grid services.
3. The Established Power Supply Cost Base of \$0.07285 was determined by the 2014 cost of service study. The base will remain at this level until subsequent review identifies a permanent and substantial change in the cost of power.
4. The Power Cost Adjustment will be the difference between the actual amount per kWh calculated in #2 above and the Established Power Supply Cost Base/kWh. This dollar amount per kWh will be added (subtracted) to each kWh of sales.

*Approved by Rochester Public Utility Board:
Effective Date:*

*October 26, 2021
January 1, 2022*

LOAD MANAGEMENT CREDITS

AVAILABILITY:

To customers participating in RPU's direct control load management program.

APPLICATION:

This rate schedule rider is to be applied in conjunction with all applicable rate schedules:

	MONTHLY CREDIT	# MONTHS APPLIED
Qualifying Central Air Conditioner	\$ 3.00 each	5 months (May through September)
Qualifying Electric Water Heater	\$ 3.00 each	12 months

TERMS AND CONDITIONS:

1. Participation in the direct control load management program is voluntary.
2. Customer agrees to participate in the program for one year or longer.
3. Qualifying appliances are central air conditioners up to 8 kW and electric water heaters with a minimum capacity of 40 gallons. Central air-conditioners above 8 kW, electric water heaters above 85 gallons, and other appliances or electrical loads applicable to direct control load management by RPU may be accepted by RPU in this program. In these cases, applicable credits will be calculated on a case by case basis.
4. Customer agrees to not utilize any other load management system in conjunction with equipment directly controlled by RPU.
5. RPU shall not be liable for any damage or loss sustained by customer resulting from interruptions, deficiencies, or imperfections of service provided under this rate.

Approved by Rochester Public Utility Board:
Effective Date:

November 14, 2017
January 1, 2018

CITY STREET LIGHTING

AVAILABILITY:

To the City of Rochester for the illumination of public thoroughfares by means of RPU owned overhead street lighting facilities.

RATE:

Per kWh for all kWh Billed

	2024	2025
Mercury Vapor (all Sizes)	24.545¢	25.281¢
Metal Halide (All Sizes)	26.031¢	26.812¢
LED RPU Owned (All Sizes)	59.683¢	62.369¢
LED (All Sizes)	45.466¢	48.421¢
High Pressure Sodium (All Sizes)	24.545¢	25.281¢

POWER COST ADJUSTMENT:

Bills computed under this rate schedule are subject to adjustment in accordance with the Power Cost Adjustment (PCA).

CONDITIONS OF DELIVERY:

1. This rate is based on lamps being lighted every night from approximately 30 minutes after sunset to 30 minutes before sunrise, providing dusk to dawn operation.
2. RPU will replace inoperative lamps and otherwise maintain luminaires during regular daytime hours. No credit will be allowed for periods during which the lamps are out of service. Routine lamp replacement will be made on a group replacement schedule.
3. RPU will determine the amount of energy used during any month by multiplying the rated kilowatt capacity of all lamps and accessory equipment by 350 hours for the month.
4. RPU shall not be liable for any damage or loss sustained by customer resulting from interruptions, deficiencies, or imperfections of service provided under this rate.

*Approved by Rochester Public Utility Board:
Effective Date:*

*October 24, 2023
January 1, 2024*

TRAFFIC SIGNALS

AVAILABILITY:

To governmental units for electric service to customer-owned traffic signal systems on public streets.

RATE:

Monthly Fixed charge: per traffic signal control cabinet served:

	2024	2025
Fixed Charge:	\$ 35.90	\$ 36.97
Energy Charge / kWh	11.135¢	11.470¢

MINIMUM BILL:

The minimum bill is per traffic signal control cabinet served for any month or portion of a month.

	2024	2025
Minimum Bill:	\$ 35.90	\$ 36.97

POWER COST ADJUSTMENT:

Bills computed under this rate schedule are subject to adjustment in accordance with the Power Cost Adjustment (PCA).

CONDITIONS OF DELIVERY:

1. RPU shall not be liable for any damage or loss sustained by customer resulting from interruptions, deficiencies, or imperfections of service provided under this rate.

SECURITY LIGHTING

AVAILABILITY:

At all locations whenever the service can be provided with overhead wiring on an existing RPU owned pole.

APPLICATION:

To all classes of customers contracting for security lighting.

RATE:

Monthly Charge

<u>Mercury Vapor Lights (Closed)</u>	2024	2025
Size: 175 Watt Mercury Vapor	\$11.25	\$11.59
250 Watt Mercury Vapor	\$13.75	\$14.16
400 Watt Mercury Vapor	\$19.53	\$20.11

<u>High Pressure Sodium Vapor Lights (Closed)</u>		
Size: 70 Watt	\$ 9.79	\$10.08
100 Watt	\$11.66	\$12.01
150 Watt (Roadway)	\$13.11	\$13.51
250 Watt	\$16.33	\$16.82
400 Watt	\$21.40	\$22.05

<u>Light Emitting Diode (LED) Lights</u>		
Size: LED Area Light	\$11.66	\$12.01
LED Roadway Light	\$16.33	\$16.82

PAYMENT:

Bills will be rendered monthly; payments are due on or before the due date.

CONDITIONS OF DELIVERY:

1. RPU will furnish, install, own, and maintain a standard lighting unit consisting of a luminaire, complete with lamp and control device wired for operation, supported by a bracket mounted on an RPU owned pole, and will supply all electrical energy necessary for the operation of the unit.
2. When RPU does not have a suitable pole or secondary service available at the desired location and it is necessary to install a transformer or a pole or to extend secondary lines a distance greater than 150 feet, the customer shall pay RPU the actual costs for installing the transformer or pole and/or making such line extensions.
3. Service under this rate is not available underground or in underground areas unless the customer pays RPU the complete cost of the necessary underground facilities.
4. Lamps will automatically be switched on approximately 30 minutes after sunset and off 30 minutes before sunrise, providing dusk to dawn operation of approximately 4,200 hours per year.
5. RPU will make every attempt to replace inoperative lamps and maintain luminaries during regular daytime work hours within 3 working days after notification. No credit will be allowed for periods during which the lamp was out of service.
6. RPU will, at the customer's expense, relocate or change the position of any lamp or pole as requested in writing by the customer.
7. Service furnished under this rate is subject to applicable provisions of RPU's published Electric Service Rules and Regulations.
8. RPU shall not be liable for any damage or loss sustained by customer resulting from interruptions, deficiencies, or imperfections of service provided under this rate.

Approved by Rochester Public Utility Board:
Effective Date:

October 24, 2023
January 1, 2024

UNMETERED DEVICE RATE

AVAILABILITY:

At all locations where facilities of adequate capacity and suitable voltage are adjacent to the location of the device to be served.

APPLICATION:

To commercial customers where the estimated monthly kWh required does not exceed 300kWh and is determined by RPU to not warrant a meter.

CHARACTER OF SERVICE:

Single of three phase, 60 Hertz, alternating current at any one of the standard secondary service voltages as described in RPU's published Electric Service Rules and Regulations.

RATE:

	2024	2025
Fixed Charge per device per month	\$ 11.80	\$ 12.16
Energy Charge / kWh	12.086¢	12.449¢

MINIMUM BILL:

The minimum bill is per device for any month or portion of a month.

	2024	2025
Minimum Bill:	\$ 11.80	\$ 12.16

PAYMENT:

Bills will be rendered monthly; payments are due on or before the due date.

CONDITIONS OF DELIVERY:

1. The customer shall furnish, install, own, operate, and maintain all devices. The customer shall also furnish, install, own, and maintain any structures required for the mounting and support of devices; except where the customer specifically requests and RPU agrees to use RPU owned poles for this purpose. In such cases, RPU will assist in the installation and removal of devices and the customer shall pay RPU for the actual costs thereof.
2. When RPU does not have secondary service available at the device location and it is necessary to install a transformer or to extend secondary lines a distance greater than 150 feet, the customer shall pay RPU the actual costs for installing the transformer and/or making such line extensions.
3. RPU will make the connection and disconnection with its distribution lines.
4. Loads other than the device shall not be connected to the device's circuit.
5. The customer shall furnish RPU with a map indicating the location of sirens to be operated and shall notify RPU at least 30 days in advance of the planned addition, removal, or relocation of any siren.
6. RPU shall not be liable for any damage or loss sustained by customer resulting from interruptions, deficiencies, or imperfections of service provided under this rate.

Approved by Rochester Public Utility Board:
Effective Date:

October 24, 2023
January 1, 2024

CLEAN AIR RIDER

APPLICATION:

The Clean Air Rider (CAR) will be used to recover costs related to renewable and environmental improvement programs and projects approved by the Utility Board. Applicable to all rate classes billed in kWh.

CONDITIONS OF DELIVERY:

1. Emission Reduction Project at Silver Lake Plant:
 - a. The CAR for the Emission Reduction Project (ERP) at the Silver Lake Plant is to recover the annual debt service of the project.
 - b. The CAR for the ERP will be calculated by dividing the ERP debt service requirements by the kWh forecast for all rate classes. This monthly charge under the CAR Schedule for 2024 is \$0.00179/ kWh.
 - c. The CAR will terminate for the ERP with payment of all debt service requirements.
 - d. An annual true-up will be done comparing the actual amount collected to the actual debt service requirement. The amount over or under collected will adjust future years debt service requirements used in the calculation.

*Approved by Rochester Public Utility Board:
Effective Date:*

*October 24, 2023
January 1, 2024*

SCHEDULE I

ROCHESTER PUBLIC UTILITIES

COGENERATION AND SMALL POWER PRODUCTION TARIFF

AVAILABILITY:

By separate written agreement only.

APPLICATION:

To residential and general service customers contracting for electric service for one year or more, with all service taken at one point and where part or all of the electrical requirements of the customer can be supplied by customer-owned electrical generating equipment which is connected for operation in parallel with RPU's system.

This rate schedule rider is to be applied in conjunction with the following schedules:

- Residential Service (RES)
- General Service (GS)
- Medium General Service (MGS)
- Large General Service (LGS)
- Large Industrial Service (LIS)
- Power Cost Adjustment (PCA)

CHARACTER OF SERVICE:

Single or three phase, 60 Hertz alternating current at any one of the standard secondary service voltages as described in RPU's published electric Service Rules and Regulations.

RATE:

Demand Charge:

The demand charge shall be determined in accordance with the applicable rate schedule (MGS, LGS and LIS customers only) and shall be applied in accordance with the provisions of Section VII (C) of RPU's Rules Covering Cogeneration and Small Power Production Facilities.

Energy Charge:

The energy charge shall be determined in accordance with the applicable rate schedule (RES, GS MGS, LGS or LIS customers) and shall be applied in accordance with the provisions of Section VII (B or C as applicable) of RPU's Rules Covering Cogeneration and Small Power Production Facilities.

Minimum Charge:

The minimum charge shall be determined in accordance with the applicable rate schedule (RES, GS, MGS, LGS, or LIS customers).

Energy and Capacity Credits:

The energy and capacity credits shall be applied in accordance with the provisions of Section VII (B or C as applicable) of RPU's Rules Covering Cogeneration and Small Power Production Facilities.

POWER COST ADJUSTMENT:

The energy credit computed under this rate schedule rider is subject to a Power Cost Adjustment.

PAYMENT:

Payments are due on or before the due date.

CONDITIONS OF DELIVERY:

1. Service furnished under this rate schedule rider is subject to applicable provisions of RPU's published Electric Service Rules and Regulations and Rules Covering Cogeneration and Small Power Production.
2. Service under this rate schedule rider will be furnished only to customers whose maximum electrical generating capacity is 40 kW or less; such service may be limited at the sole discretion of RPU, to those customers who obtain "qualifying" status under FERC Regulations (18CFR Part 292) implementing section 201 of the Public Utility Regulatory Policies Act of 1978.
3. Service under this rate schedule rider will be furnished only after the customer and RPU have entered into a separate written agreement which specifies the type of metering and interconnection facilities to be employed, the responsibilities for installation, ownership, and maintenance of these facilities, and the procedures required for safe and technically acceptable operation of parallel electrical generating equipment.
4. RPU shall not be liable for any damage or loss sustained by the customer resulting from the parallel operation of the customer's electrical generating equipment, or resulting from interruptions, deficiencies, or imperfections of service provided under this rate schedule rider.
5. Energy furnished under this rate schedule rider shall not be resold.

*Approved by Rochester Public Utility Board:
Effective Date:*

*March 28, 2006
April 4, 2006*

ELECTRIC VEHICLE CHARGING TIME OF USE RATE

AVAILABILITY:

Available to Residential Service Customers for service only to electric vehicle loads including battery charging and accessory usage. Customer must provide RPU approved documentation verifying possession through ownership or lease of an electric vehicle as defined in Section 169.011 subdivision 26a of Minnesota law. RPU reserves the right to limit both the number of customers and the amount of load taken under this rate schedule.

APPLICATION:

To electric service required for Electric Vehicles in individual private dwellings and in individually metered apartments where such service is supplied at one point of delivery and measured through one meter with a second meter to measure EV-TOU consumption. Residential Customer Charge will be billed at the appropriate Residential rate for the first meter with an additional EV-TOU Customer Charge for the second meter. kWh usage measured through the second meter will be billed at the EV-TOU rate and excluded from the main meter's measurement of kWh.

CHARACTER OF SERVICE:

Single phase, 60 Hertz, 120/240 volts alternating current.

RATE:

	2024	2025
Additional Customer Charge (for second meter):	\$ 8.28	\$ 8.65

Energy Charge:

Non-Summer Energy:

On-peak Energy / kWh	18.725¢	19.570¢
Off-peak Energy / kWh	7.590¢	7.932¢

Summer Energy:

On-peak Energy / kWh	25.924¢	27.094¢
Off-peak Energy / kWh	7.590¢	7.932¢

Definition of Season:

Summer months are June through September.
Non-summer months are January through May
and October through December.

Definition of

On-Peak Energy:

All energy used by the customer between the hours of
8:00 a.m. and 10:00 p.m. (14 hours) Monday through Friday.

Definition of

Off-Peak Energy:

All energy used by the customer for all others hours,
including weekends and holidays.

POWER COST ADJUSTMENT:

Bills computed under this rate schedule are subject to adjustment in accordance with the Power Cost Adjustment (PCA).

	2024	2025
MINIMUM BILL: per month (for second meter):	\$ 8.28	\$ 8.65

PAYMENT: Payments are due on or before the due date.

CONDITIONS OF DELIVERY:

1. Service furnished under this rate schedule is subject to applicable provisions of RPU's published Electric Service Rules and Regulations.
2. RPU shall not be liable for any damage or loss sustained by customer resulting from interruptions, deficiencies, or imperfections of service provided under this rate.
3. Energy furnished under this rate shall not be resold.
4. Service under this rate will be made available at the option of the residential service customer, subject to the availability of the necessary time-of-use metering equipment.
5. A customer may cancel participation in this rate providing the customer gives RPU at least 45 days' notice.
6. This tariff requires the use of metering technology capable of being read using automated equipment.

Approved by Rochester Public Utility Board:
Effective Date:

October 24, 2023
January 1, 2024

LINE EXTENSIONS

AVAILABILITY:

Available to all customers and developers in RPU's Service Territory.

APPLICATION:

The Rules and rates for Line Extensions in this schedule apply to all existing and prospective customers requesting new line extensions or changes of existing service within subdivisions.

RATE:

<u>Residential</u>	\$1,150/ Standard Service***
<u>Commercial, Industrial and Multi-Family Housing</u>	
<u>Installed Transformer Capacity</u>	
Up to 25 kVA	\$1,400/ Standard Service*
25 kVA up to 10,000 kVA	Total cost of Standard Service less a credit of \$63/kVA of installed transformer Capacity**
<u>Above 10,000 kVA and/or Non-Standard Service</u>	Negotiated

*Single Phase Service is assumed. If three phase service is requested, the customer must also pay the difference between three phase and single phase service. If the actual Line Extension cost exceeds \$5,000.00 per lot, the Line Extension charge will be negotiated.

**In cases where the installed transformer credit offsets the total cost of the Standard Service, no additional amount will be charged.

***For the purposes of this rate schedule, Standard Residential Service is considered to be a single lot or single structure with three or fewer dwelling units. If the actual Line Extension cost exceeds \$5,000.00 per lot, the Line Extension charge will be negotiated.

PAYMENT:

Payments must be received before work on the line extension or enhancement will begin.

Approved by Rochester Public Utility Board:
Effective Date:

October 24, 2023
January 1, 2024

ECONOMIC DEVELOPMENT CREDIT

AVAILABILITY:

To all qualifying commercial or industrial customers within the Rochester Public Utilities (RPU) Service Territory.

APPLICABILITY:

Customers taking service under schedules MGS, MGS-HEF, MGS-TOU, LGS, or LIS that meet the following criteria may be eligible for an economic development energy credit:

- New commercial or industrial customers with a load of 250 kW or greater
- Existing commercial or industrial customers with at least twelve months of billing history adding new incremental connected load of 250 kW or greater.
- Existing commercial or industrial customers in economic distress that have legitimate opportunities to move operations out of RPU's service territory with a total load across all facilities located within the RPU service territory of 1,000 kW

QUALIFICATIONS:

- The customer must have received no less than \$25,000 in local, county, State of Minnesota and/or federal financial assistance for economic development or economic stimulus.
 - A list of qualifying economic development programs is shown in Appendix A.
- For load retention, the customer must have received \$50,000 in local, county, State of Minnesota and/or federal financial assistance for economic development assistance within the 24 months prior to applying for this rate.
 - A list of qualifying economic development programs is shown in Appendix A.
- The customer must sign an affidavit attesting to the fact that "but for" the rate credits, either on their own or in combination with a package of economic development or job creation incentives from local, county, State of Minnesota, and/or federal programs the customer would not have located operations, added load or would have significantly reduced its energy consumption or shut down its facilities in the RPU service territory.
 - Customer Affidavit for Economic Development Credit is shown in Appendix B.
- The customer must meet all conditions set forth by the City of Rochester for economic development assistance.
- No credit is available to customers or potential commercial or industrial customers transferring load from a city that is a current member of the Southern Minnesota Municipal Power Agency.
- The customer must meet with RPU and review the energy efficiency program opportunities available prior to approval of the application for the credit.

QUALIFYING LOAD:

- New Load
 - All electric load from the customer's new facilities served by RPU qualifies as new load.
 - If a qualifying customer falls below the designated demand and/or energy consumption level, the customer will no longer qualify for any further credits within the five-year term.

QUALIFYING LOAD (continued)

- Incremental Load
 - For incremental load, the base level of load is the customer's peak demand and energy consumption for the twelve months prior to adding the new load.
 - If the customer's energy consumption for a month in the current year exceeds the customer's energy consumption for the same month of the base year, the additional kilowatt-hours are incremental load that qualifies for the credit.
 - The customer need not have incremental energy use every month of the year, but at the end of each 12-month period the customer's entire twelve month energy use must exceed the base level and the customer must meet the minimum incremental peak demand requirements in at least one hour of the first twelve month period.
 - If a qualifying customer falls below the designated demand and/or energy consumption level, the customer will no longer qualify for any further credits within the five-year term.
- Load Retention
 - RPU will designate how much load qualifies for the credit based on the facts and circumstances related to the customer.
 - If a qualifying customer falls below the designated demand and/or energy consumption level, the customer will no longer qualify for any further credits within the five-year term.

APPLICATION AND APPROVAL:

- Customers must complete an Application for Economic Development Credit and provide all required information.
 - A sample application is shown in [Appendix C](#).
- RPU's acceptance or rejection of an application for the Economic Development will come after SMMPA Board approval.

CREDITS:

- The credit will apply to all qualifying new, incremental or retained load taken under applicable rate schedules. The Economic Development Rate Credit for customers beginning participation on or after March 1, 2021, shall be applied to the wholesale energy charge at a rate of:
 - 40% of all qualifying energy charges in year one
 - 20% of all qualifying energy charges in year two
 - 10% of all qualifying energy charges in year three
 - 5% of all qualifying energy charges in year four
 - 2.5% of all qualifying energy charges in year five
 - No credit beginning in year six
- The credit levels listed above will be in effect for the full five-year term for customers commencing participation on or before March 1, 2021.
- Credits will be calculated and applied based on energy consumption in the current billing month.

MONTHLY FIXED CHARGE:

A fixed charge of \$185.00 per month will be applied during the term of this rate to cover on-going administrative costs. The monthly fixed charge is subject to change annually based on RPU labor rate changes approved during the annual budget process.

TERM:

Qualifying customers will be eligible for Economic Development Credits for a five-year period

- For new customers, the credits will begin on the first day of the first full month after a participating new customer begins taking service and meets the demand requirements.
- For incremental load, the credits will begin on the first day of the first full month after the equipment driving incremental load is installed and meets the minimum incremental demand requirements.
- For retained load, the credits will begin on the date specified by RPU.

METERING:

RPU reserves the right to impose a one-time charge on participating commercial or industrial customers for any new and/or additional metering infrastructure required to measure qualifying load and energy.

Appendix A - Qualifying Economic Development Programs:

STATE OF MINNESOTA PROGRAMS

BUSINESS DEVELOPMENT

Export and Trade Counseling and Assistance
Location and Expansion Assistance
Made in Minnesota Directory
Minnesota Business First Stop
Minnesota Marketing Partnership
Small Business Assistance
Small Business Development Centers

BUSINESS FINANCING

Angel Loan Fund Program
Emerging Entrepreneurs Loan Program
Indian Business Loan Program
Innovation Voucher Program
Minnesota Investment Fund
Minnesota Job Creation Fund
Minnesota Minerals 21st Century Fund
Minnesota Reservist and Veteran Business Loan Program
STEP Grant Program: Export Assistance
Tourism Business Septic Tank Replacement

TAX CREDITS + BENEFITS

Border Cities Enterprise Zone Program
Data Centers
Foreign Trade Zones (FTZs)
Greater Minnesota Job Expansion Program
Research and Development Tax Credit
Single Sales Factor Apportionment; Throwback; Greater Minnesota Internship Tax Credit Program
Tax Increment Financing; Tax Abatement; Personal Property Exemption; Capital Equipment Exemption

COMMUNITY FINANCING

Border-to-Border Broadband Development Grant Program
Cleanup Revolving Loan Program
Contamination Cleanup and Investigation Grant Program
Demolition Loan Program
Greater Minnesota Business Development Infrastructure Grant Program
Redevelopment Grant Program
Shovel-Ready Site Certification
Small Cities Development Program
Transportation Economic Development Infrastructure Program (TEDI)

TRAINING

Dual Training Competency Grants
Export and Trade Classes and Training
Job Training Incentive Program
Minnesota Job Skills Partnership
Minnesota WorkForce Centers
SciTechsperience Internship Program

LOCAL OR COUNTY PROGRAMS

Financial assistance from a local Revolving Loan Fund
Establishment of or location in a Tax Increment Financing District
Direct loan from a unit of local government
Construction of public facilities – roads, sewer, water – to serve a project
Site acquisition and clearance
Building renovation assistance

FEDERAL PROGRAMS

Loan Guarantees
Grants
Investment Tax Credits
Income Tax Credits tied to New Hiring
Low-Interest Loans
Other, subject to RPU Approval

Appendix B – Customer Affidavit for Economic Development Credit:

AFFIDAVIT

STATE OF MINNESOTA)

COUNTY OF _____) ss

COMES NOW being first duly sworn, under oath, and states that the following information is within personal knowledge and belief:

_____ is a commercial or industrial customer (Customer) of a Southern Minnesota Municipal Power Agency (SMMPA) member utility who is locating, adding, or retains load in the service territory of Rochester Public Utilities (RPU) hereby certifies and declares under penalty of perjury under the laws of the State of Minnesota that the statements in the following paragraphs are true and correct.

1. But for receipt of the economic development credit, either on its own, or in combination with Qualifying Economic Development Program as defined in Appendix A of SMMPA's Economic Development Credit program, the Customer's load would not have been located, added, or retained within RPU's service territory.
2. The new, incremental or retained load represents kilowatt-hours (kWh) that either (i) do not already exist in any SMMPA member utilities' service territory, or (ii) the Customer would be significantly reducing its energy consumption or shutting down its facilities in RPU's service territory.
3. The Customer has discussed with RPU cost-effective energy efficiency and load management measures the Customer may take to reduce their electric bills and the load they place on SMMPA and the RPU system.

Customer Name_____
Name of Authorized Representative_____
Signature

SUBSCRIBED AND SWORN TO before me this _____ day of _____, 20____, by

NOTARY PUBLIC FOR MINNESOTA

My Commission Expires: _____

Appendix C – Application for Economic Development Credit

Commercial or Industrial Customer Information

Customer Name: _____

Customer Street Address: _____

Customer City, State, ZIP _____

Please attach Customer Affidavit for Economic Development Credit.

Have you discussed energy efficiency and load management programs with Rochester Public Utilities (RPU)?

YES _____ NO _____

New Load

Estimated demand (kW): _____

Estimated annual energy (kWh): _____

Estimated in-service date: _____

Estimated full load date: _____

Projected load factor: _____

Please attach a summary description of your business.

Incremental Load

Prior year's demand (kW): _____

Estimated additional demand (kW): _____

Prior year annual energy (kWh): _____

Estimated additional energy (kWh): _____

Estimated in-service date: _____

Estimated full load date: _____

Projected load factor: _____

Please attach a summary description of your business and what is causing the additional load.

Load Retention

Prior year's demand (kW): _____

Estimated demand reduction (kW): _____

Prior year's annual energy (kWh): _____

Estimated energy reduction (kWh): _____

Estimated effective date: _____

Projected load factor: _____

Please attach a summary description of your business and what is causing your business to potentially leave the RPU service territory.

Customer Name

Name of Authorized Representative

Signature

Date:

Rochester Public Utilities Approval

This application for the Economic Development Credit is: Approved ____ Denied ____

If denied, reason for denial: _____

By:

Name

Title

Signature

Date

MISCELLANEOUS FEES – ELECTRIC UTILITY

<u>Applicable to All Charges and Amounts Due on RPU Invoices</u>	
Not Sufficient Funds (NSF) Check	\$ 30.00
<u>Copies</u>	
Black & white, single side, per page	\$ 0.25
Black & white, duplex, per page	\$ 0.50
Color, single side, per page (from color printer, not copier)	\$ 0.35
<u>House Move Investigation</u>	\$ 350.00
<u>Infraview Service</u> (Per Hour)	\$ 120.00
<u>Meter Connections After Hours:</u>	
Workdays, 5:00 PM - 9:00 PM	\$ 75.00
Workdays, 9:00 PM – 8:00 AM	\$ 160.00
Non-Workdays	\$ 160.00
Holidays	\$ 160.00
<u>Meter Tampering</u>	\$ 240.00
<u>Meter Service Call</u>	\$ 70.00
<u>Meter Test – Residential</u> (2nd request within the past 12 months)	\$ 100.00
<u>Meter Test – Commercial</u> (2nd request within the past 12 months)	\$ 210.00
<u>Non-Pay Disconnection/Reconnection</u> (Workdays, 8:00 AM- 5:00PM)	\$ 70.00
(Additional reconnection fees apply for after-hours reconnections)	
<u>Optional Non-AMR Meters</u>	
Change Out Fee (Electric)	\$ 200.00
Monthly Fee (Per Premise)	\$ 55.00
<u>Outage Call</u> (The problem is with the customer's equipment, and this is the second request within the past twelve months.)	\$ 100.00
<u>Pole Disconnection/Reconnection</u> (Commercial)	\$ 295.00
<u>Pole Disconnection/Reconnection</u> (Residential)	\$ 210.00
<u>Temporary Meter Installation Fee</u> (Residential)	\$ 100.00
<u>Temporary Meter Installation Fee</u> (Commercial)	\$ 760.00
Interconnection Fees	
<u>Application Fees: Process Track</u>	
Simplified	\$ 100.00
Fast Track Certified System	\$ 100.00 + \$1.00/ kW
Fast Track Non-Certified System	\$ 100.00 + \$2.00/ kW
<u>Administrative Fee</u>	\$ 400.00
<u>Pre-Application Report</u>	\$ 300.00
<u>Study Down Payment</u> (Additional fees may apply)	\$ 1,000.00 + \$2.00/ kW
<u>Testing Certified System:</u>	
40 kW or less	No Fee
40 kW to 1MW	\$ 300.00
Greater than 1MW	Actual Cost
<u>Metering Fee</u>	
Net Metered Under 40 kW	No Fee
Not Net Metered	Actual Cost

Pole Attachment Fees

Non-refundable Administrative Fee (For new Joint Use Agreements)	\$ 10,000.00
Permit Review (For all new attachments up to 200 poles)	\$ 200.00 + \$50.00/Pole
Annual Attachment Fee	\$ 23.76/attachment
Unauthorized Attachment.....	3x Annual Attachment Fee
Failure to Timely Transfer, Abandon, or Remove Facilities	\$ 5.00/Pole per day
(Fee starts day following deadline in written notice)	

Telecomm Charges

Macro Site Fees

Escrow.....	\$ 7,850.00
Non-refundable Application fees	\$ 1,500.00

Small Cell Fees: (For all agreements executed after January 1, 2021)

Non-refundable Master Agreement Fee:	\$ 5,000.00
Supplement License Fee (up to 5 nodes):	\$ 500.00
Additional nodes (over 5).....	\$ 100.00 / node
Rent per premise (Annual).....	\$ 278.10 (3% escalator)

Approved by Rochester Public Utility Board:
Effective Date:

October 24, 2023
January 1, 2024



RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester to approve rate, fee and tariff adjustments for the Electric Utility according to the attached tariffs, effective on or about January 1, 2024 and January 1, 2025.

BE IT FURTHER RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, that the Common Council of the said City is requested to approve the rate, fee and tariff adjustments for the Electric Utility according to the attached tariffs, to take effect on or about January 1, 2024 and January 1, 2025.

PASSED AND ADOPTED BY THE PUBLIC UTILITY BOARD OF THE CITY OF

ROCHESTER, MINNESOTA, THIS 24th DAY OF October, 2023.

PRESIDENT

SECRETARY



REQUEST FOR ACTION

2023-2025 Financial Audit and Regulatory Examination

MEETING DATE:

October 24, 2023

ORIGINATING DEPT:

Rochester Public Utilities

AGENDA SECTION:

Regular Agenda

PRESENTER:

Peter Hogan

Action Requested:

Management recommends approval of the service contract with Bakertilly as described.

Report Narrative:

The Board Responsibilities and Functions Policy states that the Board will: "Ensure that an independent financial audit of RPU is conducted annually in compliance with auditing standards generally accepted in the United States of America."

To this end, management has engaged Baker Tilly US, LLP (Bakertilly) to conduct an annual financial audit of the Water and Electric Utilities and a regulatory examination (FERC-based) of the Electric Utility under a five-year contract that ended with the completion of the 2022 fiscal year audit.

Management is seeking the Board's approval to enter into a contract for financial audit and regulatory examination services for fiscal years 2023 through 2025. The Audit and Examination fees have been included in the annual budget. For comparison, the Audit and Examination fees for 2022 was \$71,700.

Proposed fee schedule

Year	Financial Audit	Regulatory Examination	Total	Increase
2023	\$ 47,500	\$27,800	\$ 75,300	5.0%
2024	\$ 49,000	\$28,600	\$ 77,600	3.1%
2025	<u>\$ 50,500</u>	<u>\$29,500</u>	<u>\$ 80,000</u>	3.1%
Total	\$147,000	\$85,900	\$232,900	

Bakertilly has numerous utility clients and their utility expertise, especially in the FERC compliance reporting, is considered an asset. FERC based reporting is required for regulatory filings and MISO transmission revenue recovery filings. A copy of the Bakertilly proposal is attached.

Prepared By:

Peter Hogan

Attachments:

Bakertilly Proposal Ltr 2023 09 06.pdf

20231024 Resolution - 2023-2025 Financial Audit and Regulatory Examination.docx



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4807 Innovate Lane,
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Madison, WI, 53707-7398
United States of America

T: +1 (608) 249 6622
F: +1 (608) 249 8532

bakertilly.com

September 6, 2023

Judith Anderson
Rochester Public Utilities
4000 East River Road
Rochester, MN 55906

Dear Ms. Anderson:

Thank you for the opportunity to respond to your request for pricing relative to audit services for the years ended December 31, 2023 through 2025 for the Rochester Public Utilities.

We have prepared a fee estimate based on our experience providing audit and exam services in addition to expected changes with upcoming accounting changes.

Year	Audit	Exam	Total
2023	\$47,500	\$27,800	\$75,300
2024	49,000	28,600	77,600
2025	50,500	29,500	80,000

We appreciate the opportunity to be of continued service to you. If there are any questions, please call Aaron Worthman at 512 975 7281. If the pricing outlined herein is acceptable, please have one copy of this letter signed in the space provided below and return it to us.

Sincerely,

BAKER TILLY US, LLP

READ AND ACCEPTED:

ROCHESTER PUBLIC UTILITIES

Official's Name

Official's Signature

Title

Date

RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester to approve the proposal for Audit / Examination Services for the fiscal years 2023-2025 from Baker Tilly US, LLP, and authorize the Mayor and the City Clerk to execute the agreement for these services.

Description

The cost estimate for fiscal years 2023 through 2025 are:

Year	Financial Audit	Regulatory Examination	Total	Increase
2023	\$ 47,500	\$27,800	\$ 75,300	5.0%
2024	\$ 49,000	\$28,600	\$ 77,600	3.1%
2025	<u>\$ 50,500</u>	<u>\$29,500</u>	<u>\$ 80,000</u>	3.1%
Total	\$147,000	\$85,900	\$232,900	

The Audit / Examination fees have been included in the annual budget. Approval is requested subject to future budget authorization.

PASSED AND ADOPTED BY THE PUBLIC UTILITY BOARD OF THE CITY OF

ROCHESTER, MINNESOTA, THIS 24th DAY OF October, 2023.

PRESIDENT

SECRETARY



REQUEST FOR ACTION

Board Policy 6. Delegation of Authority/Relationship with Management

MEETING DATE:

October 24, 2023

ORIGINATING DEPT:

Rochester Public Utilities

AGENDA SECTION:

Board Policy Review

PRESENTER:

Tim McCollough

Action Requested:

Review and receive comments on the draft revised policy.

Report Narrative:

Attached are redlined and clean versions of the Delegation of Authority/Relationship with Management Policy the Board President and Board Vice President reviewed on October 3. It contains the suggested edits from that meeting in early August.

In addition to some basic grammatical edits for clarity, there were a few guiding themes in the suggested revisions:

- Removing gendered language in reference to positions and titles.
- Aligning the General Manager authorities with the current understanding and practice.
- Adding the board training and education delegations from corollary changes in Board Policy 2.
- Increasing the delegated authority for travel authorizations by the GM at the same time of expanding the scope of audit responsibilities by the Board.

Prepared By:

Tim MC

Attachments:

[06 Delegation of Authority Relationship with Management - redlined.pdf](#)

[06 Delegation of Authority Relationship with Management - clean copy.pdf](#)

ROCHESTER PUBLIC UTILITIES BOARD POLICY STATEMENT

POLICY SUBJECT: Delegation of Authority/Relationship with Management

POLICY OBJECTIVE:

The Board intends to clearly state its role as distinguished from that of the General Manager and the management of staff. This distinction will be made by setting forth the authorities and accountabilities, which the Board has specifically delegated, to the General Manager. The Board will also describe the type of Board-Management working relationship which best serves the long-term interests of RPU and its ratepayers.

POLICY STATEMENT:

The Board's principal role is to provide policy direction, not to manage the RPU organization. The General Manager's principal role is to see that the Board's policies are implemented and to report on the results of that policy.

The Board and the General Manager must work together as a team to fulfill their obligation to "control, manage, and operate" the utility systems of the City which are assigned to them by the Common Council. The Board members bring to this team their general knowledge of business operations and public policy and a commitment to act as responsible trustees on behalf of their citizen ratepayers. The General Manager and management bring to this team the professional and technical expertise needed to competently manage a complex business organization and to keep the Board informed of its performance.

The Board delegates to the General Manager the authority to act on its behalf in the management, operation, maintenance, improvement and expansion of the City utility systems and properties which the Board controls. The General Manager's delegated authority extends to the limitations prescribed by law or set forth in this

and any other policies which the Board has adopted or may adopt in the future. The General Manager's authority includes, but is not limited to, the following functions:

1. Direction of all management activities and work of the RPU staff. Delegation of appropriate responsibility with commensurate authority to the Division Directors and authorization for further delegations to any level of management. It is clearly understood that the General Manager is solely accountable to the Board, to the extent of ~~his-the General Manager's~~ delegated authority, regardless of any authority, which ~~he may be~~ delegated to others.
2.
 - a. Development and analysis, with appropriate participation by management and staff, of viewpoints, legislation, regulations, and policies for consideration by the Board.
 - b. Interpretation of same to employees, customers, and other interested parties.
3. Development and recommendation to the Board of short and long range plans and programs, including the strategic plan ~~and an annual work plan.~~
4.
 - a. Preparation and recommendation to the Board of annual capital and operating budgets.
 - b. Preparation and review of budget reports to determine conformance with approved budgets.
5.
 - a. Approval of accounting systems and execution of procedures necessary ~~_____~~ to ensure sound financial management of RPU's utility systems.
 - b. Presentation to the Board, for audit, of accounts payable from the public utility fund.

- ~~6. a. 6. a. 6. a.~~ Approval of all operating and capital expenditures of \$175,000 or less, ~~_____~~ unless specifically authorized by the Board, for the procurement of goods and services, provided that the expenditures are within approved budget limits.
- b. Signing and executing such instruments, as the Board may authorize, which are necessary to conduct operations or to carry out the decisions of the Board. At this time, the General Manager is authorized to approve only those purchases which involve the expenditure of \$175,000 or less, unless

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specifically authorized by the Board, for procurement of budgeted goods and services and those permits and licenses which are required in connection with the construction, operation, or maintenance of RPU property.

- c. Execution of all purchases and contracts in accordance with the budget and prevailing law, including requirements for public bidding processes.
7. Supervision of the purchase, lease, rental, use, maintenance, assignment, or sale of property controlled by the Board.
8. Development, recommendation to the Board, ~~and administration and implementation~~ -of customer related policies, rates, and other charges for service provided.
9. Development, recommendation to the Board, ~~and administration and implementation~~ -of personal policies, not in conflict with those which are or may be established by authority of the Common Council, applying to employees of the Board.
10. Negotiation of applicable labor agreements, with-in collaboration with oversight assistance from the City ~~Director~~ Department of Human Resources, ~~and~~ presentation of such agreements to the Board for approval, and implementation. ~~Administration~~ of approved labor agreements.
11. Selection, appointment, transfer, promotion, discipline, or release of all employees of the ~~Board~~ Public Utility, subject to procedures approved by the Board and Common Council.
12. Approval of salary and wage changes for all employees of the Board, in accordance with policy and established wage and salary administration plans, and within budget limitations.
13. Development and establishment of the organization structure necessary to carry out the Board's objectives and programs. The General Manager is authorized to create or eliminate positions, subject to the provisions of labor agreements and approved salary administration programs, ~~-but is not~~ authorized to exceed the overall head count limit of permanent employees as established by the Board.

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14. Preparation and recommendation to the Board, with assistance from the City ~~Director-Department~~ of Human Resources, of job position pay range and fringe benefit changes which are intended to maintain the internal equity and external competitiveness of employee compensation.
15. Direction and implementation of employee and Board training, educational programs, and management services within approved budget limitations. The General Manager is authorized to approve employee travel and living expense ~~within the continental United States~~ for training, education, or business purposes. A record of all ~~out of state travel~~overnight will be maintained for audit by the Board.
16. Cooperation with local, state, and national organizations with the intent to obtain support for and promote the viewpoints and objectives of the Board.
17. Representation of the viewpoints and objectives of the Board to the Southern Minnesota Municipal Power Agency in the capacity of the City's member representative and Board member.
18. The exercise of all and every other action necessary to protect the interests and promote the welfare of the City utility systems which are controlled by the Board, consistent with directives of the Board and applicable law.

RELEVANT LEGAL AUTHORITY: City of Rochester Home Rule Charter Chapter XV, Minnesota Statute §471.345

EFFECTIVE DATE OF POLICY: December 27, 1984

DATE OF POLICY REVIEW: October 24, 2023

POLICY APPROVAL:

Board President

Date

DRAFT

ROCHESTER PUBLIC UTILITIES BOARD POLICY STATEMENT

POLICY SUBJECT: Delegation of Authority/Relationship with Management

POLICY OBJECTIVE:

The Board intends to clearly state its role as distinguished from that of the General Manager and the management of staff. This distinction will be made by setting forth the authorities and accountabilities, which the Board has specifically delegated, to the General Manager. The Board will also describe the type of Board-Management working relationship which best serves the long-term interests of RPU and its ratepayers.

POLICY STATEMENT:

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The Board and the General Manager must work together as a team to fulfill their obligation to "control, manage, and operate" the utility systems of the City which are assigned to them by the Common Council. The Board members bring to this team their general knowledge of business operations and public policy and a commitment to act as responsible trustees on behalf of their citizen ratepayers. The General Manager and management bring to this team the professional and technical expertise needed to competently manage a complex business organization and to keep the Board informed of its performance.

The Board delegates to the General Manager the authority to act on its behalf in the management, operation, maintenance, improvement and expansion of the City utility systems and properties which the Board controls. The General Manager's delegated authority extends to the limitations prescribed by law or set forth in this

and any other policies which the Board has adopted or may adopt in the future. The General Manager's authority includes, but is not limited to, the following functions:

1. Direction of all management activities and work of the RPU staff. Delegation of appropriate responsibility with commensurate authority to the Division Directors and authorization for further delegations to any level of management. It is clearly understood that the General Manager is solely accountable to the Board, to the extent of the General Manager's delegated authority, regardless of any authority, which may be delegated to others.
2.
 - a. Development and analysis, with appropriate participation by management and staff, of viewpoints, legislation, regulations, and policies for consideration by the Board.
 - b. Interpretation of same to employees, customers, and other interested parties.
3. Development and recommendation to the Board of short and long range plans and programs, including the strategic plan
4.
 - a. Preparation and recommendation to the Board of annual capital and operating budgets.
 - b. Preparation and review of budget reports to determine conformance with approved budgets.
5.
 - a. Approval of accounting systems and execution of procedures necessary to ensure sound financial management of RPU's utility systems.
 - b. Presentation to the Board, for audit, of accounts payable from the public utility fund.
6.
 - a. Approval of all operating and capital expenditures of \$175,000 or less, unless specifically authorized by the Board, for the procurement of goods and services, provided that the expenditures are within approved budget limits.
 - b. Signing and executing such instruments, as the Board may authorize, which are necessary to conduct operations or to carry out the decisions of the Board. At this time, the General Manager is authorized to approve

only those purchases which involve the expenditure of \$175,000 or less, unless specifically authorized by the Board, for procurement of budgeted goods and services and those permits and licenses which are required in connection with the construction, operation, or maintenance of RPU property.

- c. Execution of all purchases and contracts in accordance with the budget and prevailing law.
7. Supervision of the purchase, lease, rental, use, maintenance, assignment, or sale of property controlled by the Board.
8. Development, recommendation to the Board, and implementation of customer related policies, rates, and other charges for service provided.
9. Development, recommendation to the Board, and implementation of personal policies, not in conflict with those which are or may be established by authority of the Common Council, applying to employees of the Board.
10. Negotiation of applicable labor agreements, in collaboration with the City Department of Human Resources, presentation of such agreements to the Board for approval, and implementation of approved labor agreements.
11. Selection, appointment, transfer, promotion, discipline, or release of all employees of the Public Utility, subject to procedures approved by the Board and Common Council.
12. Approval of salary and wage changes for all employees of the Board, in accordance with policy and established wage and salary administration plans, and within budget limitations.
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authorized to exceed the overall head count limit of permanent employees as established by the Board.

14. Preparation and recommendation to the Board, with assistance from the City Department of Human Resources, of job position pay range and fringe benefit changes which are intended to maintain the internal equity and external competitiveness of employee compensation.
15. Direction and implementation of employee and Board training, educational programs, and management services within approved budget limitations. The General Manager is authorized to approve employee travel and living expense for training, education, or business purposes. A record of all overnight will be maintained for audit by the Board.
16. Cooperation with local, state, and national organizations with the intent to obtain support for and promote the viewpoints and objectives of the Board.
17. Representation of the viewpoints and objectives of the Board to the Southern Minnesota Municipal Power Agency in the capacity of the City's member representative and Board member.
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EFFECTIVE DATE OF POLICY: December 27, 1984

DATE OF POLICY REVIEW: October 24, 2023

POLICY APPROVAL:

Board President

Date



REQUEST FOR ACTION

RPU Index of Board Policies

MEETING DATE:

October 24, 2023

ORIGINATING DEPT:

Rochester Public Utilities

AGENDA SECTION:

Board Policy Review

PRESENTER:

Tim McCollough

Action Requested:

Review the Index of Board Policies to summarize progress on policy updates and determine future policy review items.

Report Narrative:

RPU Board policies are updated throughout the year as needed.

Prepared By:

Christina Bailey

Attachments:

[Index of Board Policies-revised.xlsx](#)

ROCHESTER PUBLIC UTILITIES		
INDEX OF BOARD POLICIES		
	REVISION DATE	FOCUS AREA / STAFF LIAISON
BOARD		
1. Mission Statement	4/25/2023	Policy / Mark Kotschevar
2. Responsibilities and Functions	9/26/2023	Policy / Mark Kotschevar
3. Relationship with the Common Council	2/28/2012	Policy / Mark Kotschevar
4. Board Organization	3/27/2018	Policy / Mark Kotschevar
5. Board Procedures	9/27/2022	Policy / Mark Kotschevar
6. Delegation of Authority/Relationship with Management	7/24/2018	Policy / Mark Kotschevar
7. Member Attendance at Conferences and Meetings	12/18/2018	Policy / Mark Kotschevar
8. Board Member Expenses	12/18/2018	Policy / Mark Kotschevar
9. Conflict of Interest	DELETED	N/A
10. Alcohol and Illegal Drugs	DELETED	N/A
11. Worker Safety	3/27/2012	Policy / Mark Kotschevar
CUSTOMER		
12. Customer Relations	4/30/2019	Ops & Admin / Krista Boston
13. Public Information and Outreach	4/30/2019	Communications / Steven Nyhus
14. Application for Service	7/1/2016	Ops & Admin / Scott Nickels
15. Electric Utility Line Extension Policy	3/28/2017	Finance / Peter Hogan
16. Billing, Credit and Collections Policy	4/26/2022	Finance / Peter Hogan
17. Electric Service Availability	10/29/2019	Ops & Admin / Scott Nickels
18. Water and Electric Metering	6/26/2018	Ops & Admin / Scott Nickels
19. Adjustment of Utility Services Billed	6/29/2021	Finance / Peter Hogan
20. Rates	7/25/2017	Finance / Peter Hogan
21. Involuntary Disconnection	9/28/2021	Communications / Steven Nyhus
ADMINISTRATIVE		
22. Acquisition and Disposal of Interest in Real Property	12/19/2017	Ops & Admin / Scott Nickels
23. Electric Utility Cash Reserve Policy	1/28/2020	Finance / Peter Hogan
24. Water Utility Cash Reserve Policy	1/28/2020	Finance / Peter Hogan
25. Charitable Contributions	6/25/2019	Communications / Steven Nyhus
26. Utility Compliance	10/24/2017	Communications / Steven Nyhus
27. Contribution in Lieu of Taxes	6/29/1999	Finance / Peter Hogan
28. Joint-Use of Infrastructure and Land Rights	3/30/2021	Ops & Admin / Scott Nickels
29. Customer Data Management Policy	3/22/2022	Communications / Steven Nyhus
30. Life Support	9/24/2019	Communications / Steven Nyhus
31. Electric Utility Undergrounding Policy	9/29/2020	Ops & Admin / Scott Nickels
Red - Currently being worked on		
Yellow - Will be scheduled for revision		
Marked for deletion		



REQUEST FOR ACTION

Division Reports & Metrics - October 2023

MEETING DATE:

October 24, 2023

ORIGINATING DEPT:

Rochester Public Utilities

AGENDA SECTION:

Division Reports & Metrics

PRESENTER:

Tim McCollough

Action Requested:

Review the reports from each of RPU's five divisions: Core Services, Compliance and Public Affairs, Power Resourced, Customer Relations and Corporate Services.

Report Narrative:

Each division of RPU reports monthly on its metrics and activities to the Board.

Prepared By:

Christina Bailey

Attachments:

[Division Report October 2023.pdf](#)

Division Reports & Metrics

October 2023

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

Division Reports & Metrics

October 2023

CORE SERVICES

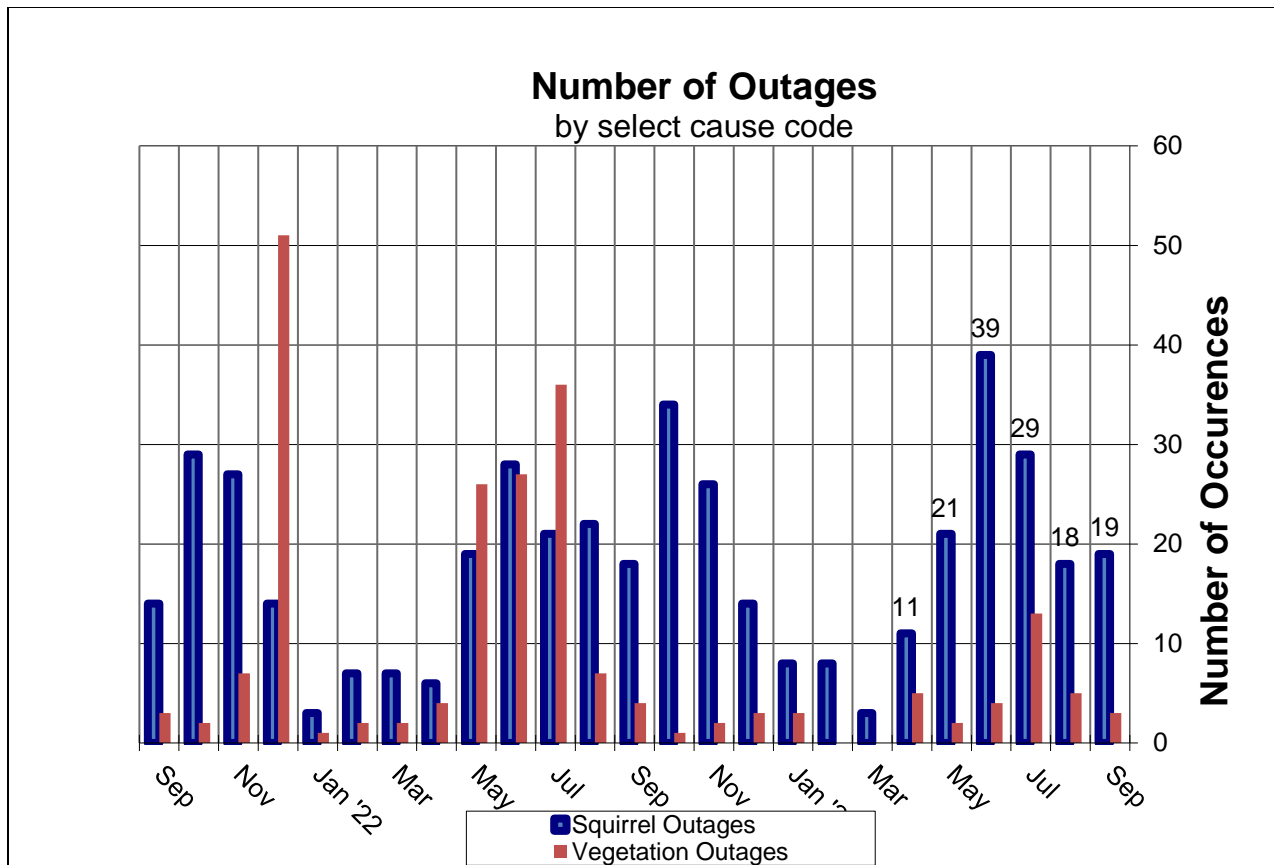
Electric Utility:

1. Electric Outage Calculations for the month and year to date (September 2023 Data)

- | | |
|--|---|
| a. Reliability = 99.99664% | Year-to-date Reliability = 99.99452% |
| b. 1,625 Customers affected by Outages | Year-to-date Customers affected by Outages = 21,536 |
| c. SAIDI = 1.45 min | Year-to-date SAIDI = 21.72 min |
| d. CAIDI = 41.78 min | Year-to-date CAIDI = 55.12 min |

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

- The Marion Road high voltage circuit breakers were mounted and wired in September. Duct construction on the 9th St and Park's properties are currently on-going.
- The AMI projects has continued the statement of work, service agreement and contract negotiations with selected vendors in September.
- Reliability statistics were positively impacted by the lack of severe weather in September.



Summary of individual electrical outages (greater than 200 customers-September 2023 data)

# Customers	Date	Duration	Cause
856	9/22/2023	32m	Overhead Equipment
273	9/8/2023	52m	Animal – Squirrel
220	9/27/2023	2h 2m	Vehicle

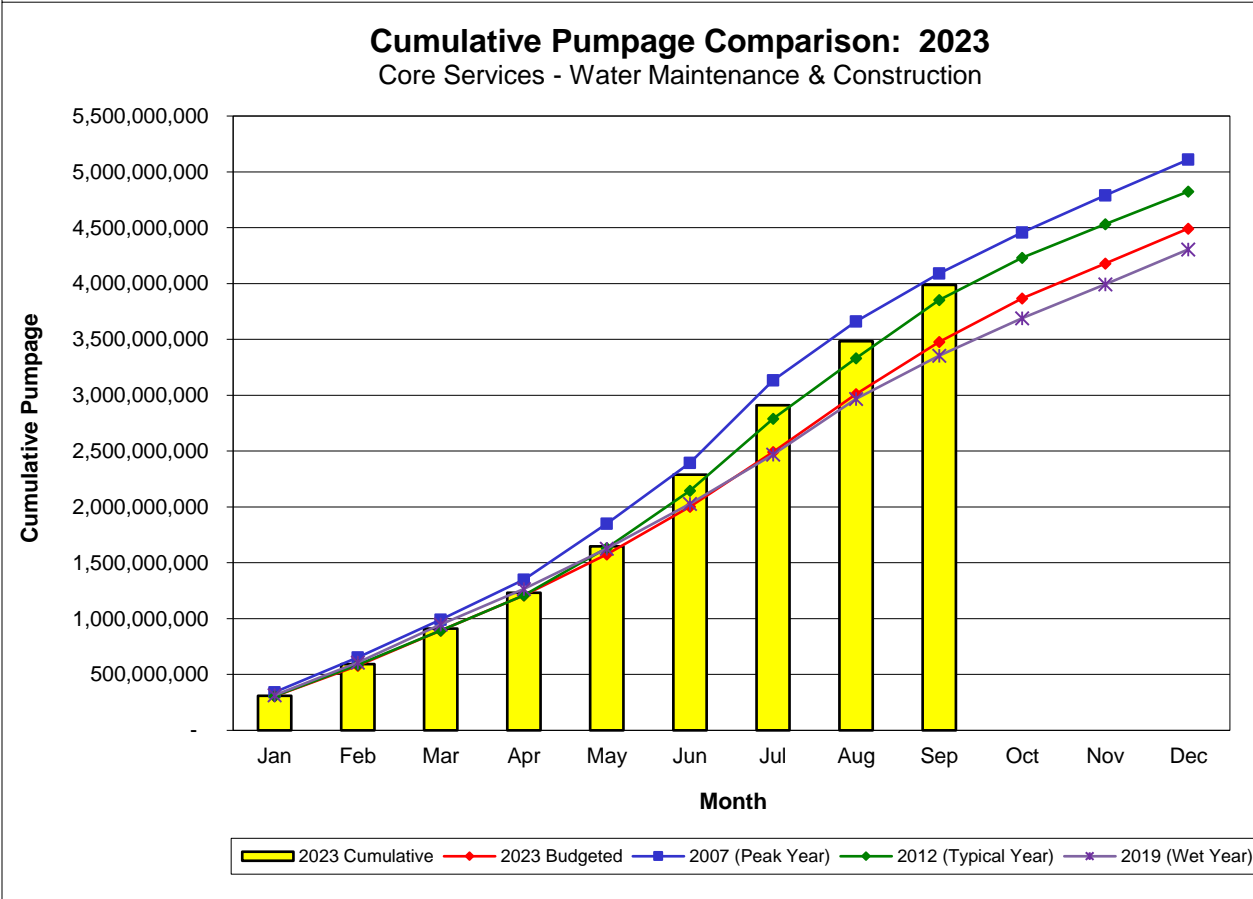
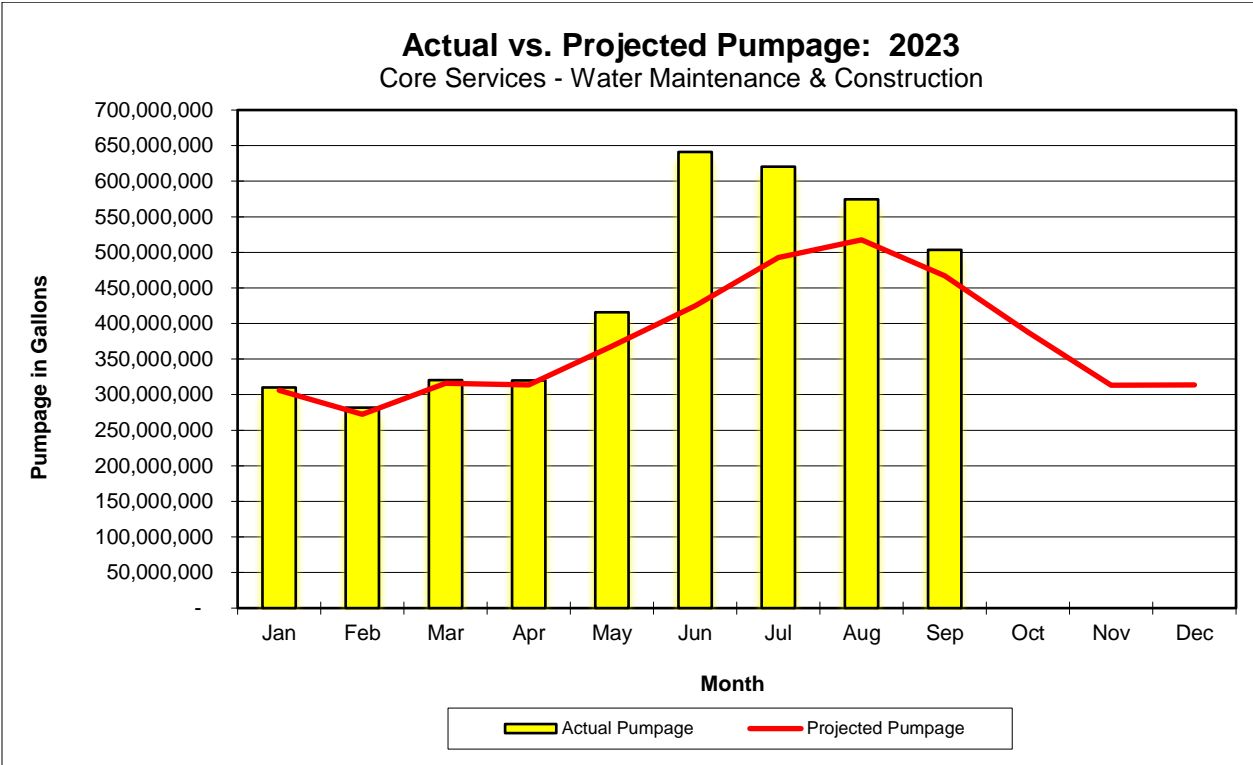
Summary of aggregated incident types (greater than 200 customers – September 2023 data)

# Customers	Total # of Incidents	Cause
1,075	4	Overhead Equipment
415	19	Animals – Squirrel
220	1	Vehicle

Water Utility:

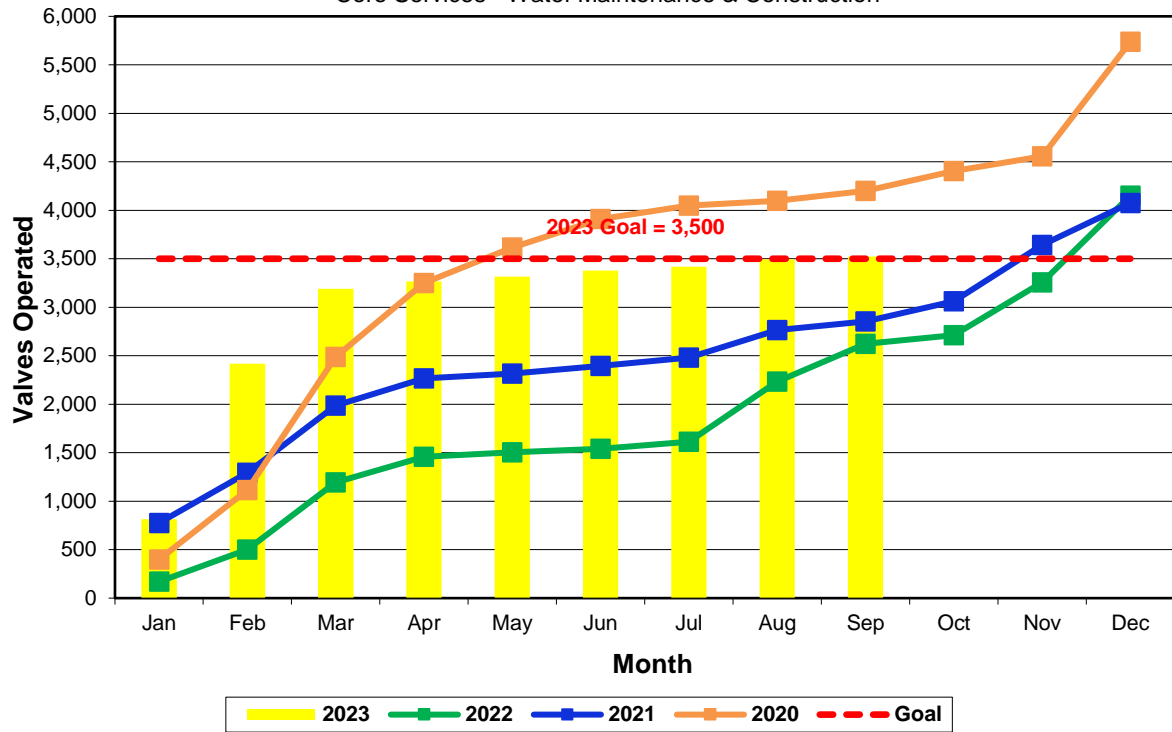
1. Water Outage Calculations for the month and year to date (September 2023 data):

- | | |
|--------------------------------------|--|
| a. Reliability = 99.99914209% | Year-to-date Reliability = 99.99851122% |
| b. 130 Customers Affected by Outages | Year-to-date Customers Affected by Outages = 1,661 |
| c. 258.5 Customer Outage Hours | Year-to-date Customer Outage Hours = 4,082.1 |
| d. SAIDI = 0.4 | Year-to-date SAIDI = 5.9 |
| e. CAIDI = 119.3 | Year-to-date CAIDI = 147.5 |
- Performed 1,734 Gopher State water utility locates during the month for a total of 11,452 for the year.
 - Repaired water distribution system failures or maintenance at the following locations during the month. :
 - 5th Ave & 10th St SE – (Leak) – 9/5
 - 512 5th Ave SW – (Water Main Break) – 9/11
 - Parkhill Ln SW – (Water Main Break) – 9/12
 - 19th Ave & 16 ½ St NW – (Leak) – 9/13
 - 7600 Helgerson Dr SW – (Water Main Break) – 9/14
 - 1521 Wilshire Dr NE – (Water Main Break) – 9/23
 - 437 14th Ave SW – (Water Main Break) – 9/24
 - 5512 44th Ave NW – (Water Main Break) – 9/25



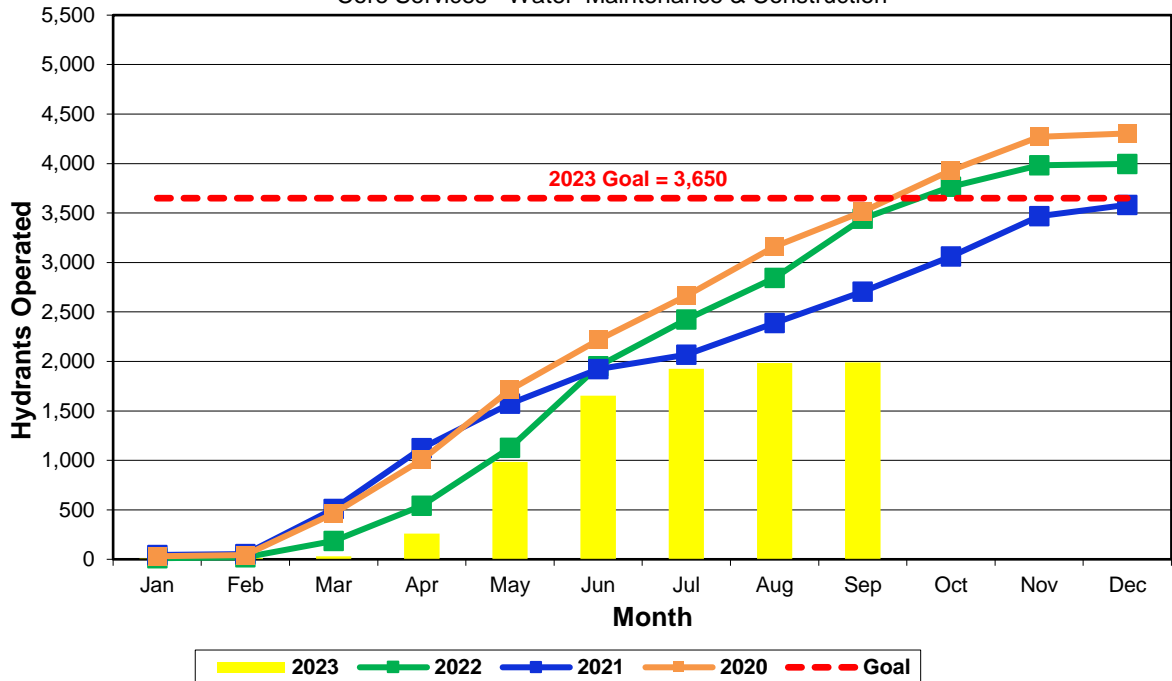
2023 Valve Operations Program

Core Services - Water Maintenance & Construction



2023 Hydrant Operations Program

Core Services - Water Maintenance & Construction



SAFETY / COMPLIANCE & PUBLIC AFFAIRS

October 2023

1. Safety

TRAINING	Total Required Enrollments	Completions as of 9/30/2023	Percent Complete
September 2023	424	424	100%
Calendar Year to 9/30/2023	4057	4057	100%

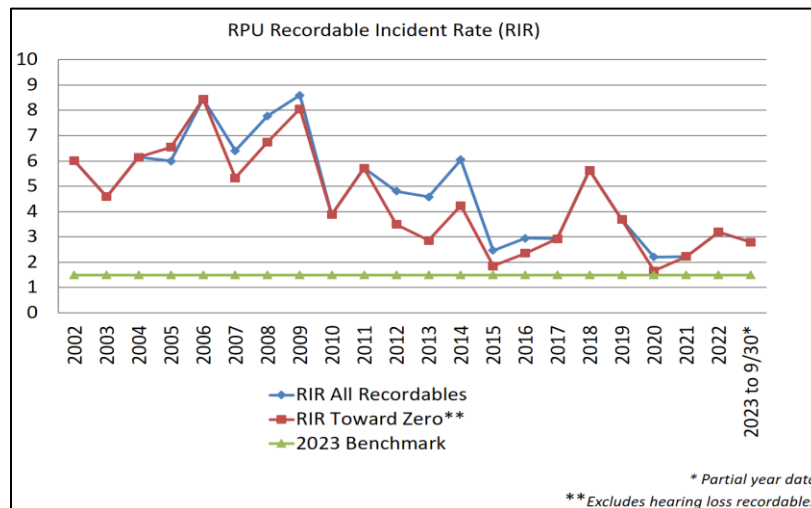
SAFETY TEAMS	Total Members	Members Attending	Percent Attending
September 2023	19	17	89.5%
Calendar Year to 9/30/2023	224	180	80.4%

INCIDENTS	Reports Submitted	OSHA Cases ¹	RPU RIR ²	BLS RIR ³
September 2023	0	0	--	--
Calendar Year to 9/30/2023	22	4	2.79	1.5

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



23 of RPU's 24 departments are recordable injury free in 2023
214 of RPU's 218 employees are recordable injury free in 2023



2023 OSHA Recordable Case Detail				
Work Area	Incident Date	Description	Primary Reason it's a Recordable	Corrective Action
T&D	3/13/2023	Slipped and fell onto shovel causing torso (L) pain	Restricted Duty	N/A
T&D	4/1/2023	Slipped off ladder, fell to ground causing pain to back, elbow (L) and neck.	Restricted Duty	Reviewed work practices with those involved
T&D	8/4/2023	Pain in elbow (L) while pulling wire	Restricted Duty	N/A
T&D	8/11/2023	While helping to set pole, stepped into hole injuring ankle (R).	Restricted Duty	Reviewed work practices with those involved

SAFETY INITIATIVES

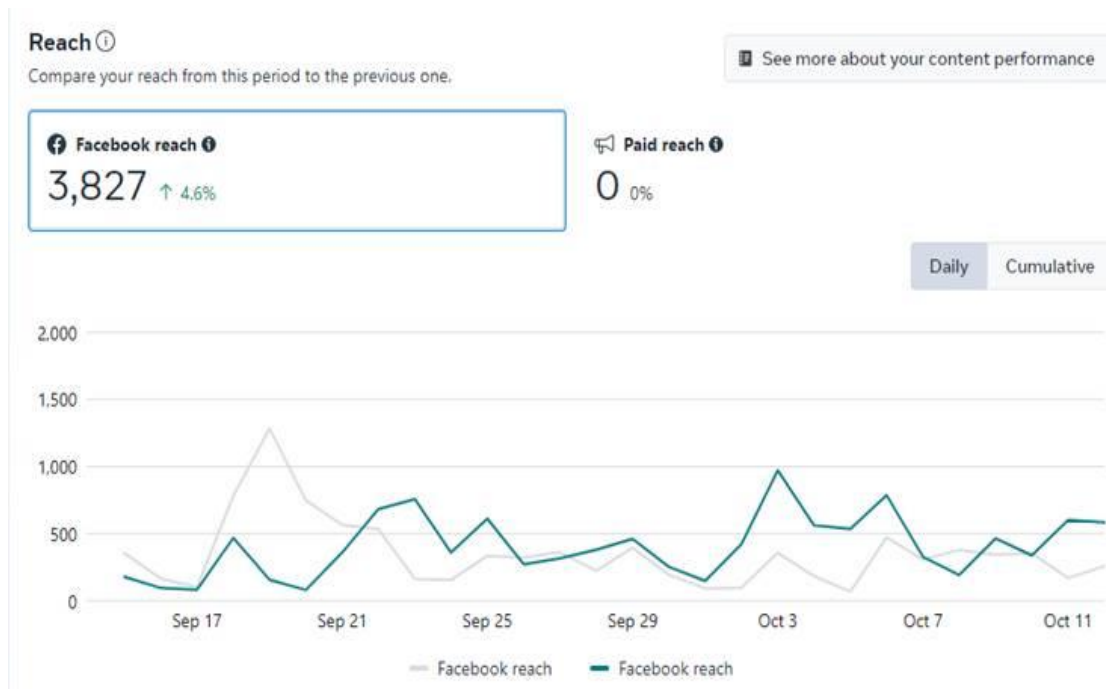
1. Implemented a process of reviewing and then resolving failed truck and respirator inspection items through the appropriate safety teams.
2. Updated radio frequency monitors and met with crews to discuss their use.
3. Working with the MMUA and Power Resources to implement hands-on fire extinguisher training.

2. Environmental & Regulatory Affairs

- On September 25th, RPU coordinated a drill with Wabasha County Emergency Management to exercise the CodeRED notification system for the residents downstream of the Lake Zumbro Dam. CodeRED notifies residents of emergency situations that require immediate action. Once activated, the system will call your contact number and leave messages in voice mail boxes and on answering machines.
- On September 29th, RPU staff met with MN Dept. of Natural Resources (DNR) to discuss monitoring requirements for Well 42. DNR is requiring RPU to add monitoring wells in NW Rochester and monitor Cascade Creek for potential impacts from Well 42.
- On October 1st, Todd Osweiler presented at Peace United Church educating their activity group on RPU's Water System.
- On October 11th, RPU staff performed a water tour for Rochester Montessori School 7th & 8th graders. Students and teachers learned where Rochester gets their water, water quality, water conservation and also toured a well house and water tower.

3. Communications

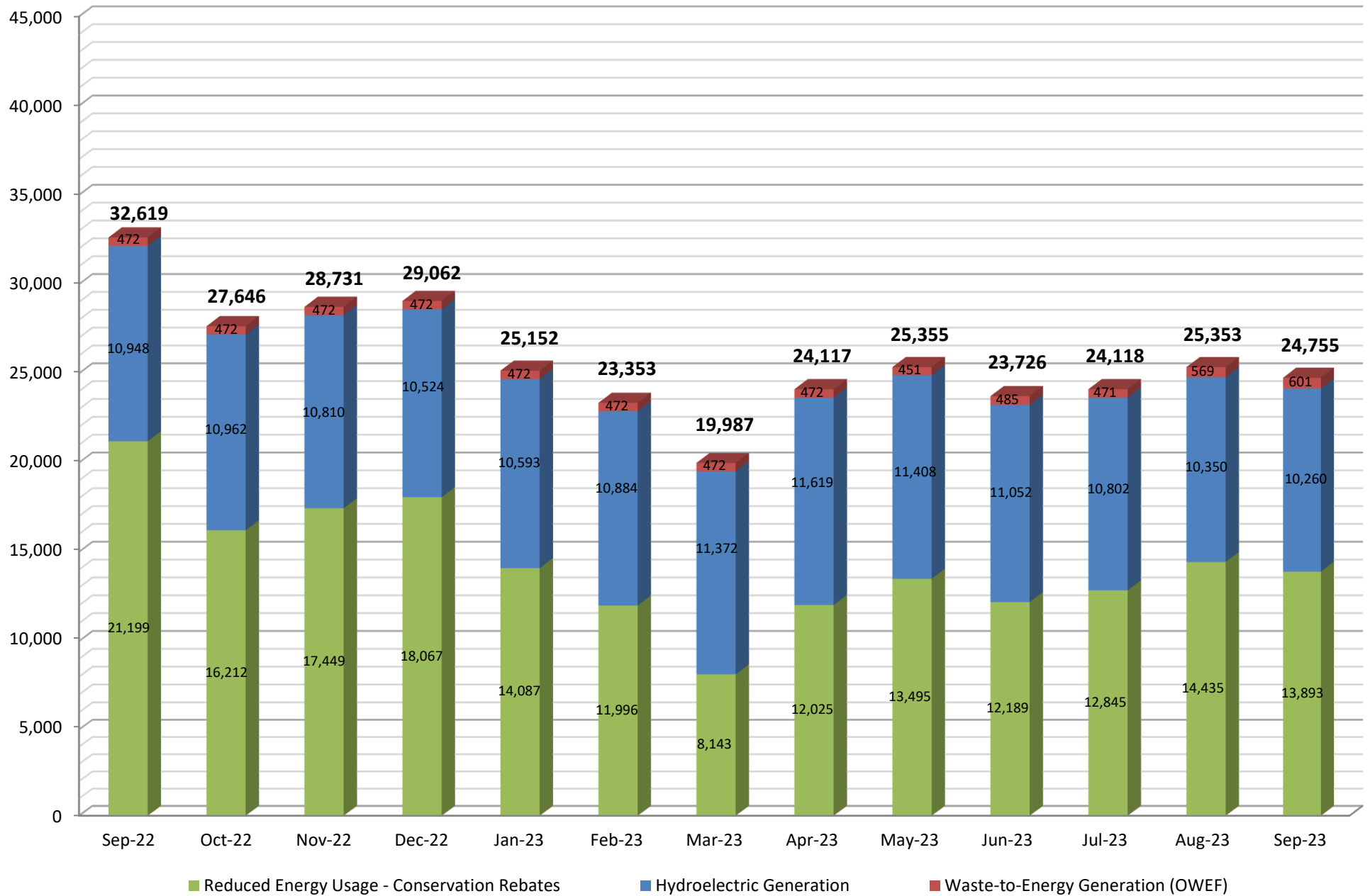
- RPU staff invited the media in to share the new electric vehicle (EV) program with customers.
- We celebrated Public Power Week with increased media, communication, and engagement in Rochester and on social media.
- RPU staff from five different work areas worked with Human Resources on short videos to highlight careers at RPU. These will be used online and at career fairs.
- RPU's book "I Want to Work at RPU!" was chosen for a Gold Award from the MarCom Award.



RPU Environmental Stewardship Metric

Tons CO₂ Saved

(12 Month Rolling Sum)



POWER RESOURCES MANAGEMENT

OCTOBER 2023

Portfolio Optimization

1. In September, RPU continued to bid GT1, GT2 and WES into the MISO day-ahead and real-time markets. GT2 and WES are also capable of participating in the ancillary services market.
 - a. Ancillary Service Market – Supplemental Reserves
 - i. Cleared DA
 1. GT2 – 30 days
 2. WES – 29 days
 - ii. Deployment YTD
 1. GT2 – 0
 2. WES – 0
 - b. Dispatched by MISO

i. GT1 – 0 times	YTD 18 times
ii. GT2 – 8 times	YTD 118 times
iii. WES – 16 times	YTD 145 times
 - c. Hours of Operation

i. GT1 – 0 hours	YTD 163 hours
ii. GT2 – 57 hours	YTD 971 hours
iii. WES – 102 hours	YTD 1,225 hours
 - d. Electricity Generated

i. GT1 – 0 MWh	YTD 3,455 MWh
ii. GT2 – 1,948 MWh	YTD 33,449 MWh
iii. WES – 3,183 MWh	YTD 39,490 MWh
 - e. Forced Outage

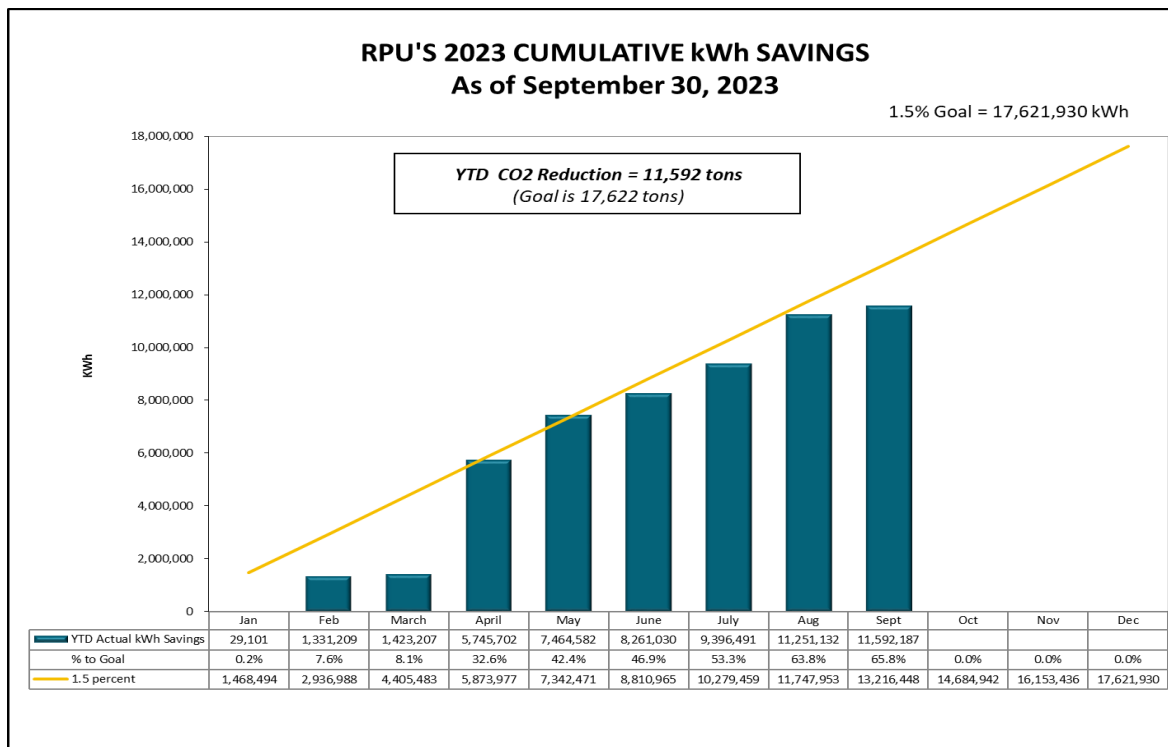
i. GT1 – 0 hours	YTD 255 hours
ii. GT2 – 0 hours	YTD 221 hours
iii. WES – 0 hours	YTD 6 hours
2. MISO market Real Time Price averaged \$26.75/MWh and Day Ahead Price averaged \$25.12/MWh.

CUSTOMER RELATIONS

(Contact Center, Utility Programs and Services, Commercial and Residential)

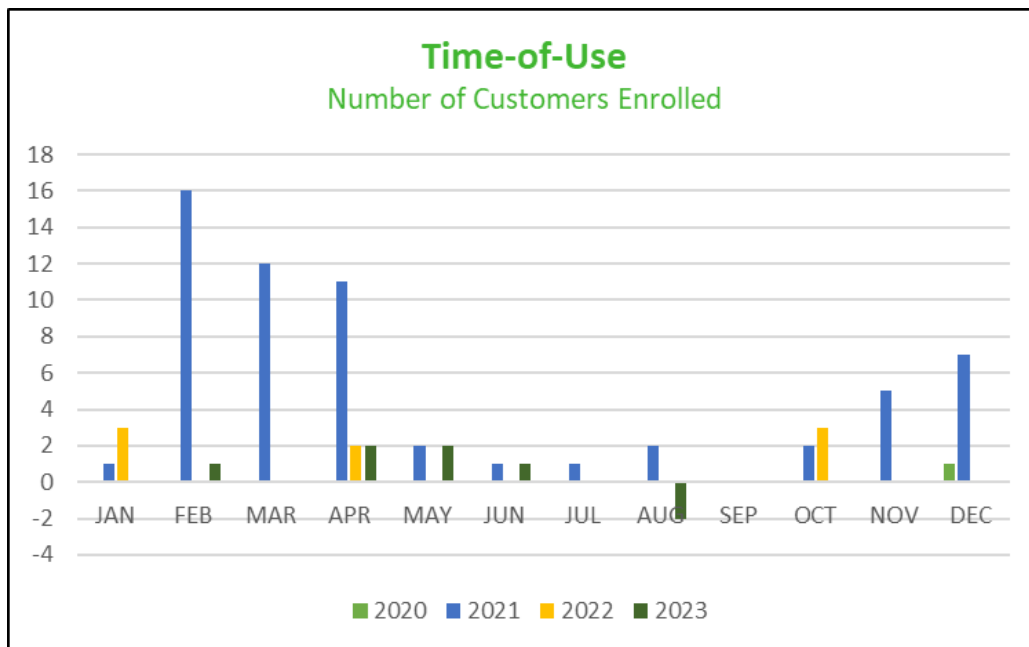
Events/Opportunities for Customers

1. Utility Programs and Services hosted a class titled “Solar Energy for Your Home or Business” through Community Education on Saturday, October 7. Twenty-one people attended the class.
2. Customer Care and Collections continue to make outreach calls to customers with past due balances on their accounts. The intent is to be proactive and connect these customers with outside resources for financial assistance. During the month of September, 1,029 customers were called.
3. On Monday, October 9, Customer Care went live with a new Hallmark program which enables our Customer Care Advisors to send personalized Hallmark cards to customers after calls that may have been impactful e.g., sympathy or congratulations on your new home.



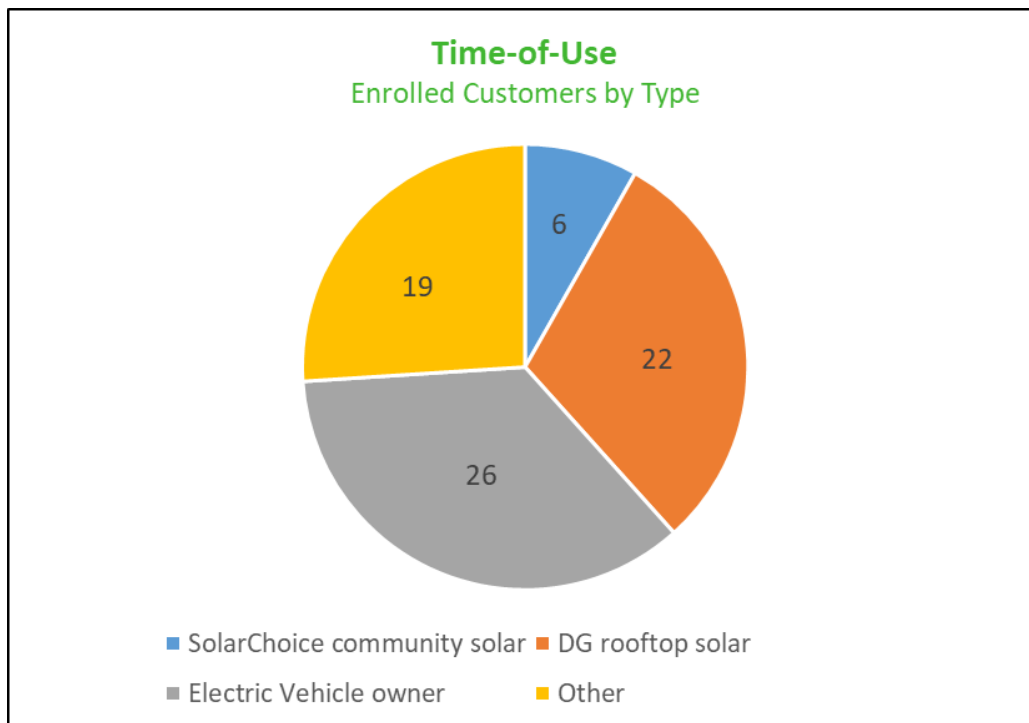
YTD Savings: 11,592,187 kWh

Percent to kWh Goal: 65.8%



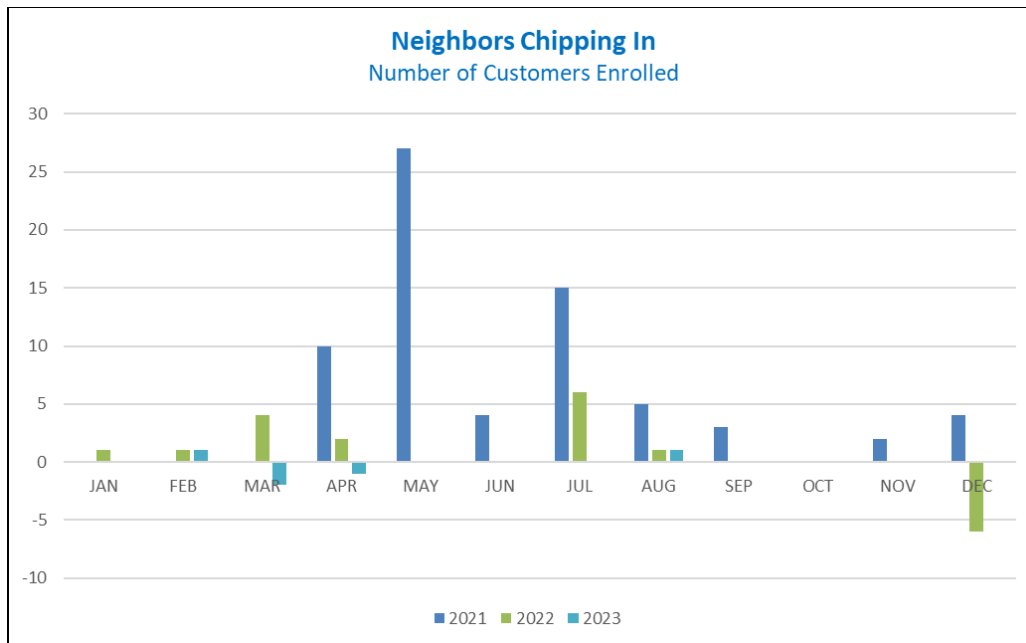
✚ Total Customers Enrolled: 73

- 2021 = 1
- 2021 = 60
- 2022 = 8
- 2023 = 4



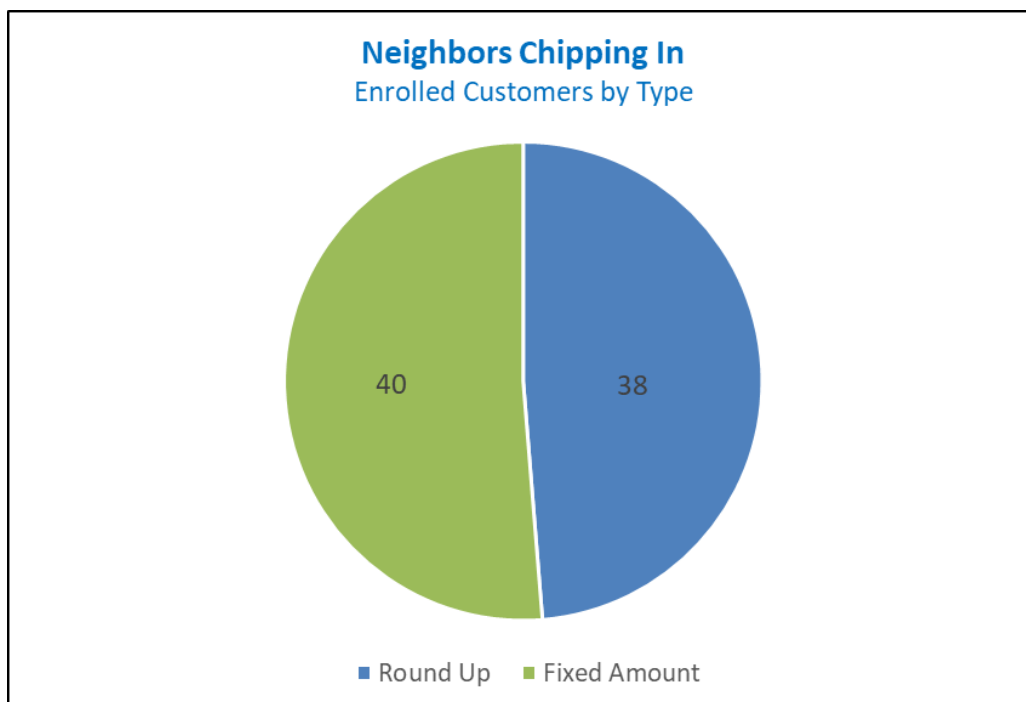
✚ Total Customers Enrolled: 73

- SolarChoice = 6
- Solar = 22
- Electric Vehicle = 26
- Regular Residential (Other) = 19



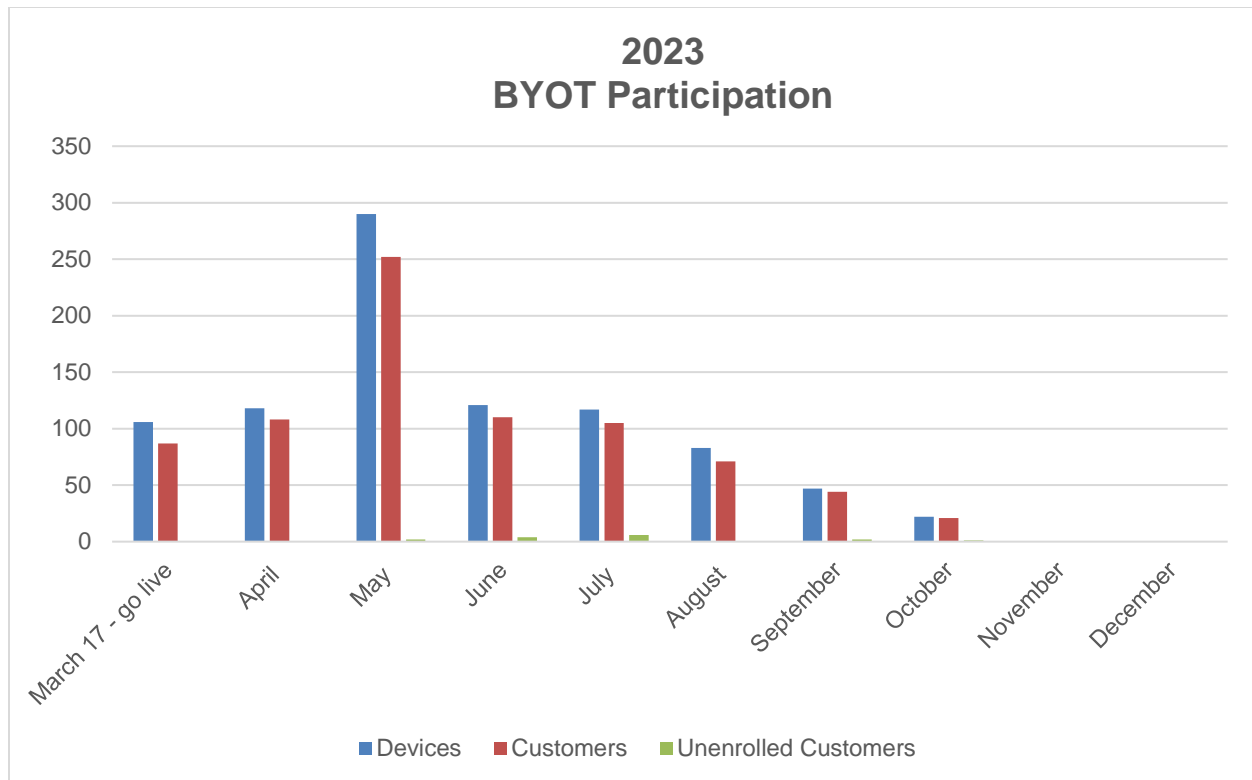
✚ Total Customers Enrolled: 78

- 2021 = 70
- 2022 = 9
- 2023 = -1

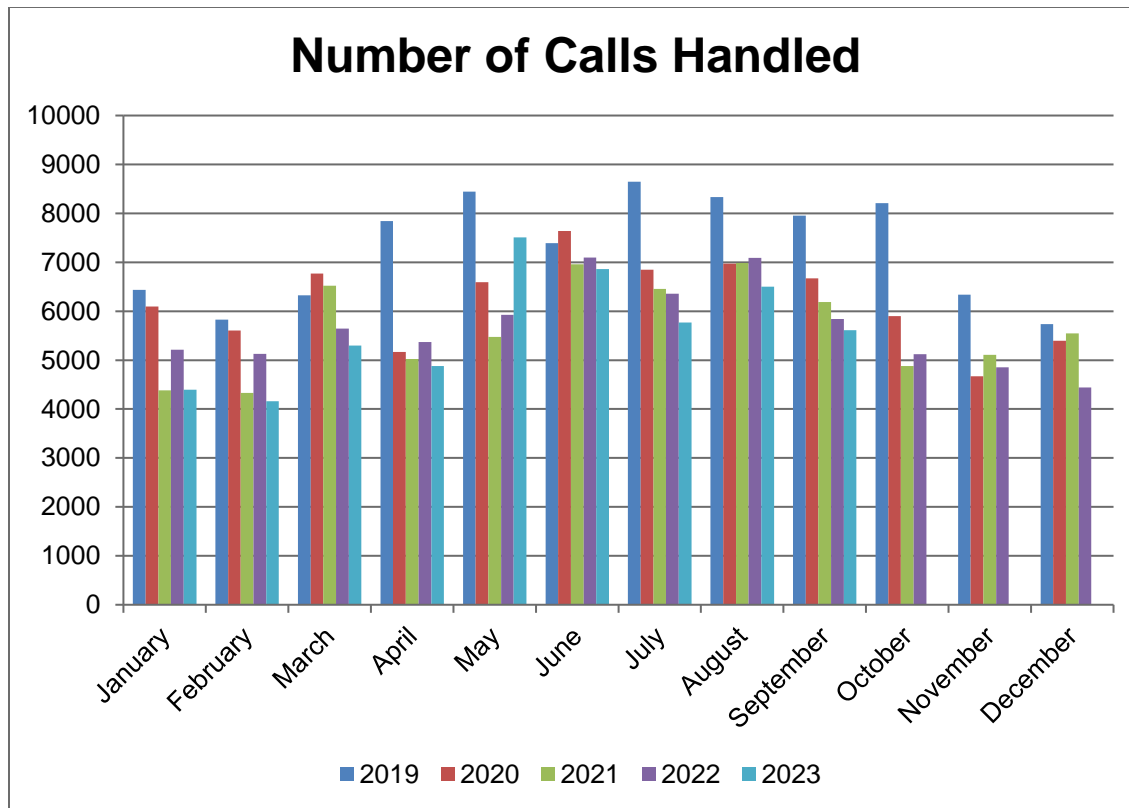


✚ Total Customers Enrolled: 78

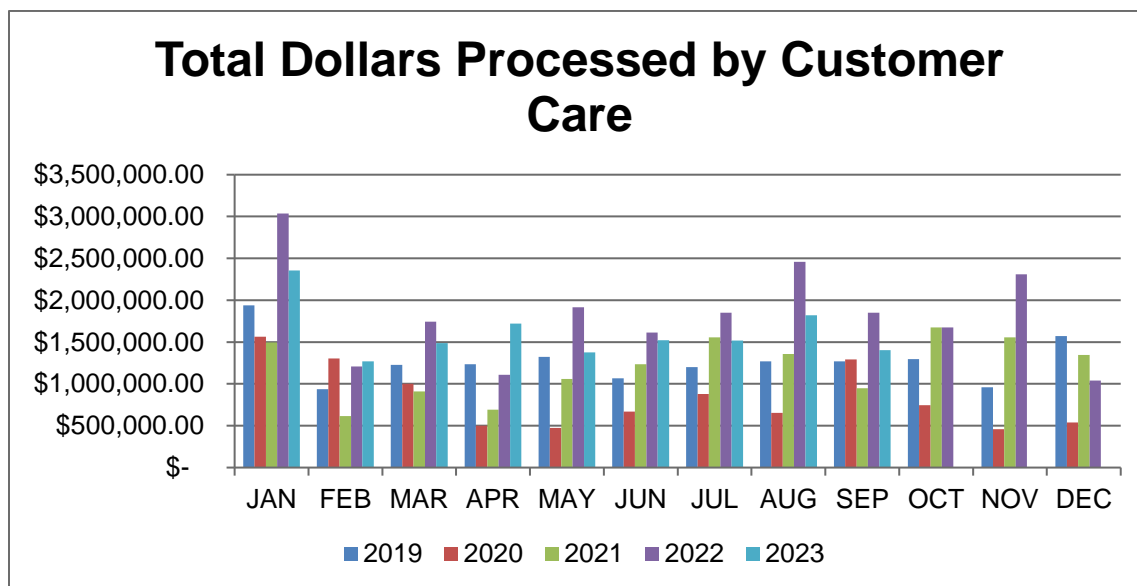
- Round Up = 40
- Fixed Amount = 38



- ✚ Totals:
- Devices = 904
 - Customers = 798
 - Unenrolled Customer = 15



✚ Total Number of Calls: 5,613 (graphed above)

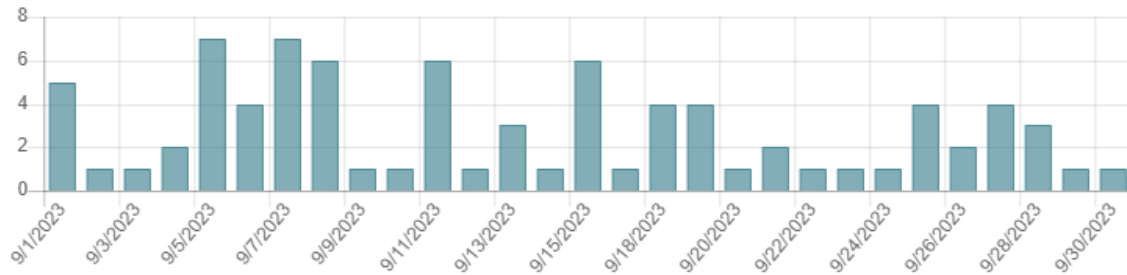


✚ Total Number of Transactions Processed by Representatives: 4,470 (graphed above)

✚ Total Number in Dollars Processed by Representatives: \$1,401,519

Kiosk Payments

Total Transactions - 82



Revenue Sources

Cash
Check
Credit

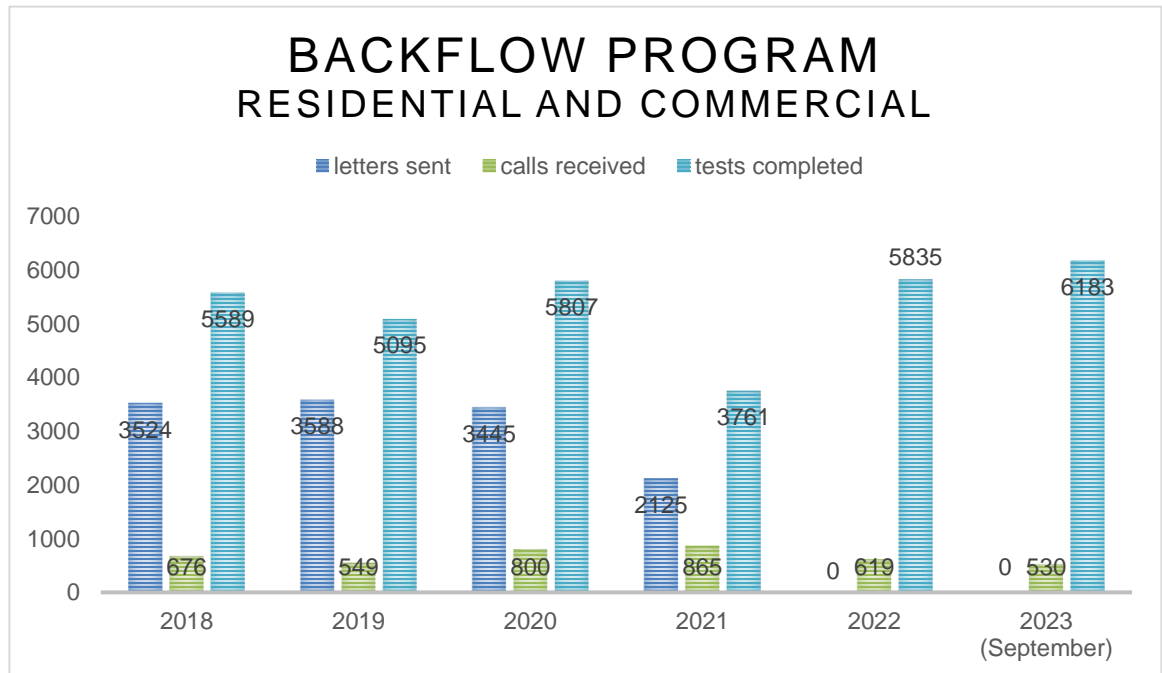


- Total Number of Transactions: 82 (graphed above)
- Total Number of Transactions by Payment Method: 44 cash, 7 check, and 31 credit card payments

CORPORATE SERVICES

1. Business Services:

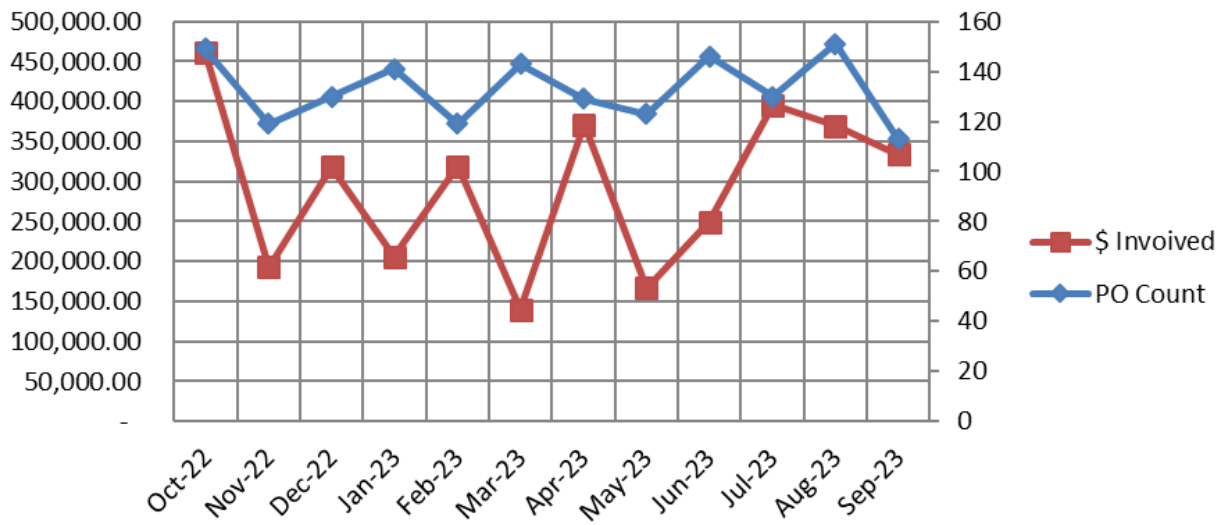
- Payroll/HR – Coordinated activities for onboarding of one full time employee, one intern. Four temporary employees completed their seasonal assignments.
- Participating in the newly formed Health Plan Advisory team.
- Q3 Cyber Security Awareness training was completed by all employees.
- Created digital version of the welcome booklet.



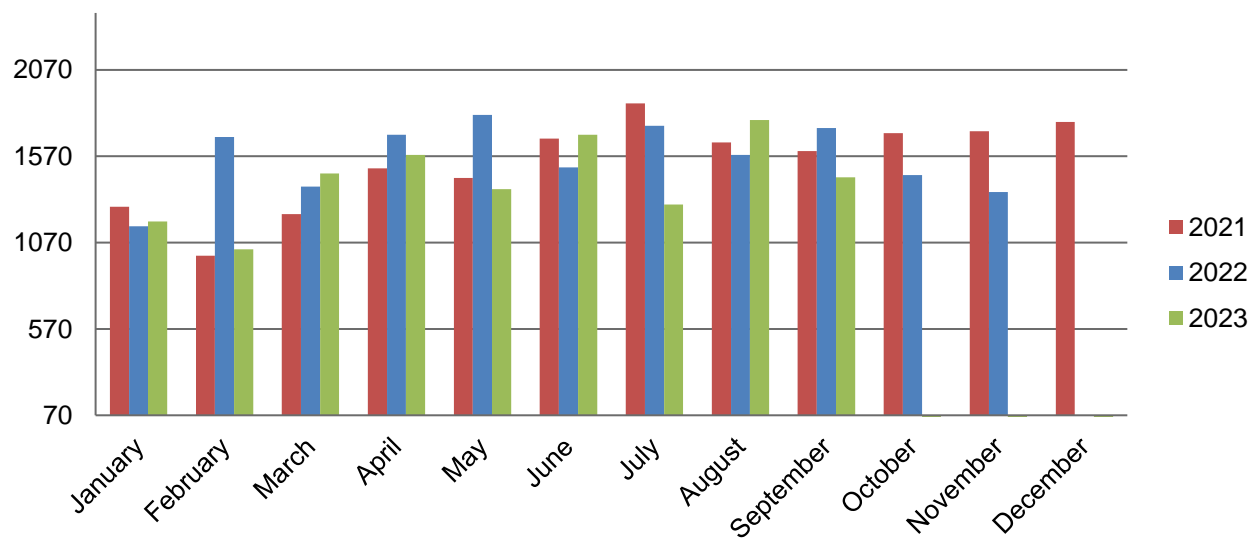
• Purchasing and Materials Management:

- Evaluating Request for Quote #2023-07 – Lake Zumbro Hydroelectric Plant Upgrades.
- Issued notice to partially suspend work in much of Slatterly and Bear Creek Park due to the identified Cultural Resource Site.

Purchase Order Count and Dollars Invoiced



Warehouse Transactions Count All Plants



2. Finance and Accounting:

General

- The Fitch bond rating agency is conducting its annual review and update. The Finance team prepared summary information requested and participated in a video conference with the analysts. We anticipate a rating decision late in October 2023.
- The notice of proposed rate changes for both the Water and Electric Utilities were posted on September 30, 2023 at the direction of the RPU Board. The RPU Board will be requested to approve the recommended 2024-2025 budget and rate tariff at the October 24, 2023 Board meeting.
- The Finance team has selected Vena Solutions to replace the current Cognos budgeting solution that has been out of support for a number of years. The implementation will start in October 2023 and be complete in time for the budget update process in 2024.
- Heidi Kruger has been hired and is currently training to be the Lead Collections Technician position which will be open in December due to the retirement of a long term employee, Barb Button.
- On October 1, 2023, the Utility entered the Cold Weather protection period. Notices have been sent to customers to inform them of the requirements to qualify for cold weather protection. October is also the beginning of a new plan year for Energy Assistance. The collections and customer care teams continue to work with customer to apply for assistance when eligible.
- The accounting team is working actively to implement a new Government Accounting Standard (GASBY 96) which is related to the accounting for subscription based information technology arrangements. As the technology environment continues to move to software and hardware as a service or subscription, the new accounting standard is meant to create improved visibility to the long term financial commitments behind these arrangements. The GASBY 96 changes will be included in our 2023 yearend financial statements and financial audit.

• Information Services:

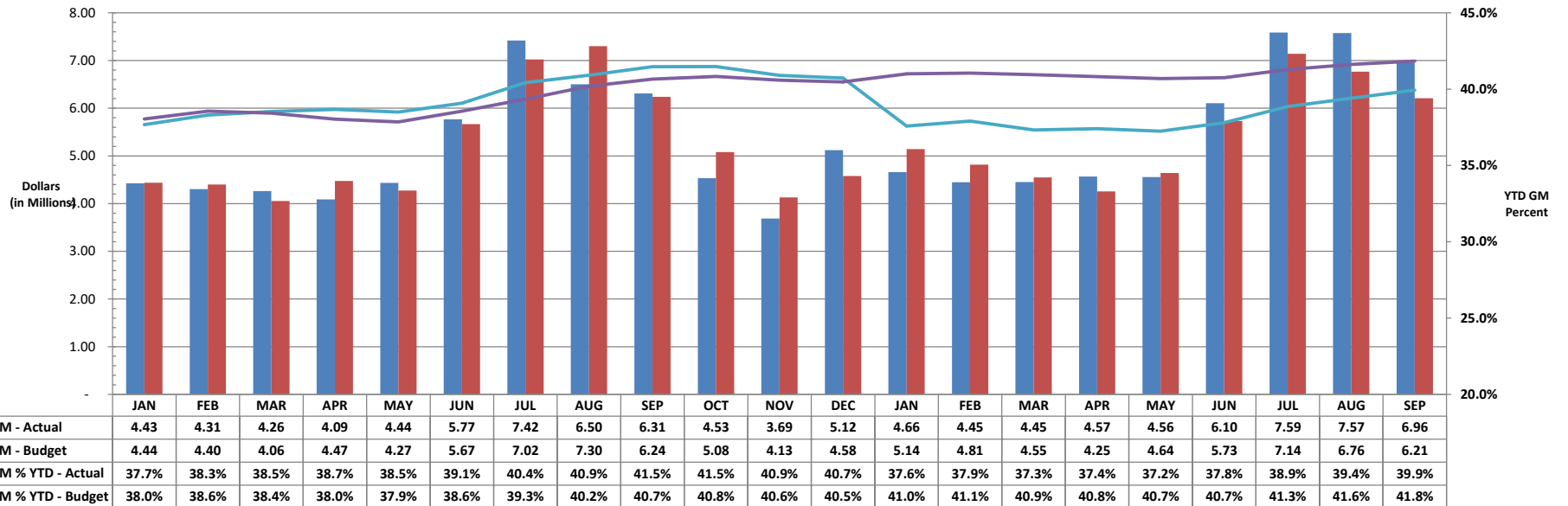
- The IT team is actively involved in detailed business process mapping, architecture and data mapping analysis to support the anticipated Advanced Metering Infrastructure project.
- Planning is in process for an upgrade to the current document management software.

3. Financial Results:

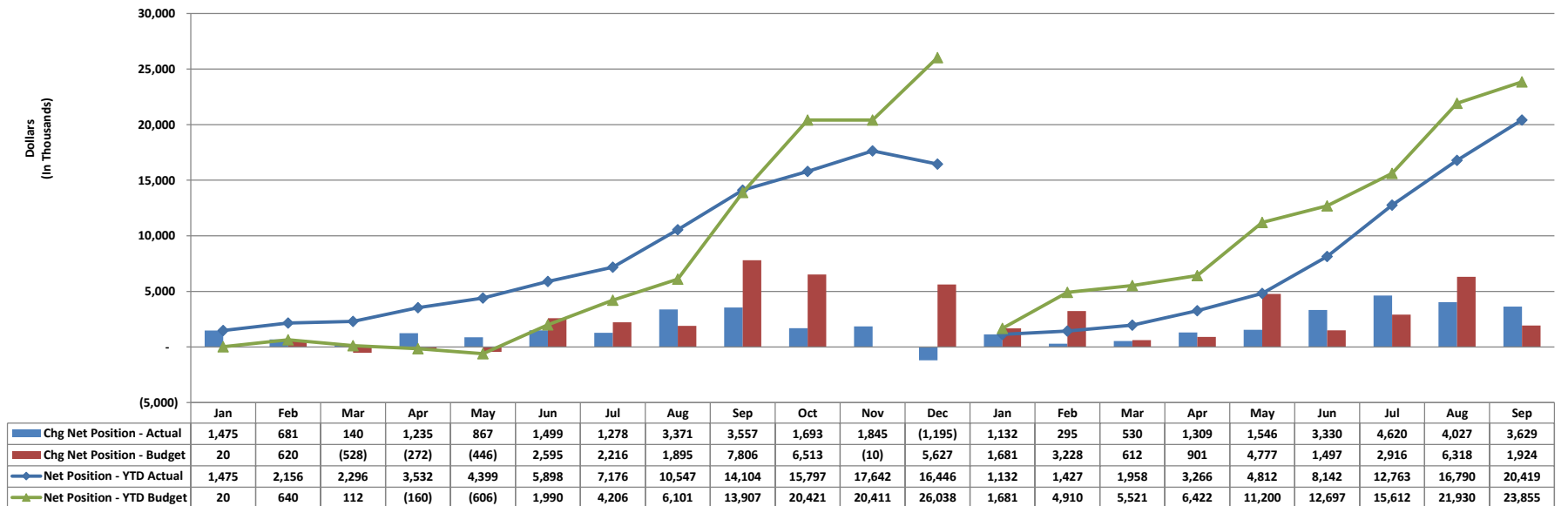
Note: Budget numbers are compared to the Board approved 2023 budget which is adjusted for 2022 approved projects not completed in 2022 and carried over to 2023. The majority of the variance in the Change in Net Position – Electric is due to the timing of completion of the Marion Road Substation project, and the recognition of contribution in aid of construction (CIAC) as revenue when this work is completed. For the month of September, 2023 CIAC is over budget by \$1,199K and under budget year to date by \$8,316K.

	Current Month			Year to Date		
(In Thousands)	Actual	Budget	Variance	Actual	Budget	Variance
Revenue - Electric	\$ 16,697	\$ 15,070	\$ 1,627	\$ 137,892	\$ 127,232	\$ 10,660
Revenue - Water	1,205	1,110	95	9,745	8,980	765
Change in Net Position - Electric	3,629	1,924	1,705	20,419	23,855	(3,436)
Change in Net Position - Water	369	(80)	449	2,581	1,181	1,400

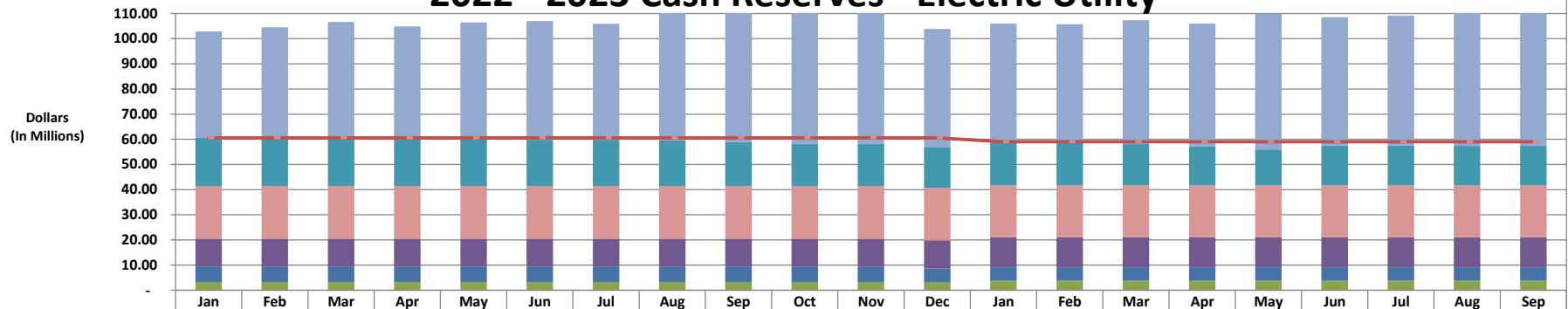
2022 - 2023 Retail Gross Margin - Electric Utility



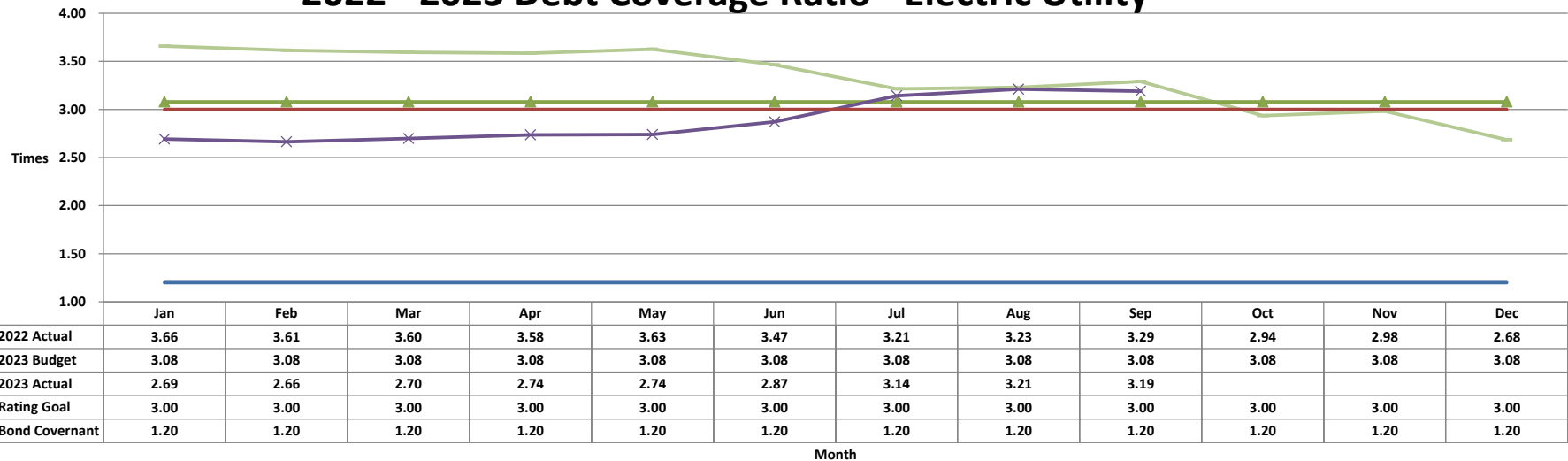
2022 - 2023 Change in Net Position - Electric Utility



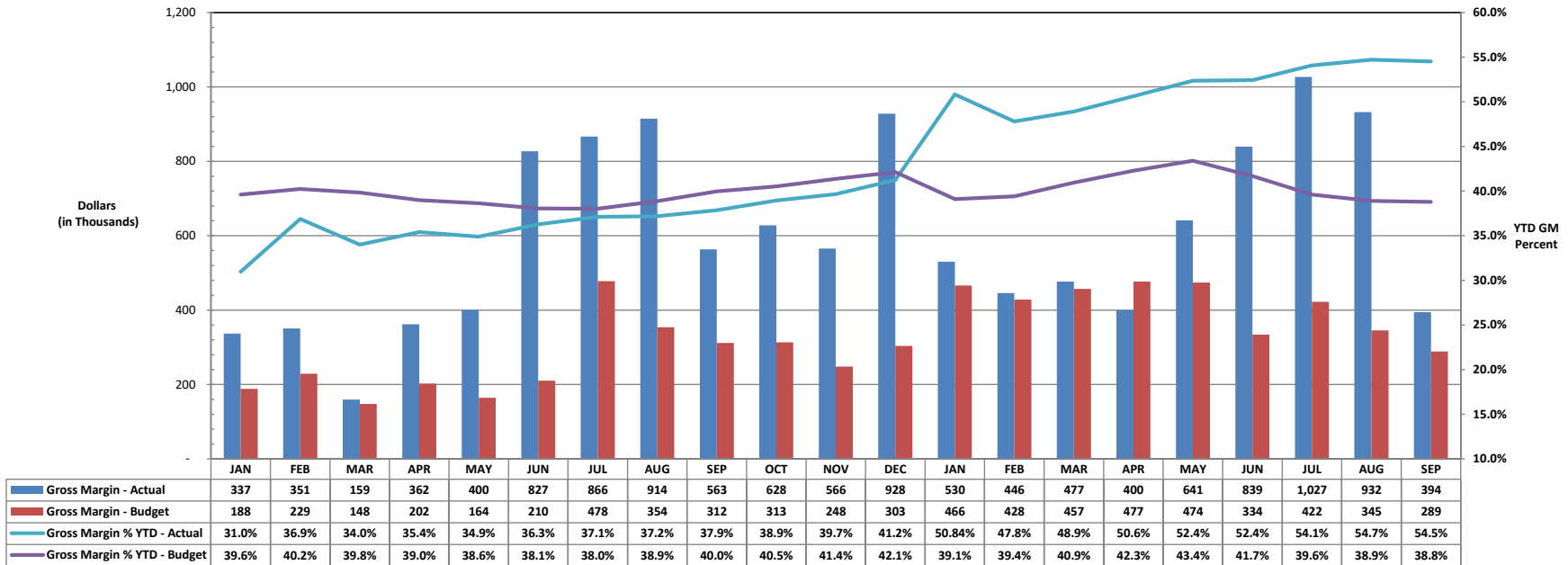
2022 - 2023 Cash Reserves - Electric Utility



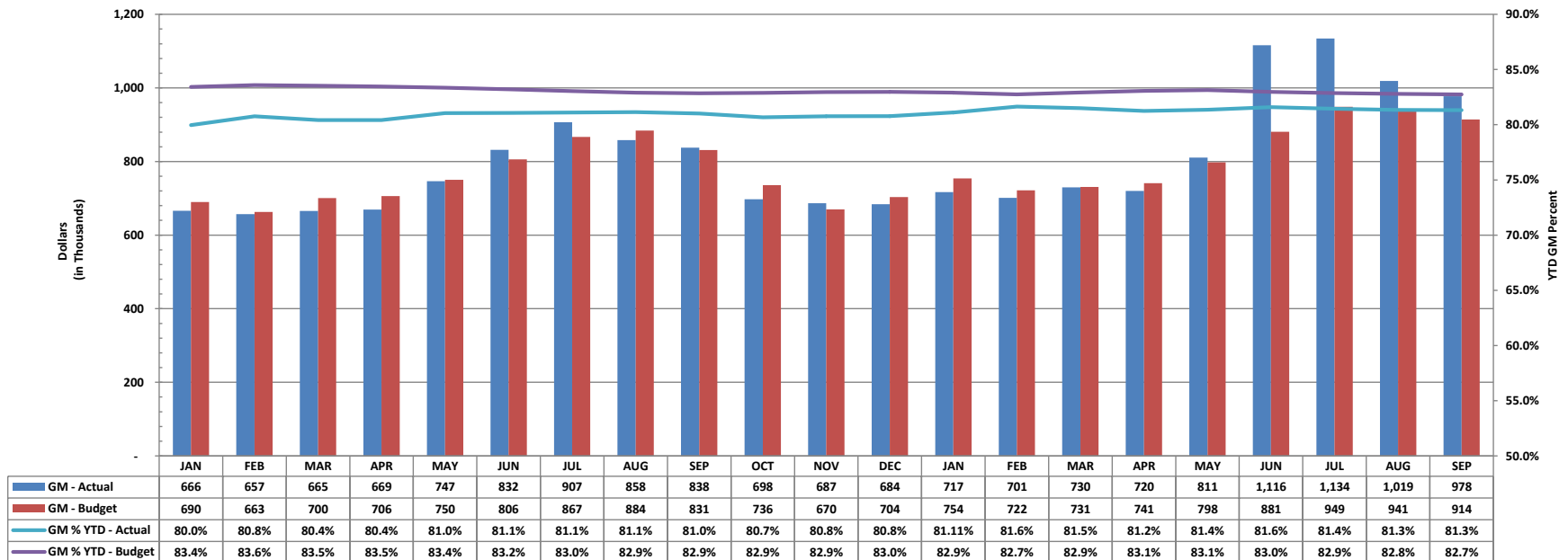
2022 - 2023 Debt Coverage Ratio - Electric Utility



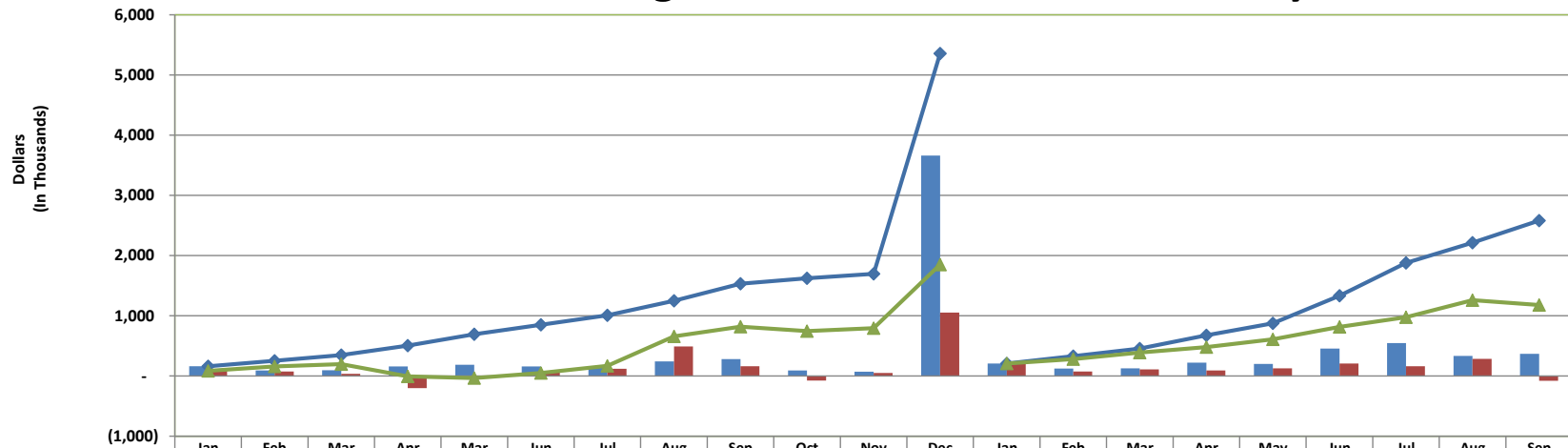
2022 - 2023 Gross Margin - Steam/Wholesale Electric



2022 - 2023 Gross Margin - Water Utility

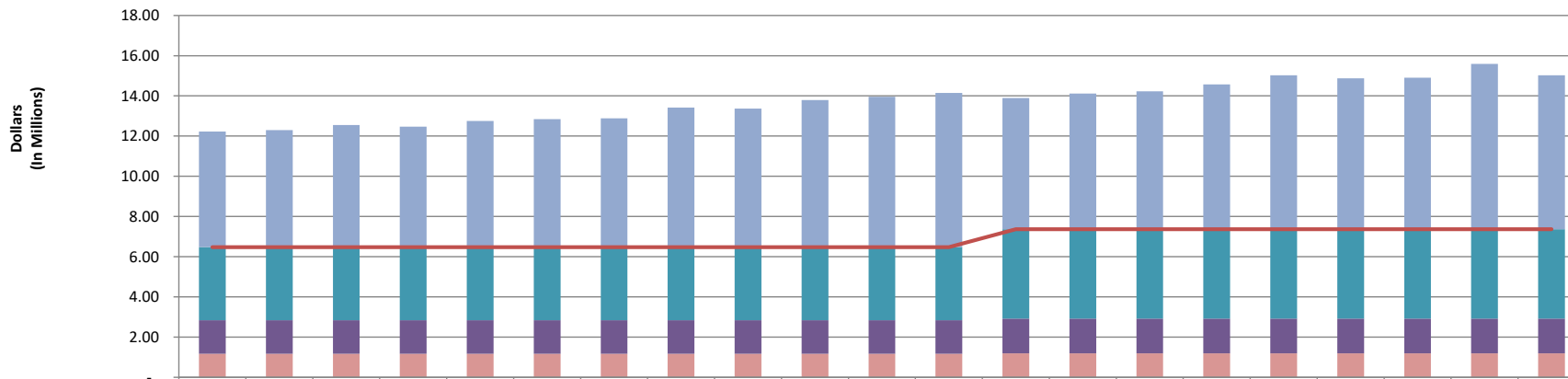


2022 - 2023 Change in Net Position - Water Utility



	Jan	Feb	Mar	Apr	Mar	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Chg Net Position - Actual	161	91	97	157	186	160	157	242	281	93	72	3,660	207	124	126	220	199	457	547	333	369
Chg Net Position - Budget	85	74	37	(203)	(29)	85	119	489	161	(75)	52	1,055	207	75	108	91	128	207	162	282	(80)
Net Position - YTD Actual	161	252	349	506	692	852	1,008	1,250	1,531	1,624	1,696	5,357	207	331	457	677	876	1,333	1,880	2,213	2,581
Net Position - YTD Budget	85	159	197	(6)	(35)	50	169	658	820	744	796	1,851	207	282	390	481	609	816	978	1,261	1,181

2022 - 2023 Cash Reserves - Water Utility



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
Unreserved Cash	5.75	5.82	6.08	6.00	6.28	6.37	6.41	6.95	6.89	7.32	7.48	7.67	6.53	6.74	6.86	7.21	7.66	7.50	7.53	8.23	7.66
Capital & MM	3.64	3.64	3.64	3.64	3.64	3.64	3.64	3.64	3.64	3.64	3.64	3.64	4.45	4.45	4.45	4.45	4.45	4.45	4.45	4.45	4.45
Contingency	1.66	1.66	1.66	1.66	1.66	1.66	1.66	1.66	1.66	1.66	1.66	1.66	1.73	1.73	1.73	1.73	1.73	1.73	1.73	1.73	1.73
Working Funds	1.18	1.18	1.18	1.18	1.18	1.18	1.18	1.18	1.18	1.18	1.18	1.18	1.19	1.19	1.19	1.19	1.19	1.19	1.19	1.19	1.19
Total	12.22	12.30	12.55	12.47	12.76	12.84	12.89	13.42	13.37	13.79	13.96	14.15	13.90	14.11	14.23	14.58	15.03	14.87	14.90	15.59	15.02
Min Reserver (Policy)	6.47	6.47	6.47	6.47	6.47	6.47	6.47	6.47	6.47	6.47	6.47	6.47	7.37	7.37	7.37	7.37	7.37	7.37	7.37	7.37	7.37

TO: Jeremy Sutton, Director of Power Resources

FROM: Tina Livingston, Senior Financial Analyst

SUBJECT: LOAD FORECAST SUMMARY FOR 2023

MONTH	SYSTEM ENERGY			PEAK SYSTEM DATA		
	ACTUAL MWH	FORECAST MWH	% DIFF	ACTUAL MW	FORECAST MW	% DIFF
JAN	98,317	101,577	-3.2%	166.2	174.5	-4.8%
FEB	88,358	91,538	-3.5%	162.7	170.2	-4.4%
MAR	94,140	90,382	4.2%	150.1	152.4	-1.5%
APR	86,360	84,706	2.0%	174.5	150.9	15.7%
MAY	93,889	87,677	7.1%	210.6	207.1	1.7%
JUN	110,690	102,733	7.7%	239.5	248.2	-3.5%
JUL	115,177	118,792	-3.0%	262.6	269.6	-2.6%
AUG	120,973	117,060	3.3%	294.8	243.8	20.9%
SEP	100,228	103,879	-3.5%	250.8	246.1	1.9%
OCT					167.8	
NOV					148.9	
DEC					167.6	
YTD	908,131	898,344	1.1			

PREVIOUS HISTORICAL SYSTEM PEAK 292.1 MW 07/20/2011

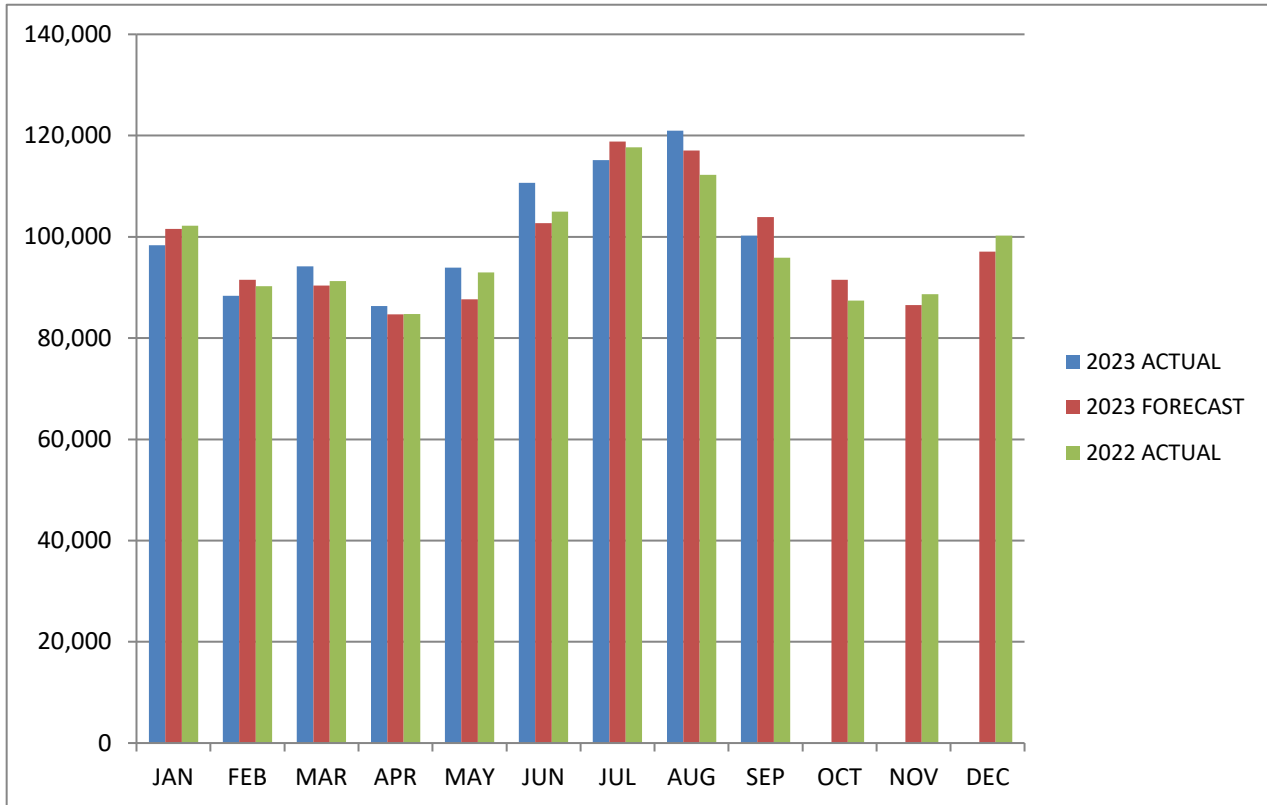
% DIFF = (ACTUAL / FORECAST X 100) - 100

MWH = MEGAWATT HOUR = 1000 KILOWATT HOURS

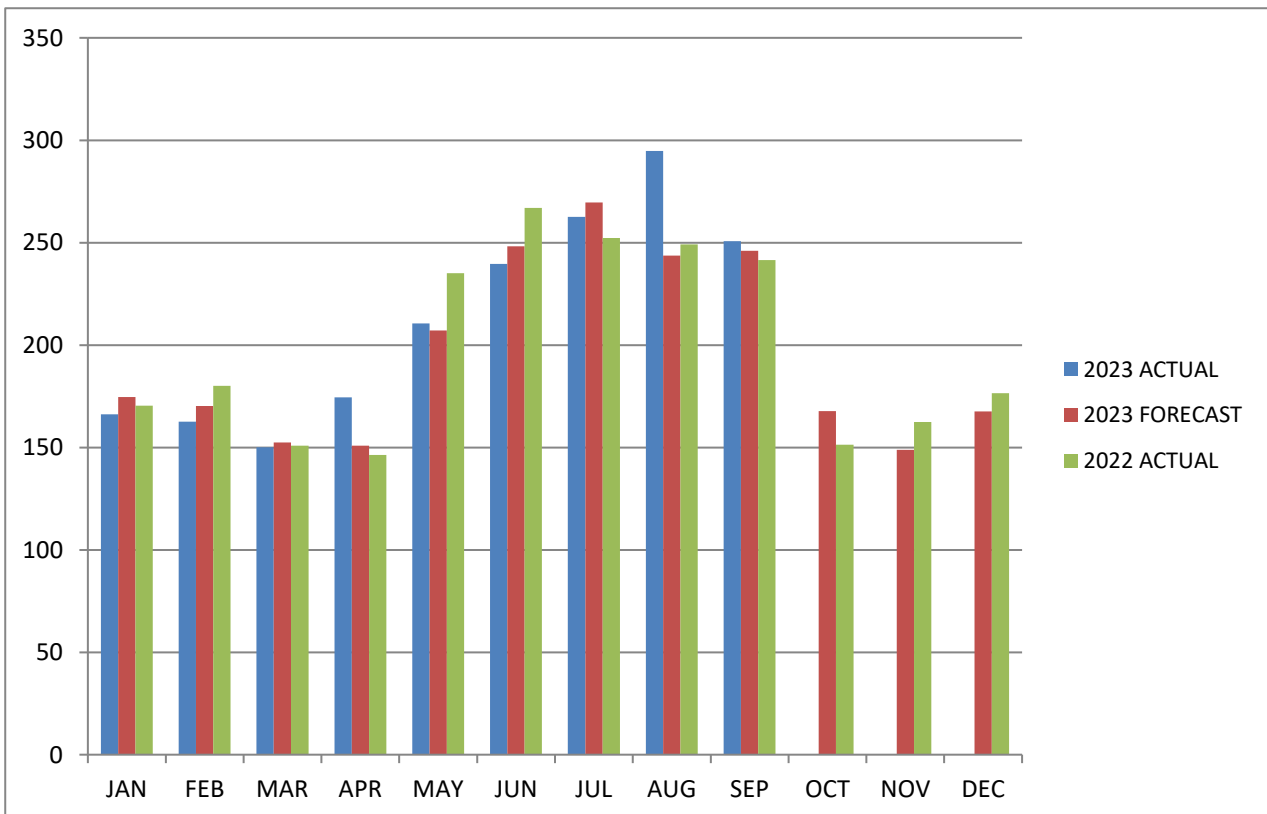
MW = MEGAWATT = 1000 KILOWATTS

2023 YTD SYSTEM REQUIREMENTS

Energy Required for the Month (MWH)



Peak Demand for the Month (MW)



ROCHESTER PUBLIC UTILITIES

INDEX

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DATE: September 2023

TO: _____

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

ROCHESTER PUBLIC UTILITIES
STATEMENT OF NET POSITION
ELECTRIC UTILITY
September 30, 2023

	<u>September 2023</u>	<u>September 2022</u>	<u>Difference</u>	<u>% Diff.</u>	<u>August 2023</u>
ASSETS					
CURRENT ASSETS					
CASH & INVESTMENTS					
Unreserved Cash & Investments	55,214,407	51,685,947	3,528,460	6.8	56,814,158
BOARD RESERVED CASH & INVESTMENTS					
Clean Air Rider Reserve	5,332,022	5,948,601	(616,579)	(10.4)	5,332,022
Working Funds Reserve	20,545,000	20,867,000	(322,000)	(1.5)	20,545,000
Special Capital & Major Maintnce Reserve	3,800,638	3,300,638	500,000	15.1	3,800,638
Contingency Reserve	11,970,000	11,251,000	719,000	6.4	11,970,000
General Capital & Major Maintnce Reserve	15,743,042	17,509,424	(1,766,382)	(10.1)	15,775,966
Total Reserved Cash & Investments	57,390,702	58,876,664	(1,485,961)	(2.5)	57,423,626
Total Cash & Investments	112,605,109	110,562,611	2,042,499	1.8	114,237,785
Receivables & Accrued Utility Revenues	36,640,584	32,846,335	3,794,249	11.6	34,343,454
Inventory	10,199,349	8,807,633	1,391,715	15.8	10,284,666
Other Current Assets	1,964,389	1,416,191	548,198	38.7	2,196,294
RESTRICTED ASSETS					
Restricted Cash and Equivalents	8,260,789	8,107,139	153,650	1.9	7,119,967
Total Current Assets	169,670,221	161,739,909	7,930,311	4.9	168,182,165
NON-CURRENT ASSETS					
RESTRICTED ASSETS					
RESTRICTED CASH & INVESTMENTS					
Debt Service Reserve	12,214,630	12,108,145	106,485	0.9	12,213,921
Funds Held in Trust	49	-	49	-	49
Total Restricted Cash & Investments	12,214,678	12,108,145	106,533	0.9	12,213,969
Total Restricted Assets	12,214,678	12,108,145	106,533	0.9	12,213,969
CAPITAL ASSETS					
NON-DEPRECIABLE ASSETS					
Land and Land Rights	11,351,222	11,264,662	86,559	0.8	11,351,222
Construction Work in Progress	39,375,216	25,179,499	14,195,717	56.4	38,452,508
Total Non-depreciable Assets	50,726,438	36,444,161	14,282,276	39.2	49,803,730
DEPRECIABLE ASSETS					
Utility Plant in Service, Net	239,002,905	242,900,346	(3,897,441)	(1.6)	237,851,163
Steam Assets, Net	662,754	957,311	(294,557)	(30.8)	687,300
Total Depreciable Assets	239,665,659	243,857,657	(4,191,998)	(1.7)	238,538,463
Net Capital Assets	290,392,097	280,301,818	10,090,278	3.6	288,342,193
Other Non-Current Assets	11,463,841	11,520,002	(56,162)	(0.5)	11,488,350
Total Non-Current Assets	314,070,616	303,929,966	10,140,650	3.3	312,044,512
TOTAL ASSETS	483,740,837	465,669,875	18,070,962	3.9	480,226,677
DEFERRED OUTFLOWS OF RESOURCES					
DEFERRED OUTFLOWS OF RESOURCES	5,663,546	7,180,058	(1,516,512)	(21.1)	5,848,128
TOTAL ASSETS + DEFERRED OUTFLOW RESOURCE	489,404,383	472,849,933	16,554,449	3.5	486,074,805
LIABILITIES					
CURRENT LIABILITIES					
Accounts Payable	15,301,577	13,919,865	1,381,712	9.9	14,842,723
Due to other funds	3,733,275	3,726,708	6,566	0.2	3,670,028
Customer Deposits	2,398,910	2,192,218	206,692	9.4	2,463,540
Compensated absences	2,117,221	2,040,273	76,948	3.8	2,183,530
Accrued Salaries & Wages	518,279	470,713	47,566	10.1	1,400,772
Interest Payable	2,098,289	2,202,973	(104,683)	(4.8)	1,573,717
Current Portion of Long Term Debt	7,395,000	7,085,000	310,000	4.4	7,395,000
Misc Other Current Liabilities	695	3,678	(2,984)	(81.1)	412
Total Current Liabilities	33,563,246	31,641,428	1,921,818	6.1	33,529,722
NON-CURRENT LIABILITIES					
Compensated absences	1,614,577	1,645,408	(30,831)	(1.9)	1,750,556
Other Non-Current Liabilities	19,020,462	10,112,060	8,908,402	88.1	19,020,462
Unearned Revenues	1,683,573	1,738,057	(54,484)	(3.1)	1,622,246
Long-Term Debt	157,689,498	166,411,626	(8,722,128)	(5.2)	157,798,485
Total Non-Current Liabilities	180,008,111	179,907,151	100,959	0.1	180,191,750
TOTAL LIABILITIES	213,571,357	211,548,579	2,022,777	1.0	213,721,472
DEFERRED INFLOWS OF RESOURCES					
DEFERRED INFLOWS OF RESOURCES	10,573,685	18,803,541	(8,229,856)	(43.8)	10,723,168
NET POSITION					
Net Investment in Capital Assets	136,893,088	118,392,326	18,500,762	15.6	135,275,534
Total Restricted Net Position	6,162,548	5,904,167	258,382	4.4	5,546,298
Unrestricted Net Position	122,203,704	118,201,320	4,002,384	3.4	120,808,333
TOTAL NET POSITION	265,259,340	242,497,813	22,761,528	9.4	261,630,165
TOTAL LIAB, DEFERRED INFLOWS, NET POSITION	489,404,383	472,849,933	16,554,449	3.5	486,074,805

ROCHESTER PUBLIC UTILITIES

Statement of Revenues, Expenses & Changes in Net Position

September, 2023
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>
SALES REVENUE					
Retail Revenue					
Electric - Residential Service	49,871,456	46,624,970	3,246,485	7.0	46,188,461
Electric - General & Industrial Service	72,493,978	66,241,143	6,252,835	9.4	66,437,647
Electric - Public Street & Highway Light	1,058,529	1,258,267	(199,737)	(15.9)	1,037,851
Electric - Rental Light Revenue	147,843	156,742	(8,899)	(5.7)	144,336
Electric - Interdepartmental Service	1,022,325	780,802	241,523	30.9	825,035
Electric - Power Cost Adjustment	1,267,500	1,076,916	190,585	17.7	(1,722,363)
Electric - Clean Air Rider	1,600,808	1,573,173	27,634	1.8	1,658,481
Electric - Total Retail Revenue	127,462,439	117,712,012	9,750,426	8.3	114,569,447
Wholesale Electric Revenue					
Energy & Fuel Reimbursement	4,710,809	2,885,094	1,825,714	63.3	5,354,898
Capacity & Demand	1,881,442	1,808,107	73,335	4.1	1,332,498
Total Wholesale Electric Revenue	6,592,251	4,693,202	1,899,049	40.5	6,687,396
Steam Sales Revenue	3,837,711	4,826,876	(989,165)	(20.5)	5,941,352
TOTAL SALES REVENUE	137,892,400	127,232,090	10,660,311	8.4	127,198,195
COST OF REVENUE					
Purchased Power	76,556,627	68,466,090	8,090,537	11.8	67,054,330
Generation Fuel, Chemicals & Utilities	4,744,015	5,827,389	(1,083,374)	(18.6)	7,848,514
TOTAL COST OF REVENUE	81,300,642	74,293,479	7,007,163	9.4	74,902,845
GROSS MARGIN					
Retail	50,905,811	49,245,922	1,659,889	3.4	47,515,117
Wholesale	5,685,947	3,692,688	1,993,258	54.0	4,780,233
TOTAL GROSS MARGIN	56,591,758	52,938,610	3,653,148	6.9	52,295,350
FIXED EXPENSES					
Utilities Expense	354,383	376,661	(22,278)	(5.9)	361,538
Depreciation & Amortization	11,585,474	11,073,740	511,734	4.6	11,127,427
Salaries & Benefits	19,167,318	17,082,920	2,084,398	12.2	16,257,474
Materials, Supplies & Services	9,102,422	11,192,255	(2,089,833)	(18.7)	11,549,024
Inter-Utility Allocations	(1,456,905)	(1,487,250)	30,345	2.0	(1,424,471)
TOTAL FIXED EXPENSES	38,752,692	38,238,326	514,366	1.3	37,870,993
Other Operating Revenue	8,133,266	7,584,381	548,885	7.2	6,330,042
NET OPERATING INCOME (LOSS)	25,972,333	22,284,666	3,687,666	16.5	20,754,399
NON-OPERATING REVENUE / (EXPENSE)					
Investment Income (Loss)	2,103,433	782,169	1,321,264	168.9	884,540
Interest Expense	(3,970,788)	(3,930,017)	(40,771)	(1.0)	(4,030,636)
Amortization of Debt Issue Costs	(75,069)	(75,069)	-	-	(79,200)
Miscellaneous - Net	(68,120)	(22,850)	(45,270)	(198.1)	(146,213)
TOTAL NON-OPERATING REV (EXP)	(2,010,544)	(3,245,767)	1,235,223	38.1	(3,371,509)
INCOME (LOSS) BEFORE TRANSFERS / CAPITAL CONTRIBUTIONS	23,961,789	19,038,899	4,922,890	25.9	17,382,889
Transfers Out	(7,397,727)	(7,354,682)	(43,045)	(0.6)	(6,722,631)
Capital Contributions	3,854,792	12,170,407	(8,315,615)	(68.3)	3,443,402
CHANGE IN NET POSITION	20,418,854	23,854,624	(3,435,770)	(14.4)	14,103,661
Net Position, Beginning	244,840,487				228,394,152
NET POSITION, ENDING	265,259,340				242,497,813

Rolling 12 Months Planned for Curr Year
3.19 3.08

Debt Coverage Ratio

ROCHESTER PUBLIC UTILITIES
STATEMENT OF CASH FLOWS
ELECTRIC UTILITY
FOR
SEPTEMBER, 2023
YEAR-TO-DATE

	<u>Actual YTD</u>	<u>Last Yr Actual YTD</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received From Customers	136,304,556	123,190,233
Cash Received From Other Revenue Sources	-	2,548,890
Cash Received From Wholesale & Steam Customer	11,384,844	12,083,003
Cash Paid for:		
Purchased Power	(75,622,012)	(66,373,068)
Operations and Maintenance	(27,077,700)	(27,735,199)
Fuel	(4,824,255)	(7,770,507)
Payment in Lieu of Taxes	(7,319,417)	(6,649,030)
Net Cash Provided by(Used in) Utility Operating Activities	32,846,016	29,294,322
Sewer, Storm Water, Sales Tax & MN Water Fee Collections		
Receipts from Customers	34,905,845	34,284,962
Remittances to Government Agencies	(34,318,894)	(33,659,276)
Net Cash Provided by(Used in) Non-Utility Operating Activities	586,951	625,686
NET CASH PROVIDED BY(USED IN) OPERATING ACTIVITIES	33,432,967	29,920,008
CASH FLOWS FROM CAPITAL & RELATED FINANCING ACTIVITIES		
Additions to Utility Plant & Other Assets	(15,572,502)	(13,215,680)
Payments related to Service Territory Acquisition	(125,621)	(110,856)
Payment on Long-Term Debt	-	-
Net Bond/Loan Receipts	-	-
Cash Paid for Interest & Commissions	(3,147,434)	(3,304,459)
NET CASH PROVIDED BY(USED IN) CAPITAL & RELATED ACTIVITIES	(18,845,557)	(16,630,995)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Earnings on Investments	1,425,023	501,853
Construction Fund (Deposits)Draws	-	-
Bond Reserve Account	(7,263,507)	(7,001,135)
Escrow/Trust Account Activity	-	-
NET CASH PROVIDED BY(USED IN) INVESTING ACTIVITIES	(5,838,484)	(6,499,282)
Net Increase(Decrease) in Cash & Investments	8,748,926	6,789,731
Cash & Investments, Beginning of Period	103,856,182	103,772,874
CASH & INVESTMENTS, END OF PERIOD	112,605,108	110,562,605
Externally Restricted Funds	20,475,468	20,215,285
Grand Total	133,080,576	130,777,890

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

**September, 2023
YEAR-TO-DATE**

						Last Yr	
		<u>Actual YTD</u>	<u>Budget YTD</u>	<u>Variance</u>	<u>% Var.</u>	<u>Actual YTD</u>	
7							
8							
9	ENERGY SUPPLY (kWh)	(primarily calendar month)					
10	Net Generation						
11	IBM Diesel Generators	22,838	-	22,838	-	29,016	
12	Lake Zumbro Hydro	8,878,484	8,935,171	(56,687)	(0.6)	9,289,276	
13	Cascade Creek Gas Turbine	36,903,192	17,278,000	19,625,192	113.6	10,473,330	
14	Westside Energy Station	39,490,350	24,202,000	15,288,350	63.2	40,881,345	
15	Total Net Generation	85,294,864	50,415,171	34,879,693	69.2	60,672,967	
16	Other Power Supply						
17	Firm Purchases	895,057,093	886,279,780	8,777,313	1.0	881,012,675	
18	Non-Firm Purchases	5,853,315	3,129,705	2,723,610	87.0	2,702,455	
19	LRP Received	-	-	-	-	-	
20	Total Other Power Supply	900,910,408	889,409,484	11,500,924	1.3	883,715,130	
21	TOTAL ENERGY SUPPLY	986,205,272	939,824,655	46,380,617	4.9	944,388,097	
22	ENERGY USES (kWh)	(primarily billing period)					
23	Retail Sales	<u># Custs</u>					
24	Electric - Residential Service	54,283	295,640,136	289,296,374	6,343,762	294,752,090	
25	Electric - General Service & Industrial	5,161	575,692,686	575,766,676	(73,990)	(0.0)	561,399,002
26	Electric - Street & Highway Lighting	3	2,499,981	2,674,460	(174,479)	(6.5)	2,566,409
27	Electric - Rental Lights	n/a	546,728	588,900	(42,172)	(7.2)	575,668
28	Electric - Interdptmntl Service	1	7,351,899	5,658,787	1,693,112	29.9	5,910,256
29	Total Customers	59,448					
30	Total Retail Sales		881,731,430	873,985,197	7,746,233	0.9	865,203,424
31	Wholesale Sales		76,506,145	41,480,000	35,026,145	84.4	51,472,716
32	Company Use		4,561,007	2,448,473	2,112,534	86.3	3,585,263
33	TOTAL ENERGY USES		962,798,582	917,913,670	44,884,912	4.9	920,261,403
34	Lost & Unacctnd For Last 12 Months		36,570,501	2.9%			
35	STEAM SALES (mlbs)	(primarily billing period)					
36	Steam Sales in Mlbs		323,059	327,600	(4,541)	(1.4)	347,222

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

September, 2023

YEAR-TO-DATE

Last Yr

Actual YTD Budget YTD Variance % Var. Actual YTD

FUEL USAGE *(calendar month)*

Gas Burned

SLP	432,586	MCF	475,020	MCF	(42,434)	(8.9)	459,715	MCF
Cascade	371,227	MCF	204,890	MCF	166,337	81.2	105,765	MCF
Westside	309,524	MCF	191,195	MCF	118,329	61.9	324,992	MCF
Total Gas Burned	1,113,337	MCF	871,105	MCF	242,232	27.8	890,472	MCF

Oil Burned

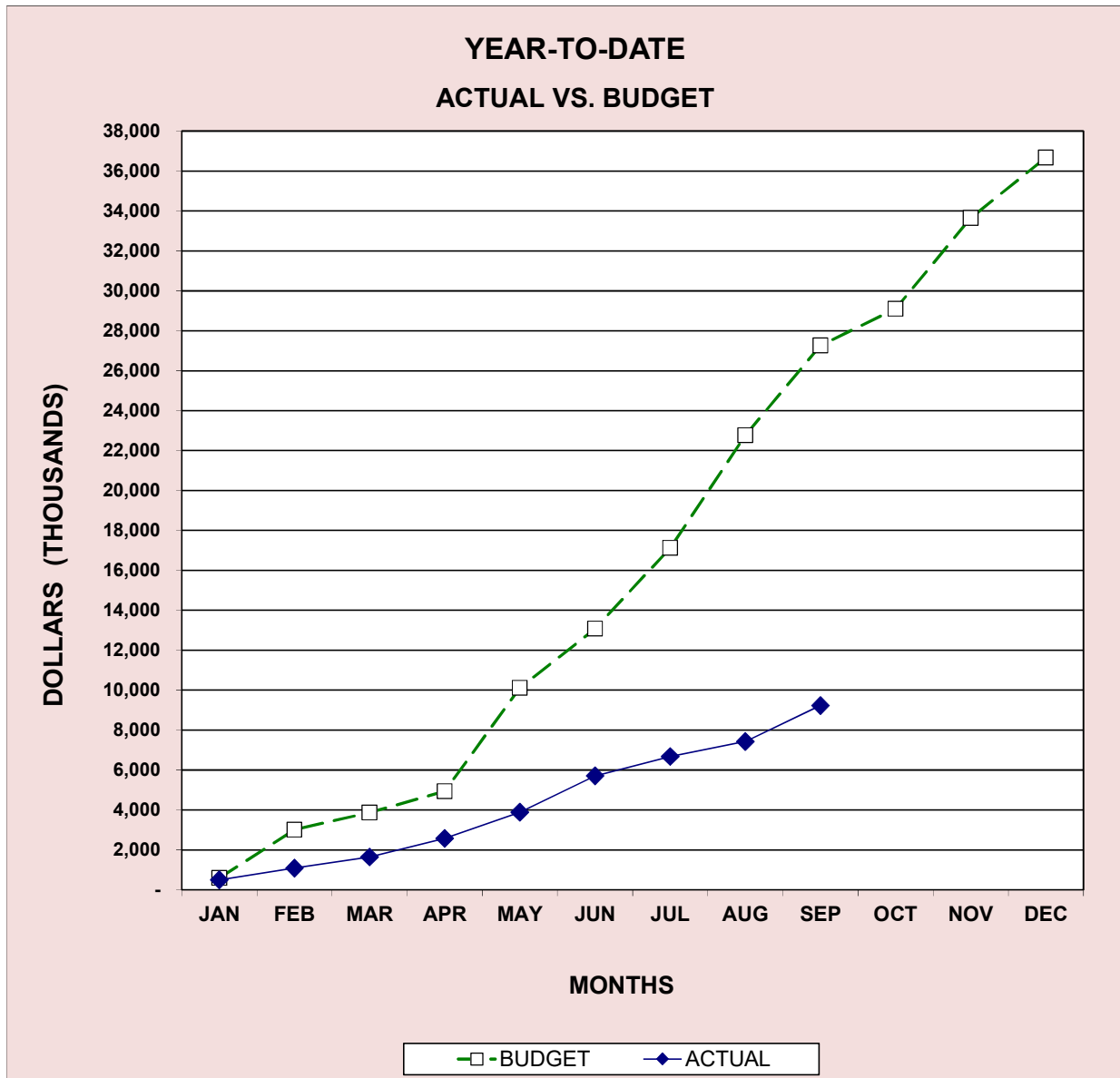
Cascade	45,867	GAL	-	GAL	45,867	-	14,415	GAL
IBM	1,749	GAL	-	GAL	1,749	-	2,279	GAL
Total Oil Burned	47,616	GAL	-	GAL	47,616	-	16,694	GAL

CAPITAL EXPENDITURES ELECTRIC

Current Year	
ANNUAL BUDGET	36,676,650
ACTUAL YTD	9,231,714
% OF BUDGET	25.2

September, 2023

Prior Years Ending Dec 31st		
2022	2021	2020
24,799,405	15,246,736	15,059,888
10,976,457	7,041,030	10,078,628
44.3	46.2	66.9



MAJOR MAINTENANCE EXPENDITURES ELECTRIC

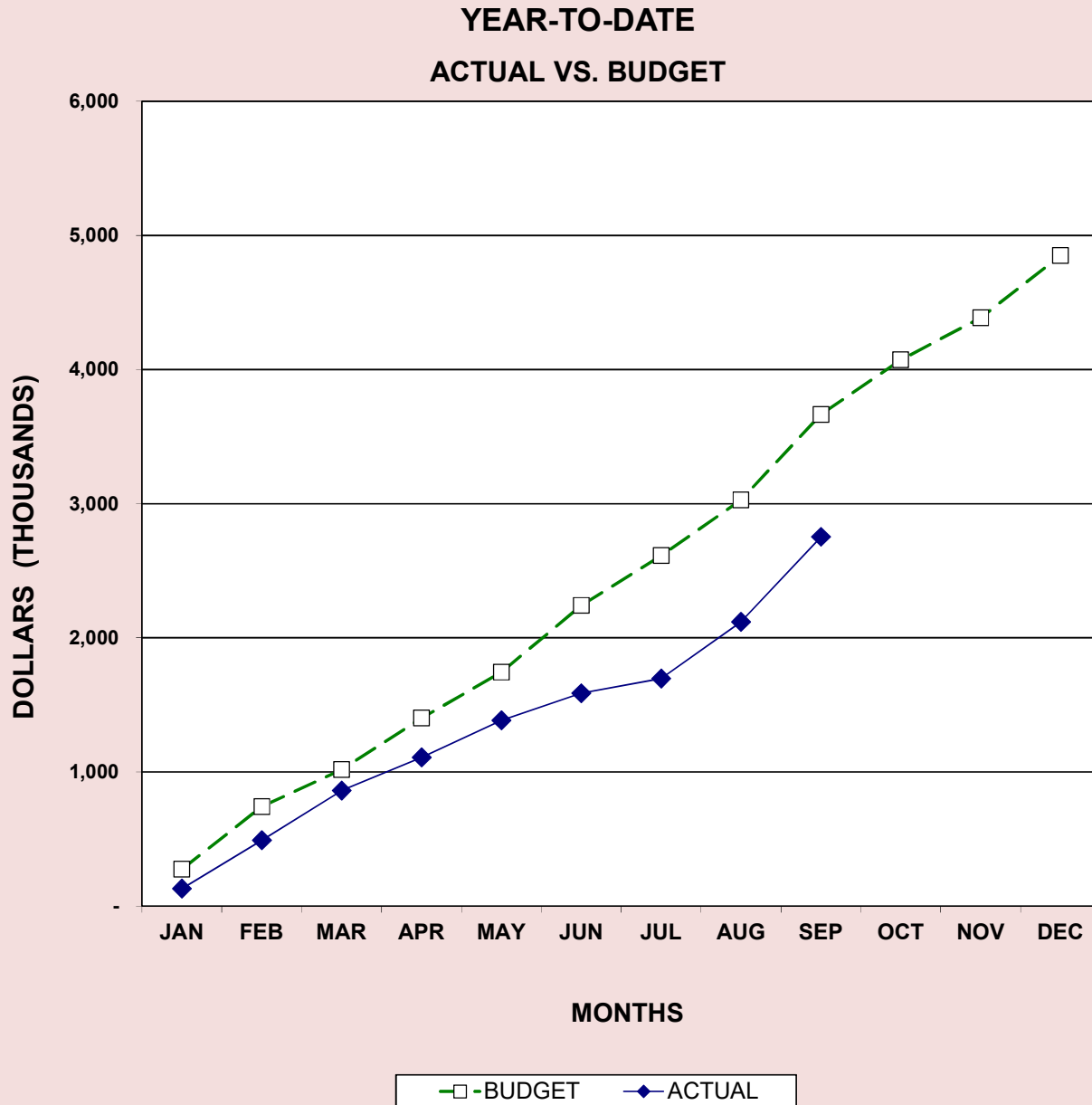
Current Year

ANNUAL BUDGET	4,849,716
ACTUAL YTD	2,752,305
% OF BUDGET	56.8

September, 2023

Prior Years Ending Dec 31st

2022	2021	2020
8,589,452	3,815,243	4,010,088
6,479,286	3,680,535	3,111,620
75.4	96.5	77.6

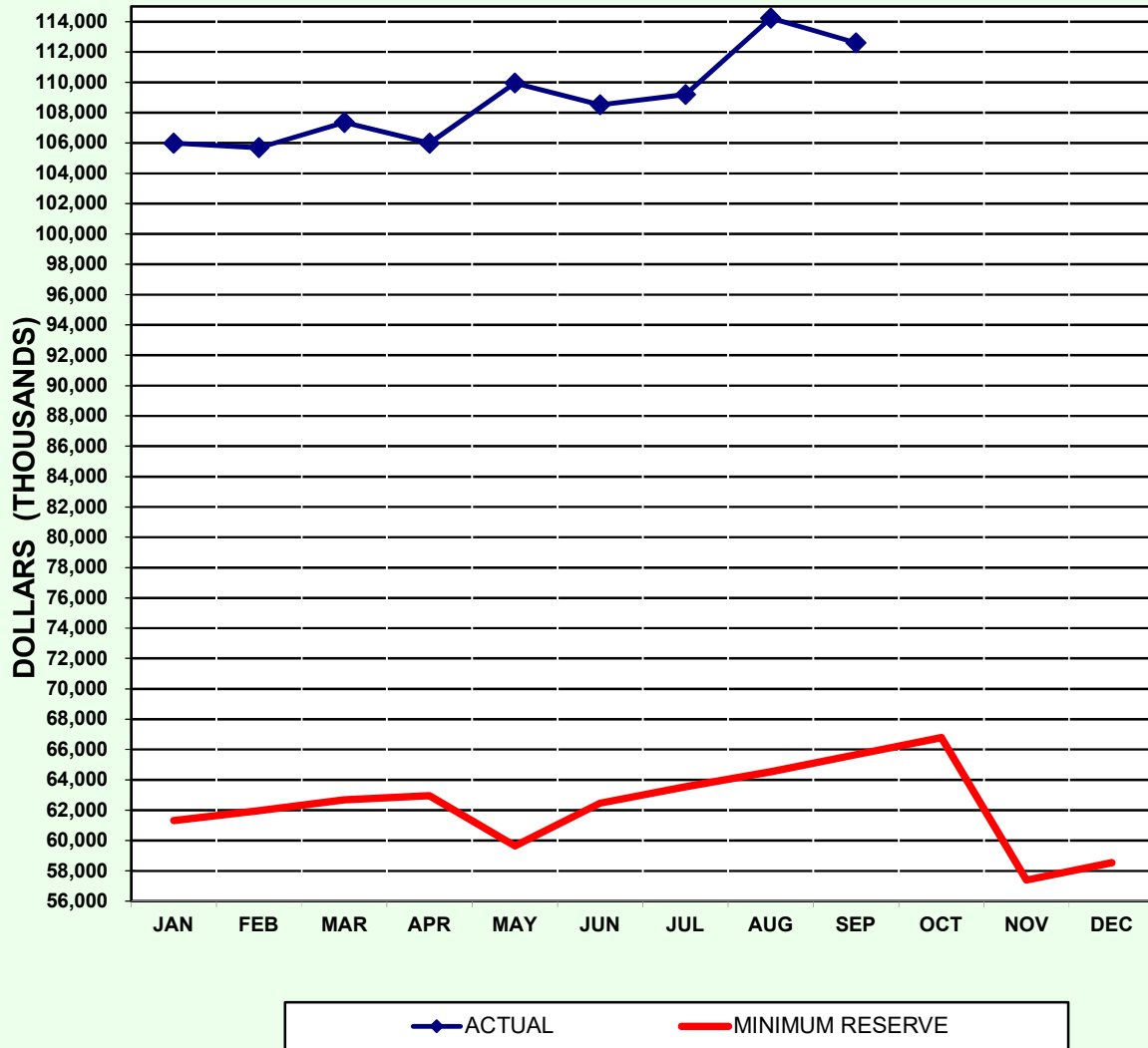


CASH AND TEMPORARY INVESTMENTS ELECTRIC

September, 2023

YEAR-TO-DATE ACTUAL

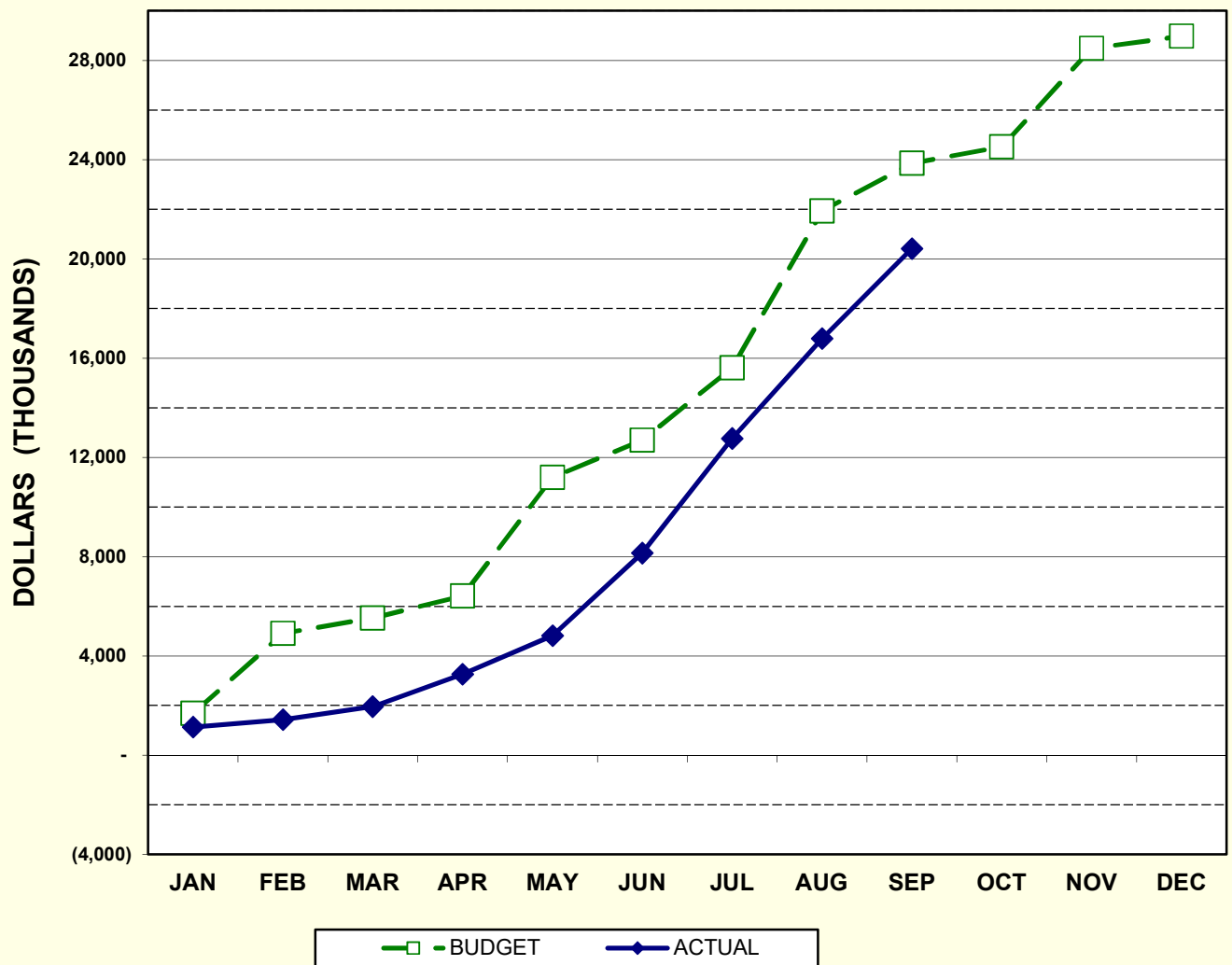
Excluding: Construction Fund, Debt Reserve,
and Escrow Funds Accounts



CHANGE IN NET POSITION ELECTRIC

September, 2023

YEAR-TO-DATE ACTUAL vs. BUDGET



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)



in thousands

Electric Outstanding Debt
(as of End of Year)



ROCHESTER PUBLIC UTILITIES
STATEMENT OF NET POSITION
WATER UTILITY
September 30, 2023

	<u>September 2023</u>	<u>September 2022</u>	<u>Difference</u>	<u>% Diff.</u>	<u>August 2023</u>
ASSETS					
CURRENT ASSETS					
CASH & INVESTMENTS					
Unreserved Cash & Investments	7,656,065	6,891,095	764,970	11.1	8,225,335
BOARD RESERVED CASH & INVESTMENTS					
Working Funds Reserve	1,190,000	1,175,000	15,000	1.3	1,190,000
Capital & Major Maintenance Reserve	4,445,000	3,635,000	810,000	22.3	4,445,000
Contingency Reserve	1,732,000	1,664,000	68,000	4.1	1,732,000
Total Reserved Cash & Investments	7,367,000	6,474,000	893,000	13.8	7,367,000
Total Cash & Investments	15,023,065	13,365,095	1,657,970	12.4	15,592,335
Receivables & Accrued Utility Revenues	1,235,291	1,080,046	155,245	14.4	1,022,637
Inventory	322,575	258,689	63,886	24.7	316,632
Other Current Assets	30,960	32,210	(1,250)	(3.9)	37,490
Total Current Assets	16,611,892	14,736,041	1,875,851	12.7	16,969,094
CAPITAL ASSETS					
NON-DEPRECIABLE ASSETS					
Land and Land Rights	742,667	677,486	65,180	9.6	742,667
Construction Work in Progress	7,868,697	6,317,504	1,551,193	24.6	7,959,545
Total Non-depreciable Assets	8,611,363	6,994,990	1,616,373	23.1	8,702,212
DEPRECIABLE ASSETS					
Utility Plant in Service, Net	99,659,547	97,186,035	2,473,512	2.5	99,558,466
Net Capital Assets	108,270,910	104,181,026	4,089,885	3.9	108,260,678
Other Non-Current Assets	19,534,381	-	19,534,381	-	19,534,381
Total Non-Current Assets	127,805,292	104,181,026	23,624,266	22.7	127,795,060
TOTAL ASSETS	144,417,184	118,917,066	25,500,117	21.4	144,764,153
DEFERRED OUTFLOWS OF RESOURCES					
DEFERRED OUTFLOWS OF RESOURCES	510,016	723,636	(213,621)	(29.5)	530,958
TOTAL ASSETS + DEFERRED OUTFLOW RESOURCE	<u>144,927,200</u>	<u>119,640,703</u>	<u>25,286,497</u>	<u>21.1</u>	<u>145,295,112</u>
LIABILITIES					
CURRENT LIABILITIES					
Accounts Payable	438,238	189,777	248,461	130.9	951,589
Due to Other Funds	-	-	-	-	-
Customer Deposits	131,016	142,741	(11,725)	(8.2)	131,147
Compensated Absences	287,364	297,680	(10,315)	(3.5)	281,685
Accrued Salaries & Wages	62,752	58,849	3,904	6.6	178,211
Total Current Liabilities	919,370	689,046	230,324	33.4	1,542,631
NON-CURRENT LIABILITIES					
Compensated Absences	161,040	168,752	(7,712)	(4.6)	163,030
Other Non-Current Liabilities	2,400,013	1,335,994	1,064,020	79.6	2,400,013
Total Non-Current Liabilities	2,561,053	1,504,746	1,056,307	70.2	2,563,043
TOTAL LIABILITIES	3,480,424	2,193,792	1,286,632	58.6	4,105,674
DEFERRED INFLOWS OF RESOURCES					
DEFERRED INFLOWS OF RESOURCES	18,885,357	1,292,368	17,592,989	1,361.3	18,996,896
NET POSITION					
Net Investment in Capital Assets	108,270,910	104,181,026	4,089,885	3.9	108,260,678
Unrestricted Net Assets (Deficit)	14,290,508	11,973,517	2,316,991	19.4	13,931,863
TOTAL NET POSITION	122,561,419	116,154,543	6,406,876	5.5	122,192,541
TOTAL LIAB, DEFERRED INFLOWS, NET POSITION	<u>144,927,200</u>	<u>119,640,703</u>	<u>25,286,497</u>	<u>21.1</u>	<u>145,295,112</u>

ROCHESTER PUBLIC UTILITIES
Statement of Revenues, Expenses & Changes in Net Position
WATER UTILITY
September, 2023
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>
RETAIL REVENUE					
Water - Residential Service	5,830,690	5,305,706	524,984	9.9	5,000,567
Water - Commercial Service	2,875,226	2,665,479	209,747	7.9	2,493,447
Water - Industrial Service	550,016	492,567	57,450	11.7	477,760
Water - Public Fire Protection	461,883	497,306	(35,423)	(7.1)	450,279
Water - Interdepartmental Service	27,501	19,291	8,210	42.6	18,441
TOTAL RETAIL REVENUE	9,745,316	8,980,349	764,967	8.5	8,440,494
COST OF REVENUE					
Utilities Expense	1,043,360	849,470	193,890	22.8	845,916
Water Treatment Chemicals/Demin Water	200,253	117,223	83,030	70.8	126,803
Billing Fees	576,899	582,579	(5,680)	(1.0)	629,250
TOTAL COST OF REVENUE	1,820,512	1,549,272	271,240	17.5	1,601,969
GROSS MARGIN	7,924,805	7,431,077	493,727	6.6	6,838,525
FIXED EXPENSES					
Depreciation & Amortization	2,173,388	2,312,200	(138,812)	(6.0)	2,118,812
Salaries & Benefits	2,464,450	2,523,993	(59,543)	(2.4)	2,097,634
Materials, Supplies & Services	902,681	1,206,277	(303,596)	(25.2)	1,033,578
Inter-Utility Allocations	1,456,905	1,487,250	(30,345)	(2.0)	1,424,471
TOTAL FIXED EXPENSES	6,997,423	7,529,719	(532,296)	(7.1)	6,674,495
Other Operating Revenue	1,553,909	1,490,853	63,056	4.2	1,463,253
NET OPERATING INCOME (LOSS)	2,481,291	1,392,211	1,089,080	78.2	1,627,283
NON-OPERATING REVENUE / (EXPENSE)					
Investment Income (Loss)	549,118	100,576	448,542	446.0	139,560
Interest Expense	(1,899)	-	(1,899)	-	(72)
Miscellaneous - Net	(50,993)	-	(50,993)	-	(21,999)
TOTAL NON-OPERATING REV (EXP)	496,226	100,576	395,650	393.4	117,489
INCOME (LOSS) BEFORE TRANSFERS / CAPITAL CONTRIBUTIONS	2,977,517	1,492,787	1,484,730	99.5	1,744,771
Transfers Out	(396,062)	(341,991)	(54,071)	(15.8)	(311,843)
Capital Contributions	-	30,000	(30,000)	(100.0)	98,386
CHANGE IN NET POSITION	2,581,455	1,180,796	1,400,659	118.6	1,531,314
Net Position, Beginning	119,979,964				114,623,228
NET POSITION, ENDING	122,561,419				116,154,543

ROCHESTER PUBLIC UTILITIES
STATEMENT OF CASH FLOWS
WATER UTILITY
FOR
SEPTEMBER, 2023
YEAR-TO-DATE

	<u>Actual YTD</u>	<u>Last Yr Actual YTD</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received From Customers	11,632,878	10,101,395
Cash Paid for:		
Operations and Maintenance	(7,556,523)	(6,169,244)
Payment in Lieu of Taxes	(373,429)	(296,846)
Net Cash Provided by(Used in) Utility Operating Activities	3,702,926	3,635,305
Sales Tax & MN Water Fee Collections		
Receipts from Customers	470,838	445,262
Remittances to Government Agencies	(465,255)	(453,345)
Net Cash Provided by(Used in) Non-Utility Operating Activities	5,583	(8,083)
NET CASH PROVIDED BY(USED IN) OPERATING ACTIVITIES	3,708,509	3,627,222
CASH FLOWS FROM CAPITAL & RELATED FINANCING ACTIVITIES		
Additions to Utility Plant & Other Assets	(3,379,910)	(3,304,599)
Payment on Long-Term Debt	-	-
Net Loan Receipts	-	-
Cash Paid for Interest & Commissions	-	-
NET CASH PROVIDED BY(USED IN) CAPITAL & RELATED ACTIVITIES	(3,379,910)	(3,304,599)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Earnings on Investments	547,219	139,488
NET CASH PROVIDED BY(USED IN) INVESTING ACTIVITIES	547,219	139,488
Net Increase(Decrease) in Cash & Investments	875,818	462,111
Cash & Investments, Beginning of Period	14,147,248	12,902,983
CASH & INVESTMENTS, END OF PERIOD	15,023,066	13,365,094

ROCHESTER PUBLIC UTILITIES
PRODUCTION & SALES STATISTICS
WATER UTILITY

September, 2023

YEAR-TO-DATE

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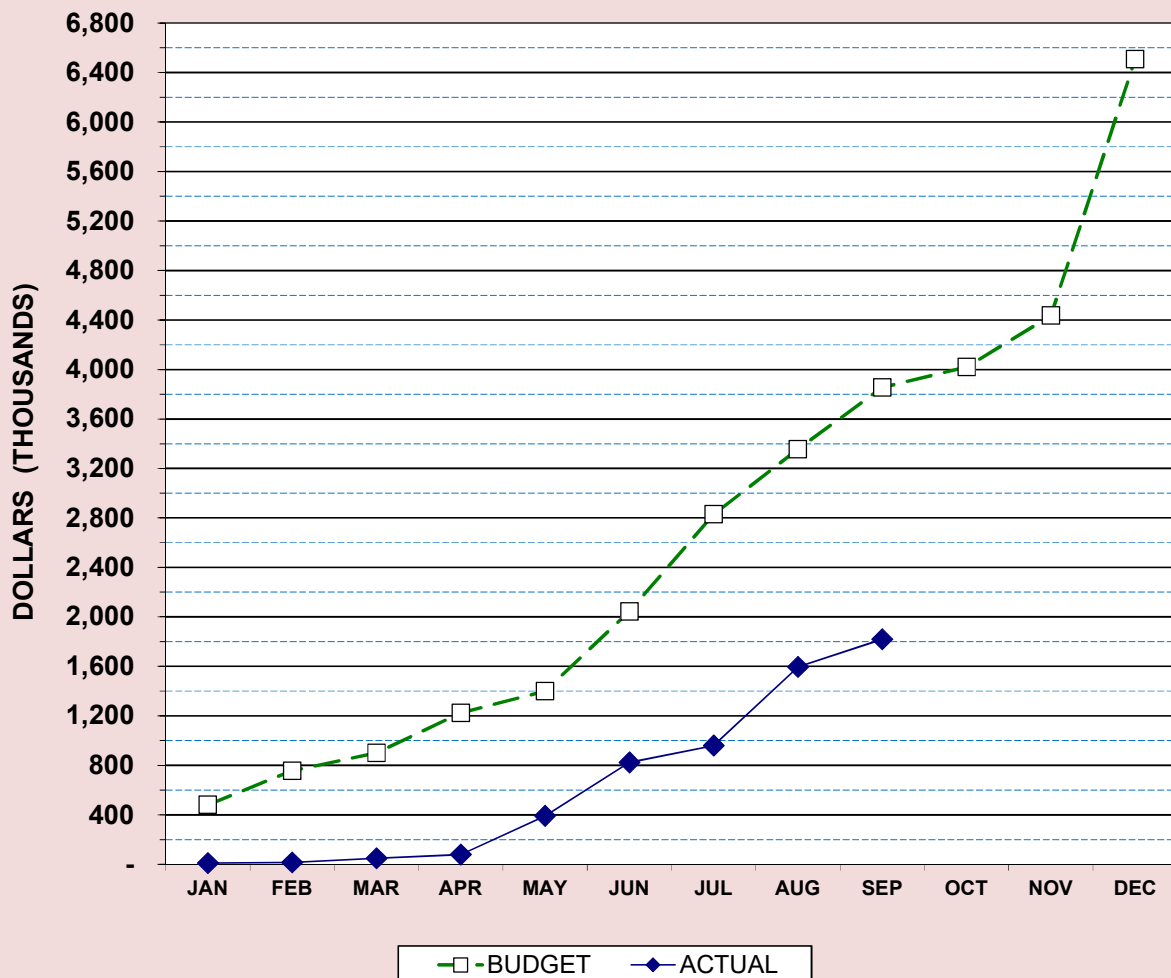
CAPITAL EXPENDITURES WATER

Current Year	
ANNUAL BUDGET	6,508,342
ACTUAL YTD	1,819,376
% OF BUDGET	28.0

September, 2023

Prior Years Ending Dec 31st		
2022	2021	2020
4,878,440	6,807,825	5,917,740
2,696,538	3,548,783	2,365,830
55.3	52.1	40.0

YEAR-TO-DATE ACTUAL vs. BUDGET



MAJOR MAINTENANCE EXPENDITURES WATER

Current Year

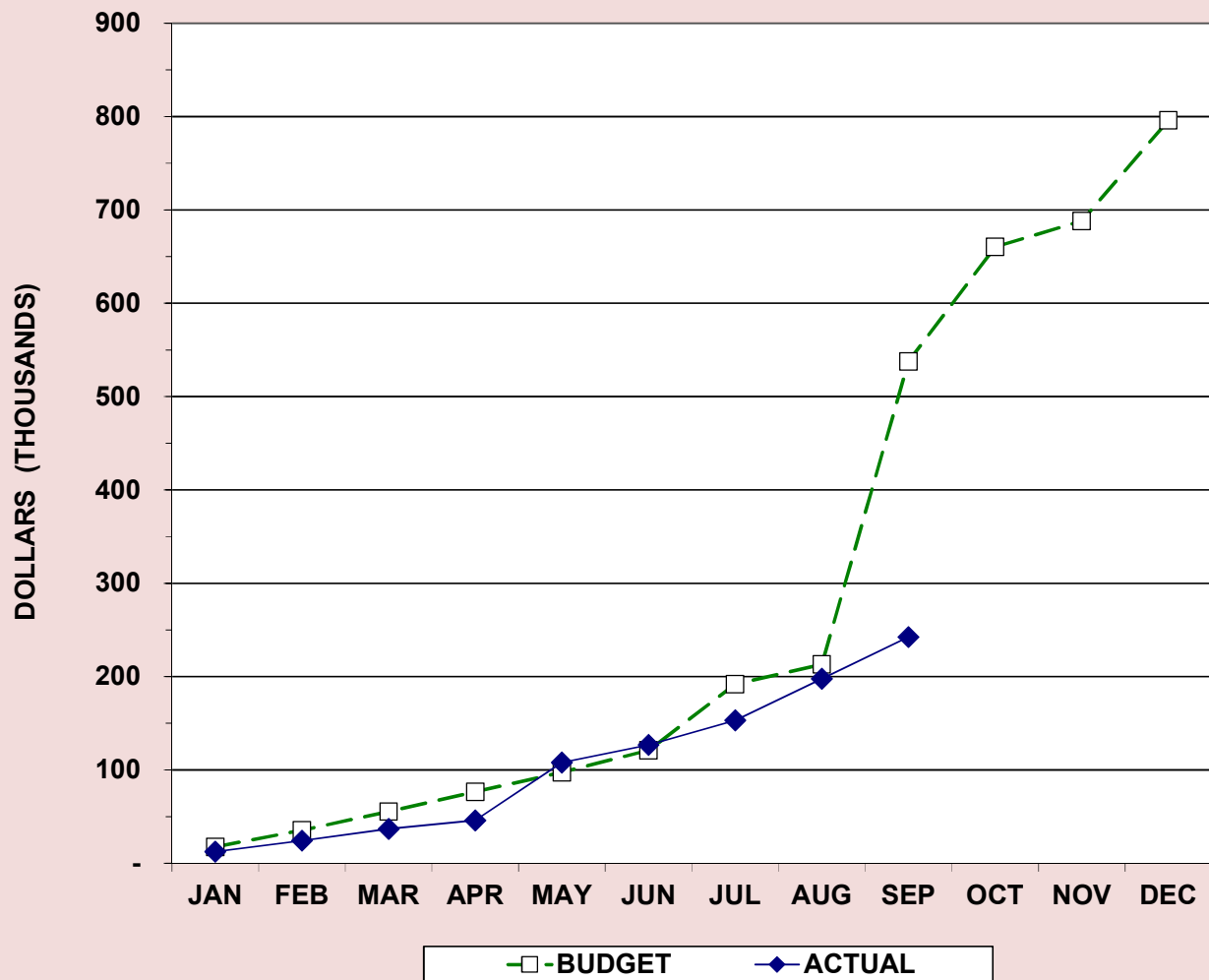
ANNUAL BUDGET	796,090
ACTUAL YTD	242,386
% OF BUDGET	30.4

September, 2023

Prior Years Ending Dec 31st

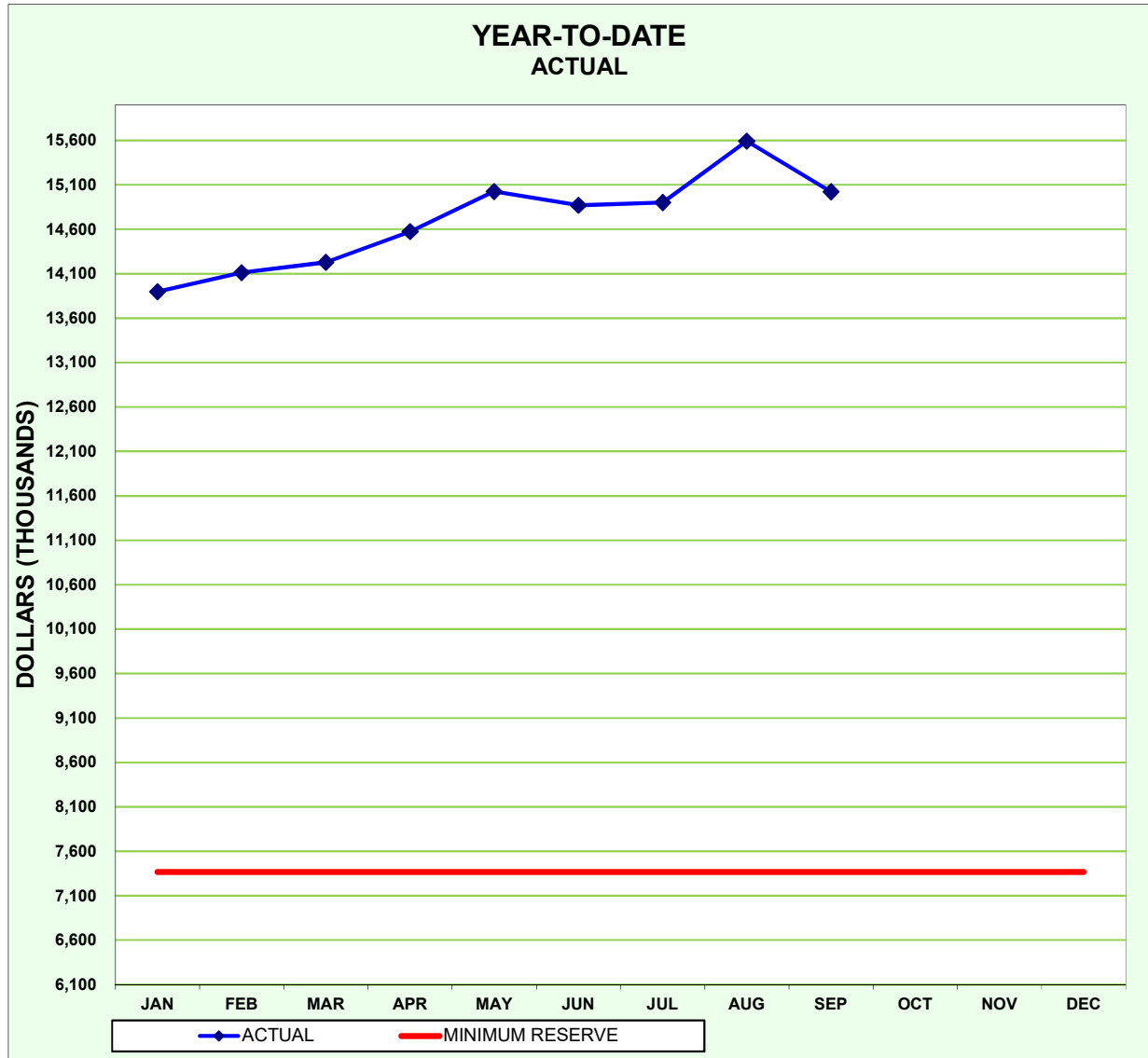
<u>2022</u>	<u>2021</u>	<u>2020</u>
1,015,476	528,408	552,500
447,519	225,087	521,228
44.1	42.6	94.3

YEAR-TO-DATE ACTUAL vs. BUDGET



CASH AND TEMPORARY INVESTMENTS WATER

September, 2023



CHANGE IN NET POSITION WATER

September, 2023

YEAR-TO-DATE ACTUAL vs. BUDGET

