



# ROCHESTER PUBLIC UTILITIES

## Public Utility Board Agenda Rochester Boards & Commissions - Public Utility Board October 29, 2024 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: 394 201 036#

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 24, 2024**

Approve the minutes and video of the September 24, 2024, meeting of the Rochester Public Utility (RPU) Board.

#### 3.B. **Review of Accounts Payable**

Review the list of consolidated and summarized transactions for 9/11/2024 to 10/10/2024 in the total amount of \$14,872,001.47.

#### 3.C. **Insurance Renewals for 2025**

Management recommends that the Board approve the attached resolution for all insurance coverage renewals for 2024-2025.

#### 3.D. **Contract Approval: 2025 Hourly Power Line Clearance Tree Services**

Approve a resolution for 2025 hourly tree trimming services with Asplundh Tree Expert LLC, in the amount of \$802,993 (plus applicable tax), subject to Council approval of the 2025-2026 budget, and authorize the Project Manager to execute the services up to the approved budget amount. Annual costs for this contract will be funded through approval of the budget.

#### 3.E. **Contract Approval: ePlus Enhanced Maintenance Services**

Approve the multi-year agreement with ePlus Technology, Inc., in the amount of \$491,834.49 and authorize the Mayor and City Clerk to execute the Agreement.

### Open Public Comment Period

*This agenda section is for the purpose of allowing citizens to address the Utility Board. Comments are limited to 2 minutes, total comment period limited to 20 minutes. Any speakers not having the opportunity to be heard will be the first to present at the next Board meeting.*

#### **4. Regular Agenda**

##### **4.A. 2025 Updated 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 2025.

##### **4.B. 2025 Updated Electric Utility Budget**

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

##### **4.C. 2025 Updated Electric Utility Rate Adjustment**

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

##### **4.D. 2030 Resource Plan Special Capital Reserve**

Approve a resolution designating Special Capital Reserve in the amount of \$50,000,000 to partially fund capital investments related to the 2030 Power Resource Plan.

#### **5. Informational**

#### **6. Board Policy Review**

##### **6.A. Board Policy 03. Board Relationships with the Common Council**

Review and receive comments on the 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**

##### **7.A. General Manager's Report for October 2024.**

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

##### **8.A. Division Reports and Metrics - October 2024**

Review the reports from each of RPU's divisions: Safety, Power Delivery, Power Resources, Customer Relations, and Corporate Services.

#### **9. Other Business**

#### **10. Adjournment**



## REQUEST FOR ACTION

Minutes of the Rochester Public Utility Board Meeting  
of September 24, 2024

**MEETING DATE:**

October 29, 2024

**ORIGINATING DEPT:**

Rochester Public Utilities

**AGENDA SECTION:**

Consent Agenda

**PRESENTER:**

Tim McCollough

**Action Requested:**

Approve the minutes and video of the September 24, 2024, 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.

**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:**

Erin Henry-Loftus

**Attachments:**

[20240924 Public Utility Board Meeting Minutes](#)



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

***Attending and Viewing the Meeting***

**[Call to Order/Roll Call](#)**

Meeting started at 4:00 p.m.

<b>Attendee Name</b>	<b>Status</b>
Melissa Graner Johnson	Present
Brian Morgan	Present
Brett Gorden	Present
Patrick Keane	Present
Malachi McNeilus	Present

**1) [Approval of Agenda](#)**

Motion to approve the agenda.

**MOVER:** Patrick Keane  
**SECONDER:** Malachi McNeilus  
**AYES:** None  
**RESULT:** **APPROVED [UNANIMOUS]**

**2) [Safety Moment](#)**

Safety Technician Jim Simpson presented to the Board.

**3) [Consent Agenda](#)**

3.A) Minutes of the Rochester Public Utility Board Meeting of August 27, 2024



**Official Act:** Approve the minutes and video of the August 27, 2024, meeting of the Rochester Public Utility (RPU) Board.

[Cover Page](#) 

[20240827 RPU Board Meeting Minutes](#) 

3.B) Review of Accounts Payable

**Official Act:** Review the list of consolidated and summarized transactions for 08/10/2024 to 09/10/2024 in the total amount of \$15,789,729.43.

[Cover Page](#) 

[AP Board List Current Month](#) 

3.C) Proposed 2025 Board Meeting Dates

**Official Act:** Approve the proposed 2025 Board meeting dates.

[Cover Page](#) 

[2025 UTILITY BOARD MEETING DATES](#) 

[20240924 Resolution - 2025 Board Meeting Dates](#) 

Motion to approve consent items in block 3.A - 3.C.

**MOVER:** Patrick Keane  
**SECONDER:** Brett Gorden  
**AYES:** None  
**RESULT:** **APPROVED [UNANIMOUS]**

**[Open Public Comment Period](#)**

None.

**4) [Informational](#)**

Director of Corporate Services Peter Hogan presented to the Board.

4.A) Rate and Tariff Report from Staff and Board Ad Hoc Group

**Official Act:** No action. Informational only.

[Cover Page](#) 

**5) [Regular Agenda](#)**

5.A) 2025 Electric Utility Rate Adjustment

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

[Cover Page](#) 

[Electric Rate Tariff 2025 Redline](#) 

[20240924 Resolution - Electric Utility Rate Adjustment.pdf](#) 

[Rate change notification 2025.pdf](#) 

Motion to approve the Resolution on Board Packet page 85. (Public Notification of the Proposed 2025 Rate Changes for the Electric Utility.)

**MOVER:** Patrick Keane  
**SECONDER:** Brian Morgan  
**AYES:** None  
**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](#) 

[Rochester Public Utilities Index of Board Policies](#) 

7) **[General Managers Report](#)**

General Manager Tim McCollough gave a presentation to the Board.

[Legal Affairs & Policy Director Heather Corcoran spoke to the Board on the 2025 Legislative Priority Development.](#)

7.A) General Manager's Report for August 2024.

[Cover Page](#) 

[September 2024 GM Report - Board Packet Copy](#) 

[September 2024 GM Major Project Dashboard - Board Packet Copy](#) 

8) **[Division Reports & Metrics](#)**

8.A) Division Reports and Metrics - September 2024

**Official Act:** Review the reports from each of RPU's divisions: Power Resources, Power Delivery, Corporate Services, and Customer Relations.

[Cover Page](#) 

[Division Report September 2024.pdf](#) 

9) **Other Business**

None.

10) **Adjournment**

Meeting adjourned at 5:03 p.m.

Motion to adjourn.

**MOVER:** Brian Morgan  
**SECONDER:** Patrick Keane  
**AYES:** None  
**RESULT:** **APPROVED [UNANIMOUS]**



## REQUEST FOR ACTION

### Review of Accounts Payable

**MEETING DATE:**  
October 29, 2024

**ORIGINATING DEPT:**  
Rochester Public Utilities

**AGENDA SECTION:**  
Consent Agenda

**PRESENTER:**  
Tim McCollough

### **Action Requested:**

Review the list of consolidated and summarized transactions for 9/11/2024 to 10/10/2024 in the total amount of \$14,872,001.47.

### **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:**

Erin Henry-Loftus

### **Attachments:**

[AP Board List Current Month](#)

**ROCHESTER PUBLIC UTILITIES**  
**A/P Board Listing By Dollar Range**  
For 09/11/2024 To 10/10/2024  
**Consolidated & Summarized Below 1,000**

**Greater than 50,000 :**

1	SOUTHERN MN MUNICIPAL POWER A	September SMMPA bill	8,456,187.99
2	VEIT & CO INC (CONSTRUCTION)	Marion Rd Duct Bank Parks	1,869,065.10
3	MN DEPT OF REVENUE	August Sales and Use Tax	1,129,391.37
4	IRBY UTILITIES dba	54318FT-Wire, AL, 15kV, 1/0 Solid, 1/C	209,365.47
5	CONSTELLATION NEWENERGY-GAS D	August Gas-SLP	169,165.71
6	ITRON INC	20EA-Meter, Gen 5, AP Cellular, Test	151,581.20
7	NICKELSON PAINTING INC	GT-1 Painting	125,803.75
8	A & A ELECT & UNDERGROUND CON	2024 Directional Boring	116,369.66
9	ECHO SOLAR 2022 HOLDCO LLC	August 2024 Solar Power	115,869.12
10	NEW AGE TREE SERVICE INC dba	Q3 Tree Clearance	101,115.51
11	ASPLUNDH TREE EXPERT LLC (P)	2024 Hourly Tree Trimming	99,666.76
12	CONSTELLATION NEWENERGY-GAS D	September Gas - WES	93,383.11
13	CONSTELLATION NEWENERGY-GAS D	September Gas - Cascade Creek	86,942.64
14	ASPLUNDH TREE EXPERT LLC (P)	614 Tree Clearance	83,433.04
15	MASTEC NORTH AMERICA INC	Manhole Rebuild 2024	74,938.03
16	PAYMENTUS CORPORATION	August Electronic Bill Payment Service	65,019.72
17	DOYLE CONNER CO INC (P)	1JOB-Concrete Floor - Morton Bldg	64,923.00
18	UTIL-ASSIST INC	AMI Contract Negotiation SOW	59,943.00
19	THE ENERGY AUTHORITY INC	September MISO Transmission	59,275.02
20	SPENCER FANE LLP	AMI Contract Legal Review	58,248.00
21	ITRON INC	8EA-Meter, Gen 5, AP Ethernet, Test	56,816.24
22			
23		<b>Price Range Total:</b>	<b>13,246,503.44</b>
24			

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

27	ULTEIG OPERATIONS LLC	Marion Rd Sub Proposal (Files:3001,7001,8601)	46,151.12
28	EPLUS TECHNOLOGY INC	PRTNR SUP 8X5XNBD NEXUS 9508#CHASSIS	43,742.74
29	DOXIM UTILITEC LLC	September Bill Print and Mail Services	31,921.16
30	PEOPLES ENERGY COOPERATIVE (P	September Compensable	28,909.10
31	MN DEPT OF COMMERCE	Q2 FY2025 Indirect Assessment	28,392.36
32	BMA MAINE LLC	CIP-Lighting (C&I)-Incentives/Rebates	27,422.29
33	CENTURYLINK (P)	2024 Monthly Telecommunications	25,276.32
34	ITRON INC	18EA-Meter, Gen 5, Relay, Test	23,146.02
35	EPLUS TECHNOLOGY INC	ISE Plus license	21,367.95
36	USIC HOLDINGS INC	September Locating Services	21,299.78
37	FERGUSON ENTERPRISES	195EA-Valve, 3/4" Flared x FNPT, Angled	21,276.45
38	US BANK-VOYAGER	September Fuel	21,075.96
39	BURNS & MCDONNELL INC (P)	RPU Risk Assessment	20,974.39
40	WIESER PRECAST STEPS INC (P)	3EA-Manhole, 90deg Angle 8' x 6' x 5'	20,475.00
41	IRBY UTILITIES dba	12EA-Metal Sec. Encl,3ph,30" x 67" x 22"	19,680.00
42	EPLUS TECHNOLOGY INC	SCADA Network Assessment 2024	19,371.00
43	SCHMIDT GOODMAN OFFICE PRODUC	1LOT-Cubicle Walls and Furniture (Exec Asst)	19,259.13
44	CITY OF ROCHESTER	Pictometry 2024	19,200.97
45	VEIT & CO INC (CONSTRUCTION)	Parks Portion	19,173.11
46	KORTERRA INC	KorTerra Locate Management 8/15/24-8/15/25	19,000.00
47	BELL LUMBER & POLE COMPANY	10EA-Pole, 50ft, WRC, CL3	17,440.00
48	SORENSEN & SORENSEN PAINTING	CCS Floor and Door Painting	17,200.00

**ROCHESTER PUBLIC UTILITIES**  
**A/P Board Listing By Dollar Range**  
For 09/11/2024 To 10/10/2024  
**Consolidated & Summarized Below 1,000**

49	BORDER STATES ELECTRIC SUPPLY	12EA-Metal Sec. Encl,3ph,30" x 67" x 22"	17,139.84
50	MAYO CLINIC	CIP-Lighting (C&I)-Incentives/Rebates	15,528.30
51	KRAMER CONTRACTING LLC	Willow Heights Construction Well #95	15,331.25
52	CITY OF ROCHESTER	Street Opening Repairs	15,202.76
53	BELL LUMBER & POLE COMPANY	10EA-Pole, 45ft, WRC, CL3	15,020.00
54	MN MUNICIPAL POWER AGENCY	Contribution Legal & Legislative Program	15,000.00
55	VAN METER INC dba	A-B 9324M-RLDT41 STUDIO 5000 LEGACY	14,680.96
56	MINNESOTA ENERGY RESOURCES CO	September Gas - WES	14,246.51
57	ULTEIG OPERATIONS LLC	Marion Road Q2 Transmission Work (File: 4001)	14,093.61
58	BMA MAINE LLC	CIP-Cooling Eq. (C&I)-Incentives/Rebates	13,431.75
59	SOLID WASTE OLMSTED COUNTY	August Electricity Purchased	12,281.65
60	EPLUS TECHNOLOGY INC	Professional Services	12,092.50
61	BELL LUMBER & POLE COMPANY	8EA-Pole, 45ft, WRC, CL3	12,016.00
62	DOBLE ENGINEERING COMPANY (P)	1EA-2024-26 Protection Suite Pro License	11,982.53
63	BELL LUMBER & POLE COMPANY	10EA-Pole, 40ft, WRC, CL3	11,980.00
64	FORBROOK LANDSCAPING SERVICES	Landscaping Svcs Electric	11,660.22
65	L & S ELECTRIC INC (P)	1EA-Auto-Synchronizer	11,590.59
66	BORDER STATES ELECTRIC SUPPLY	50EA-Junction, LB, 200A, 4 Pos, w/Strap	11,327.00
67	PEAK DEMAND INC	90EA-CT, Small Bar Type 600/5	11,141.10
68	ADVANTAGE DIST LLC (P)	5125GAL-Urea 32, WES	11,018.75
69	ULTEIG OPERATIONS LLC	Q2 Engineering along Eastwood Rd. (4002)	10,808.98
70	FORBROOK LANDSCAPING SERVICES	Rock and Edging Sign	9,591.60
71	KFI ENGINEERS	Marion Rd Duct Bank Design	9,331.23
72	EXPRESS SERVICES INC	2024 Temp Staff Marketing (2)	9,172.30
73	BADGER METER INC (P)	40EA-Meter,E-Series Ultra 1" (01) M70 10	8,908.80
74	WESCO DISTRIBUTION INC	200EA-Cable Support Arm, 14"	8,528.00
75	ULTEIG OPERATIONS LLC	Engineering Services- Wiring Diagram	8,287.09
76	SORENSEN & SORENSEN PAINTING	Prep/Paint 40 ft. Cargo Container	7,994.25
77	VIKING ELECTRIC SUPPLY (P)	2000FT-Wire, Copper, 4/0 Str, Bare, 19 S	7,745.78
78	SCHMIDT GOODMAN OFFICE PRODUC	1LOT-Cubicles w/ Doors SC	7,560.90
79	HAWKINS INC	2024 Chlorine Gas	7,386.34
80	EPLUS TECHNOLOGY INC	1EA-Cisco Catalyst C8300-1N1S-6T Router	7,351.63
81	WINTHROP & WEINSTINE P.A.	August and September Legal Services	7,200.00
82	VERIZON WIRELESS	2024 Cell & Ipad Monthly Service	7,110.86
83	RESCO	50EA-Arrester, 10kV, Dist, Elbow MOV	7,067.00
84	FORBROOK LANDSCAPING SERVICES	7PL Water Tower Mulch-Rock	6,791.48
85	WESCO DISTRIBUTION INC	100EA-Cable Support Bracket, 36"	6,776.00
86	VISION COMPANIES LLC (P)	Leadership & Cultural Development	6,667.00
87	ULTEIG OPERATIONS LLC	Arc Flash Study Update	6,600.00
88	WELLS FARGO BANK ACCT ANALYSI	August Banking Services	6,548.04
89	EPLUS TECHNOLOGY INC	2024 Network Maintenance Services	6,360.00
90	CITY OF ROCHESTER	Q3 Attorney Services	6,312.50
91	SOUTHERN MN MUNICIPAL POWER A	August NERC Services-Shawn Timbers	6,300.00
92	SOUTHERN MN MUNICIPAL POWER A	September NERC Services-Shawn Timbers	6,300.00
93	BELL LUMBER & POLE COMPANY	10EA-Pole, 30ft, WRC, CL5	6,280.00
94	HARRIS ROCHESTER INC (HIMEC)	Unit #3 Tube Repairs	6,095.95
95	KNXR - FM	9/7 - 9/30 Utility Scam Advertising	6,000.00
96	ITRON INC	4EA-Meter, Gen 5, AP Socket,Test	5,934.64
97	FLOURISH CONSULTING LLC	Consulting Services-Employee Development	5,875.00
98	IDEXX DISTRIBUTION CORP	4CAS-Chem, Colilert, 100ml	5,830.80

**ROCHESTER PUBLIC UTILITIES**  
**A/P Board Listing By Dollar Range**  
For 09/11/2024 To 10/10/2024  
**Consolidated & Summarized Below 1,000**

99	TWIN CITY SECURITY INC	2024 Security Services	5,777.45
100	GLOBAL RENTAL COMPANY INC	Rental - TDA58 Backyard Aerial Vehicle	5,343.75
101	MINNESOTA ENERGY RESOURCES CO	August Gas-SLP	5,291.66
102	HAWKINS INC	440GAL-2024 Carus 8500	5,256.55
103	CHURCH OF THE SAVIOR REFORMED	CIP-Cooling Eq. (C&I)-Incentives/Rebates	5,242.00
104	LICENSE CENTER ROCHESTER INC	Registration for V741	5,146.02
105	RESCO	50EA-Crossarm, Wood, 8' HD	5,138.00
106	BORDER STATES ELECTRIC SUPPLY	15EA-Grd Sleeve,3ph Encl,18" x 67" x 23"	5,119.80
107	PEAK DEMAND INC	30EA-CT, 300/5, 0.15 Accuracy	5,090.70
108	BARR ENGINEERING COMPANY (P)	General Groundwater Consulting Services	5,088.03
109	POWER SYSTEMS ENGINEERING INC	Distribution System Planning Study	5,054.00
110	EPLUS TECHNOLOGY INC	Partner Sup 8X5XNBD Nexus 9300	5,040.66
111			
112		<b>Price Range Total:</b>	1,079,824.96
113			
114	<b><u>1,000 to 5,000 :</u></b>		
115			
116	WESCO DISTRIBUTION INC	100EA-Arrester, 10kV, Dist, OH MOV	4,910.00
117	KATAMA TECHNOLOGIES INC	Project Management for AMI and MDM	4,578.50
118	BADGER METER INC (P)	48EA-Badger M25HRE CFRReg Wired Itron	4,550.40
119	JON AND ANN WHITCOMB	Reimburse Escrow Pmt-Jon & Ann Whitcomb	4,500.00
120	GRAYBAR ELECTRIC COMPANY INC	12EA-Meter Socket, 6T Prewired w/Test Sw	4,469.90
121	HAWKINS INC	8373.75LB-2024 Hydrofluosilicic Acid	4,274.80
122	KATS EXCAVATING LLC	SA-Service Repair	4,200.00
123	MN VALLEY TESTING LABS INC	Well 16 Water Quality Testing	4,120.00
124	IHEART MEDIA dba	August Ads	4,102.00
125	CRESCENT ELECTRIC SUPPLY CO	1000FT-Wire, Copper, 4/0 Str, Bare, 19 S	4,018.00
126	KROC FM/AM	September Ads - Tips From Tony	3,960.00
127	CONSOLIDATED COMMUNICATIONS d	2022-25 Network and Co-location Services	3,898.04
128	ITRON INC	3EA-Meter, Gen 5, Relay, Test	3,857.67
129	CORE & MAIN LP (P)	10EA-WB-67 Breakoff Flange Kit, K528	3,734.20
130	CITY OF ROCHESTER	CIP-Lighting (C&I)-Incentives/Rebates	3,725.00
131	MINNESOTA ENERGY RESOURCES CO	September Gas - SLP	3,709.46
132	GUENTHER LARSON & KIM ORTHODO	CIP-Lighting (C&I)-Incentives/Rebates	3,606.16
133	CDW GOVERNMENT INC	2EA-APC by Schneider Electric 30-Outlets	3,570.62
134	KATS EXCAVATING LLC	SA-Damaged Service Repair	3,500.00
135	VAN METER INC dba	Perpetual 8X5 Support	3,478.46
136	IRBY UTILITIES dba	10EA-Grd Sleeve, 1ph Trans, 37" x 43"	3,450.00
137	BORDER STATES ELECTRIC SUPPLY	10EA-Grd Sleeve,3ph Encl,18" x 67" x 23"	3,413.20
138	QUANTITATIVE MARKET INTELLIGE	2024 Qtly Customer Satisfaction Survey	3,300.00
139	STELLAR INDUSTRIAL SUPPLY INC	16EA-Eye Wash Station Cartridge (SLP)	3,293.28
140	ATLAS COPCO COMPRESSORS LLC	2EA-Filter Kit, UD310+, Air Dryer, WES	3,262.44
141	MOON DARWIN	Customer Refunds 26405	3,253.06
142	ADVANTAGE DIST LLC (P)	110EA-Mobile 25 DTE-25 ULTRA] (ISO-46	3,161.40
143	NEW LINE MECHANICAL (P)	Add 4" Clean Out Line on Flammable Waste	3,152.81
144	GOPHER STATE ONE CALL	September Completed Tickets	3,115.80
145	ATLAS COPCO COMPRESSORS LLC	4EA-Silencer, Air Dryer, WES	3,095.40
146	BORDER STATES ELECTRIC SUPPLY	72EA-Elbow, 15kV, 200A, LB,1/0 Sol,175-2	3,077.28
147	WIESER PRECAST STEPS INC (P)	2EA-Grd Sleeve, Switch Basement, PME	2,990.00
148	QUADIENT POSTAGE FINANCE USA	Postage - 7900 0440 8067 0809	2,994.96

**ROCHESTER PUBLIC UTILITIES**  
**A/P Board Listing By Dollar Range**  
For 09/11/2024 To 10/10/2024  
**Consolidated & Summarized Below 1,000**

149	SHI INTERNATIONAL CORP (P)	Adobe Photoshop Subscription	2,947.67
150	HAWKINS INC	1EA-Pump, Chemical, 39.6 GPD 150PSI Fluo	2,894.00
151	HAWKINS INC	2EA-Pump, Fluoride Break-Jar, Dosing	2,846.00
152	JETTER CLEAN INC	Preventive Maintenance - All Drains and Sinks	2,832.19
153	IRBY UTILITIES dba	400EA-Conn, Bump Sleeve, #4 ACSR	2,780.00
154	LRS OF MINNESOTA LLC	2024 Waste Removal (SC)	2,740.40
155	BORDER STATES ELECTRIC SUPPLY	12EA-Arrester, 10kV, Dist, Parking Stan	2,688.60
156	KTTC TV INC	Sept 2024 Utility Scams Advertising	2,650.00
157	ADVANTAGE DIST LLC (P)	55GAL-Oil, Lubriplate Marine Safe (55gal)	2,637.56
158	HAWKINS INC	2EA-Hydro Vacuum Regulator, 300 Series	2,620.00
159	DAVIES PRINTING COMPANY INC	Print RPU Pocket Folders	2,602.41
160	ASPLUNDH TREE EXPERT LLC (P)	Removal of Split Hackberry-W/E 7/6/24	2,554.31
161	US BANK PURCHASING CARD	7/13-8/12/24-Azure	2,539.34
162	IRBY UTILITIES dba	15EA-Bracket, Equip Mtg, 3ph, 48", 6 Mtg	2,488.50
163	WHITLOCK CONSULTING GROUP LLC	AMI SOW Review	2,475.00
164	GRAYBAR ELECTRIC COMPANY INC	2EA-Panel Board w/Associated Parts	2,442.80
165	MERIT CONTRACTING INC (P)	1YR-Well House Site Roof Asset Program 2	2,436.00
166	BORDER STATES ELECTRIC SUPPLY	48KIT-Repair Kit, Pedestal, 6" X 9"	2,427.36
167	HYLAND SOFTWARE INC	Business Insight and SSL Consulting	2,415.94
168	IRBY UTILITIES dba	1EA-Trans, PM, 1ph, 37.5kVA,13.8/8,240	2,400.00
169	MERIT CONTRACTING INC (P)	1YR-SLP Roof Asset Program 23-25	2,386.00
170	FARRELL EQUIPMENT (P)	3EA-Metabo Demo Hammer	2,339.97
171	US BANK PURCHASING CARD	ASUG Membership-Jill Boldt	2,300.00
172	MASTEC NORTH AMERICA INC	2024 Joint Trench Directional Boring	2,289.49
173	MINNESOTA ENERGY RESOURCES CO	September Gas - Cascade Creek	2,234.50
174	ALTEC INDUSTRIES INC	Training-Luke Wilder & Tom Fort	2,200.00
175	RED'S ELECTRIC LLC	Meter Socket Replacement-415 3rd Ave	2,137.50
176	SCHWICKERTS COMPANY INC	Release Retainage PO12044	2,135.65
177	VERIZON CONNECT NWF INC	September 2024 - GPS Fleet Tracking	2,117.14
178	MERIT CONTRACTING INC (P)	1YR-SLP Off Site Roof Asset Program 23-25	2,107.00
179	EPLUS TECHNOLOGY INC	PRTNR SUP 8X5XNBD Nexus 93180YCFX3 Bun	2,033.19
180	EPLUS TECHNOLOGY INC	PRTNR SUP 8X5XNBD Nexus 93180YCFX3	2,033.19
181	EPLUS TECHNOLOGY INC	(2) PRTNR SUP 8X5XNBD NEXUS 93180	2,033.18
182	MATTISON GARY	CIP-AirSrc Heat Pumps-Incentives/Rebates	2,032.50
183	MOWRER DARYL E	CIP-AirSrc Heat Pumps-Incentives/Rebates	2,027.00
184	HORSTMANN DARIN	CIP-AirSrc Heat Pumps-Incentives/Rebates	2,018.00
185	SALLEY KELLY	CIP-AirSrc Heat Pumps-Incentives/Rebates	2,013.00
186	MEYERS JOHN LOUIS	CIP-AirSrc Heat Pumps-Incentives/Rebates	2,013.00
187	LAGE JOHN E	CIP-AirSrc Heat Pumps-Incentives/Rebates	2,013.00
188	RIZZO JYLL	CIP-AirSrc Heat Pumps-Incentives/Rebates	2,008.00
189	TANDE AARON J	CIP-AirSrc Heat Pumps-Incentives/Rebates	2,008.00
190	NORDLAND JAN	CIP-AirSrc Heat Pumps-Incentives/Rebates	2,008.00
191	MONSON STEVEN	CIP-AirSrc Heat Pumps-Incentives/Rebates	2,008.00
192	LAURES DANIEL D	CIP-AirSrc Heat Pumps-Incentives/Rebates	2,001.00
193	RESCO	500FT-Wire, Meter Rapid Pull, Custom, St	1,988.38
194	HATHAWAY TREE SERVICE INC	Brush Dump	1,950.00
195	ELECTROMARK INC	200EA-Label, Conduit Safety	1,925.89
196	RESCO	15EA-Wrench, Security (Fargo)	1,876.46
197	KAMAN INDUSTRIAL TECHNOLOGIES	1EA-Filter, Desiccant, Liquid Fuel Brthr	1,855.49
198	ARMSTRONG MONITORING	Gas Sensor Monitoring Services	1,821.00



**ROCHESTER PUBLIC UTILITIES**  
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199	US BANK PURCHASING CARD	Travel,MJohnson,HCTC,Registration	1,795.00
200	ATLAS COPCO COMPRESSORS LLC	2EA-Filter Kit, DD310+, Air Dryer, WES	1,761.96
201	SORENSEN & SORENSEN PAINTING	Northern - NHS	1,759.16
202	TRUCKIN' AMERICA	Install Decked Drawer System.	1,709.99
203	POMPS TIRE SERVICE INC	Tires (6)	1,700.60
204	US BANK PURCHASING CARD	Water Testing Equipment	1,670.23
205	IRBY UTILITIES dba	24PR-Glove, Leather Protector 9.5	1,665.97
206	MCFARLAND JESSE	MPA Turbine Users World Conf - Dallas -	1,648.52
207	WESCO DISTRIBUTION INC	100EA-Photocontrol, 120V-305V	1,635.19
208	K A A L TV LLC	9/24 - 9/30 Utility Scam Advertising	1,605.00
209	DUNLAP & SEEGER LAW OFFICES	Management Training	1,600.00
210	SCHULTZ TRUSTEE RUSSELL J	CIP-AirSrc Heat Pumps-Incentives/Rebates	1,600.00
211	MOUNT OLIVE LUTHERAN CHURCH	CIP-Cooling Eq. (C&I)-Incentives/Rebates	1,595.00
212	MERIT CONTRACTING INC (P)	1YR-Substation Roof Asset Program 23-25	1,574.00
213	FARRISH JOHNSON LAW OFFICE CH	Meredie & Brooke testing & analysis	1,564.00
214	PRAIRIE EQUIPMENT CO LLC	Pure-Sine Inverter	1,547.55
215	MOORE RYAN	SAP for Util. Conf. - Miami - Lodging	1,509.36
216	RICHTER JASON	SAP for Utilities - Miami Beach-Lodging	1,509.36
217	GRAINGER INC	Tarps	1,494.37
218	EPLUS TECHNOLOGY INC	PRTNR SUP 8X5XNBD CISCO CATALYST	1,490.27
219	US BANK PURCHASING CARD	Travel,JBoldt,SAP4U,Registration	1,479.00
220	US BANK PURCHASING CARD	Travel,JRichter,SAP4U,Registration	1,479.00
221	US BANK PURCHASING CARD	Travel,NStiller,SAP4U,Registration	1,479.00
222	US BANK PURCHASING CARD	Travel,JAnderson,SAP4U,Registration	1,479.00
223	US BANK PURCHASING CARD	Travel,RMoore,SAP4U,Registration	1,479.00
224	CENTURY FENCE CO INC	1JOB-Fence Repair - MRS	1,475.00
225	WESCO DISTRIBUTION INC	1000EA-Flagging Tag, Yellow, Underground	1,464.19
226	SEEME PRODUCTIONS LLC	Commercial-2024 Public Power Week	1,450.00
227	MIDCONTINENT ISO INC	September MISO Fees	1,415.02
228	US BANK PURCHASING CARD	Travel,MSpindler,APPA Legal Conf-Registration	1,370.00
229	WESCO DISTRIBUTION INC	25EA-Arrester, 10kV, Dist, Riser MOV	1,347.50
230	BOSTON SCIENTIFIC CARDIAC DIA	CIP-VSDs-Incniivs/Rebates	1,312.92
231	DELL MARKETING LP	6EA-Monitor, Computer, 27", Dell QHD	1,287.28
232	OLSON JEFF	Mitsub Power Aero World Conf-Dallas-Lodging	1,236.39
233	LUHMANN ABE	Paging System Amplifier for SLP	1,235.15
234	MED-CITY LOCK	20EA-Padlock, A, Sub, Brass 2"	1,218.38
235	BORDER STATES ELECTRIC SUPPLY	200EA-Clamp, Parallel, #8-1/0 ACSR, #8-1	1,216.00
236	OPEN ACCESS TECHNOLOGY	October 2024 - Tag Agent,webSmartTag	1,205.16
237	NATIONWIDE DI WATER SOLUTIONS	4EA-DI Vessels, Mixed Bed, CC	1,200.00
238	KFI ENGINEERS	Engineering Services UPS	1,197.50
239	US BANK PURCHASING CARD	CC Frost Level Transmitter	1,194.10
240	CORE & MAIN LP (P)	6EA-Repair Clamp, 8" x 12"LL, DI	1,193.28
241	BOLDT JILL	Travel,SAP4U Conf,Miami,FL-Lodging	1,179.90
242	SORENSEN & SORENSEN PAINTING	Cross Town-CRS	1,175.00
243	ELECTRICAL TRAINING ALLIANCE	Training Mtls/Outside LMS-Yr 1 Courses-1-6	1,165.41
244	RESCO	50EA-Cable Support Grip, 1"-1.24" Tinned	1,157.00
245	ROCHESTER ARMORED CAR CO INC	2024 Pick Up Services	1,152.68
246	GRAINGER INC	Thaw Shed LED Lights	1,148.99
247	WESCO DISTRIBUTION INC	10EA-Mast Arm, 6' x 1.250"	1,147.52
248	CORE & MAIN LP (P)	3EA-WB67 # 31 Valve Seat	1,132.56

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249	VIKING ELECTRIC SUPPLY (P)	J Shed Lighting	1,115.03
250	VIKING ELECTRIC SUPPLY (P)	LED Lighting	1,115.03
251	US BANK PURCHASING CARD	Travel,DLarson,HCTC,Registration	1,108.33
252	US BANK PURCHASING CARD	Travel,PTeng,HCTC,Registration	1,108.33
253	BORDER STATES ELECTRIC SUPPLY	25EA-Elbow, 15kV, 200A, LB, 4/0 Str, 220	1,068.50
254	UNITED RENTALS INC	Telescopic Boom Rental	1,060.20
255	ATLAS COPCO COMPRESSORS LLC	4EA-Drain, Automatic, Air Dryer, WES	1,058.23
256	MERIT CONTRACTING INC (P)	1YR-SC Roof Asset Program 23-25	1,058.00
257	OSMOSE UTILITIES SERVICES INC	2020-24 Pole Testing & Treatment	1,034.23
258	NETWORK SERVICES COMPANY	Batteries for Scrubber	1,017.69
259	PDS	2024 ParkPlace Maintenance Agreement	1,015.90
260	CRESCENT ELECTRIC SUPPLY CO	2000FT-Wire, Copper, 600V, 12-2 Solid	1,005.48
261	BOLTON AND MENK (P)	TMOB TWR#83 Decomissioning Services	1,005.00
262	BOLTON AND MENK (P)	T-Mobile #97 North Park A1Q0765A	1,005.00
263	CUATE HERMENEGILDO	CIP-AirSrc Heat Pumps-Incentives/Rebates	1,003.00
264	THOMPSON JULIE	CIP-AirSrc Heat Pumps-Incentives/Rebates	1,002.00
265	KXLT TELEVISION INC	9/1 - 9/30 Utility Scam Advertising	1,000.00
266	SORENSEN & SORENSEN PAINTING	Chester - CHS	1,000.00
267	TECHNOLOGY FOR ENERGY CORPORA	PRM Software License (LOCAL Mode)	1,000.00
268			
269		<b>Price Range Total:</b>	327,541.86
270			
271	<b><u>0 to 1,000 :</u></b>		
272			
273	US BANK PURCHASING CARD	Summarized transactions: 73	21,003.22
274	REBATES	Summarized transactions: 62	17,452.59
275	FIRST CLASS PLUMBING & HEATIN	Summarized transactions: 35	16,026.74
276	BORDER STATES ELECTRIC SUPPLY	Summarized transactions: 47	11,483.16
277	CUSTOMER REFUNDS (CIS)	Summarized transactions: 90	10,779.46
278	CORE & MAIN LP (P)	Summarized transactions: 35	7,413.86
279	WESCO DISTRIBUTION INC	Summarized transactions: 16	5,540.16
280	STELLAR INDUSTRIAL SUPPLY INC	Summarized transactions: 44	5,450.91
281	CITY LAUNDERING COMPANY	Summarized transactions: 25	5,348.60
282	VIKING ELECTRIC SUPPLY (P)	Summarized transactions: 96	5,168.40
283	RESCO	Summarized transactions: 20	3,966.25
284	IRBY UTILITIES dba	Summarized transactions: 20	3,517.53
285	BOB THE BUG MAN LLC	Summarized transactions: 5	2,068.83
286	ON SITE SANITATION INC	Summarized transactions: 2	1,926.12
287	CRESCENT ELECTRIC SUPPLY CO	Summarized transactions: 26	1,924.98
288	LAWSON PRODUCTS INC (P)	Summarized transactions: 5	1,813.01
289	BEHRENS MATT	Summarized transactions: 6	1,789.56
290	MCCOLLOUGH TIM	Summarized transactions: 3	1,770.57
291	VEIT DISPOSAL SYSTEMS dba	Summarized transactions: 3	1,770.00
292	HAWKINS INC	Summarized transactions: 15	1,731.08
293	MCCOLLOUGH TIM	Summarized transactions: 14	1,697.38
294	DAKOTA SUPPLY GROUP-ACH	Summarized transactions: 29	1,689.88
295	ULINE	Summarized transactions: 6	1,652.26
296	GRAINGER INC	Summarized transactions: 8	1,629.73
297	CENTURYLINK (P)	Summarized transactions: 6	1,559.70
298	SCHUMACHER ELEVATOR COMPANY	Summarized transactions: 2	1,475.86

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299	CENTURLINK	Summarized transactions: 2	1,436.16
300	COAST TO COAST CALIBRATIONS	Summarized transactions: 6	1,369.25
301	FASTENAL COMPANY	Summarized transactions: 21	1,314.00
302	LOFTUS MICHAEL	Summarized transactions: 3	1,232.90
303	O'REILLY AUTO PARTS	Summarized transactions: 22	1,216.32
304	SCHMIDT GOODMAN OFFICE PRODUC	Summarized transactions: 2	1,161.06
305	OSWEILER TODD	Summarized transactions: 3	1,128.39
306	MCFARLAND JESSE	Summarized transactions: 8	1,118.63
307	CITY LAUNDERING COMPANY	Summarized transactions: 5	1,086.05
308	IDEXX DISTRIBUTION CORP	Summarized transactions: 2	1,046.95
309	HACH COMPANY	Summarized transactions: 7	1,035.93
310	ASPLUNDH TREE EXPERT LLC (P)	Summarized transactions: 2	1,005.70
311	KNXR - FM	Summarized transactions: 2	1,000.00
312	MINNESOTA ENERGY RESOURCES CO	Summarized transactions: 7	978.24
313	K A A L TV LLC	Summarized transactions: 1	975.00
314	PODEINS POWER EQUIPMENT (P)	Summarized transactions: 2	966.38
315	AT&T	Summarized transactions: 1	949.32
316	INNOVATIVE OFFICE SOLUTIONS L	Summarized transactions: 9	945.24
317	ASI SIGNAGE INNOVATIONS dba	Summarized transactions: 1	932.05
318	NORTH CENTRAL INTERNATIONAL L	Summarized transactions: 4	900.51
319	THE ENERGY AUTHORITY INC	Summarized transactions: 1	887.32
320	CITY OF ROCHESTER	Summarized transactions: 2	886.00
321	KELE INC	Summarized transactions: 2	882.36
322	CORPORATE WEB SERVICES INC	Summarized transactions: 2	879.24
323	BURNS & MCDONNELL INC (P)	Summarized transactions: 1	864.38
324	A & A ELECT & UNDERGROUND CON	Summarized transactions: 1	860.00
325	SUPERIOR SCREENER INC	Summarized transactions: 1	840.04
326	BJELLAND DUANE	Summarized transactions: 2	820.19
327	SOMA CONSTRUCTION INC	Summarized transactions: 2	819.38
328	BUNKE BRENT	Summarized transactions: 2	814.19
329	NEUBAUER WADE	Summarized transactions: 2	814.19
330	PUTZIER KRISTOPHER	Summarized transactions: 2	814.19
331	BOLTON AND MENK (P)	Summarized transactions: 2	804.00
332	FARRELL EQUIPMENT (P)	Summarized transactions: 7	781.02
333	SUPERIOR COMPANIES OF MINNESO	Summarized transactions: 1	777.00
334	LICENSE CENTER ROCHESTER INC	Summarized transactions: 1	765.93
335	FORUM COMMUNICATIONS COMPANY	Summarized transactions: 1	762.00
336	RONCO ENGINEERING SALES INC	Summarized transactions: 4	757.68
337	SPRINGER APPRAISAL ASSOC INC	Summarized transactions: 1	750.00
338	US BANK PURCHASING CARD	Summarized transactions: 3	749.55
339	NORTHERN / BLUETARP FINANCIAL	Summarized transactions: 8	742.66
340	PDS	Summarized transactions: 3	736.93
341	OLSON BJORN	Summarized transactions: 2	726.56
342	TUPPER MATTHEW	Summarized transactions: 2	726.56
343	OLSON JEFF	Summarized transactions: 4	720.88
344	DELTA STAR INC (P)	Summarized transactions: 2	714.00
345	AIRGAS SAFETY INC	Summarized transactions: 4	708.66
346	SNAP ON INDUSTRIAL	Summarized transactions: 2	707.01
347	ULTEIG OPERATIONS LLC	Summarized transactions: 1	696.00
348	DOBLE ENGINEERING COMPANY (P)	Summarized transactions: 4	693.66

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349	CEMSOURCE INC	Summarized transactions: 3	673.84
350	MENARDS ROCHESTER NORTH	Summarized transactions: 8	672.43
351	RICHTER JASON	Summarized transactions: 3	669.65
352	MISSISSIPPI WELDERS SUPPLY CO	Summarized transactions: 12	663.63
353	GLOBAL INDUSTRIAL (P)	Summarized transactions: 10	661.54
354	CAPELLE KEITH	Summarized transactions: 2	661.36
355	MISSISSIPPI WELDERS SUPPLY CO	Summarized transactions: 1	658.00
356	POMPS TIRE SERVICE INC	Summarized transactions: 3	656.50
357	AE2S	Summarized transactions: 1	645.68
358	RDO EQUIPMENT COMPANY (P)	Summarized transactions: 1	641.12
359	REINDERS INC	Summarized transactions: 3	625.73
360	ADVANTAGE DIST LLC (P)	Summarized transactions: 6	593.55
361	NETWORK SERVICES COMPANY	Summarized transactions: 4	564.28
362	LRS OF MINNESOTA LLC	Summarized transactions: 1	538.20
363	CRETEX SPECIALTY PRODUCTS INC	Summarized transactions: 2	532.50
364	ITRON INC	Summarized transactions: 2	530.43
365	NAPA AUTO PARTS dba	Summarized transactions: 23	516.92
366	CLARK CONCRETE INC	Summarized transactions: 1	508.00
367	EPLUS TECHNOLOGY INC	Summarized transactions: 1	505.42
368	SORENSEN & SORENSEN PAINTING	Summarized transactions: 1	500.00
369	PEOPLES ENERGY COOPERATIVE	Summarized transactions: 3	492.46
370	NALCO COMPANY LLC	Summarized transactions: 14	485.77
371	MCMASTER CARR SUPPLY COMPANY	Summarized transactions: 16	448.03
372	BOLDT JILL	Summarized transactions: 3	443.43
373	UNITED RENTALS INC	Summarized transactions: 2	437.52
374	KEACH TODD	Summarized transactions: 2	435.64
375	VIOLA NURSERY & GREENHOUSE	Summarized transactions: 1	427.50
376	NORTHERN / BLUETARP FINANCIAL	Summarized transactions: 3	420.90
377	MOORE RYAN	Summarized transactions: 4	413.00
378	POMPEII PAINTING INC	Summarized transactions: 1	409.00
379	ALTERNATIVE TECHNOLOGIES INC	Summarized transactions: 2	407.00
380	GME SUPPLY CO	Summarized transactions: 3	405.91
381	MEG CORP	Summarized transactions: 1	390.00
382	ROCHESTER CHEVROLET CADILLAC	Summarized transactions: 4	389.94
383	MCMASTER CARR SUPPLY COMPANY	Summarized transactions: 6	387.71
384	ADVANCE AUTO PARTS	Summarized transactions: 7	382.49
385	PEOPLES ENERGY COOPERATIVE	Summarized transactions: 2	382.16
386	BULLOCK WILLIAM	Summarized transactions: 3	379.68
387	GLEASON HUNTER	Summarized transactions: 2	379.28
388	KOBILARCSIK JOSEPH	Summarized transactions: 2	379.28
389	WAGENAAR JEFFREY	Summarized transactions: 2	379.28
390	DM CREATIVE LLC	Summarized transactions: 1	370.00
391	PHENOVA INC	Summarized transactions: 1	363.20
392	CASTILLO ROB	Summarized transactions: 2	362.50
393	KELLER TOM A JR	Summarized transactions: 2	362.50
394	TREICHEL MATTHEW	Summarized transactions: 2	362.50
395	MUELLER MATTHEW	Summarized transactions: 3	359.34
396	MSC INDUSTRIAL SUPPLY CO INC	Summarized transactions: 3	351.68
397	GOODIN COMPANY	Summarized transactions: 1	331.76
398	WESTENDORF KRAIG	Summarized transactions: 4	327.89

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399	VAN METER INC dba	Summarized transactions: 4	323.56
400	FORBROOK LANDSCAPING SERVICES	Summarized transactions: 1	320.63
401	DITCH WITCH OF MINNESOTA INC	Summarized transactions: 4	310.87
402	MENARDS ROCHESTER SOUTH	Summarized transactions: 2	305.57
403	C & N UPHOLSTERY	Summarized transactions: 2	300.00
404	ARCHKEY TECHNOLOGIES dba	Summarized transactions: 1	288.56
405	CUSTOM TRUCK ONE SOURCE L.P.	Summarized transactions: 2	284.13
406	DAVIES PRINTING COMPANY INC	Summarized transactions: 2	283.22
407	PROTECH SKILLS INSTITUTE	Summarized transactions: 1	277.20
408	MENARDS ROCHESTER SOUTH	Summarized transactions: 7	274.54
409	NGUYEN THUAN	Summarized transactions: 2	268.98
410	ARNOLDS A KLEEN-TECH COMPANY	Summarized transactions: 8	263.78
411	CDW GOVERNMENT INC	Summarized transactions: 1	245.48
412	SCHUMACHER EXCAVATING INC.	Summarized transactions: 1	240.00
413	HOVDEN ADAM	Summarized transactions: 1	224.00
414	PAYNE LUKE	Summarized transactions: 1	224.00
415	VANCO SERVICES LLC	Summarized transactions: 1	220.26
416	NUVERA	Summarized transactions: 1	217.89
417	HUTTER ETHAN	Summarized transactions: 2	207.23
418	SCHAUDENECKER ROBERT L	Summarized transactions: 2	207.23
419	WHITE CAP LP (P)	Summarized transactions: 2	205.38
420	MARCO INC	Summarized transactions: 1	203.06
421	WATER SYSTEMS COMPANY	Summarized transactions: 2	192.30
422	KAMAN INDUSTRIAL TECHNOLOGIES	Summarized transactions: 1	192.17
423	FEDEX SHIPPING	Summarized transactions: 15	192.12
424	ALTEC INDUSTRIES INC	Summarized transactions: 6	191.04
425	QUADIENT POSTAGE FINANCE USA	Summarized transactions: 3	190.02
426	FARRELL EQUIPMENT (P)	Summarized transactions: 2	183.82
427	SOUTHERN MN MUNICIPAL POWER A	Summarized transactions: 2	177.05
428	WABASHA IMPLEMENT	Summarized transactions: 3	176.45
429	LOCATORS AND SUPPLIES	Summarized transactions: 3	174.97
430	SLEEPY EYE TELEPHONE CO	Summarized transactions: 2	169.52
431	CHARTER COMMUNICATIONS	Summarized transactions: 1	164.43
432	BOWMANS DOOR SOLUTIONS	Summarized transactions: 2	162.19
433	B & H PHOTO	Summarized transactions: 2	162.06
434	KOSTER COLTON	Summarized transactions: 1	160.00
435	KLUG JERROD	Summarized transactions: 1	160.00
436	GRINHAUG CHAD	Summarized transactions: 1	160.00
437	DEFRANG SPENCER	Summarized transactions: 1	160.00
438	HY VEE	Summarized transactions: 2	154.21
439	PAYNE LUKE	Summarized transactions: 1	150.00
440	CREDIT MANAGEMENT LP	Summarized transactions: 1	142.75
441	MENARDS ROCHESTER NORTH	Summarized transactions: 4	142.41
442	PROPERTY RECORDS OLMSTED COUN	Summarized transactions: 3	142.00
443	VAN METER INC dba	Summarized transactions: 8	137.81
444	TRUCKIN' AMERICA	Summarized transactions: 1	131.46
445	DZUBAY TONY	Summarized transactions: 1	117.05
446	VERIZON WIRELESS	Summarized transactions: 1	109.20
447	BUCHOLZ MICHAEL	Summarized transactions: 2	107.98
448	BADGER METER INC (P)	Summarized transactions: 3	104.84

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449	T E C INDUSTRIAL INC	Summarized transactions: 2	102.70
450	CENTURY FENCE CO INC	Summarized transactions: 1	101.41
451	NICKELS SCOTT	Summarized transactions: 1	96.00
452	SETON (P)	Summarized transactions: 7	95.31
453	VIKING ELECTRIC SUPPLY (P)	Summarized transactions: 4	84.50
454	TECHNOLOGY FOR ENERGY CORPORA	Summarized transactions: 1	68.75
455	ATLAS COPCO COMPRESSORS LLC	Summarized transactions: 1	64.85
456	GLOBAL RENTAL COMPANY INC	Summarized transactions: 1	62.50
457	BURGGRAFS ACE HARDWARE OF ROC	Summarized transactions: 1	58.75
458	GRAYBAR ELECTRIC COMPANY INC	Summarized transactions: 1	52.28
459	RONCO ENGINEERING SALES INC	Summarized transactions: 1	51.06
460	IEA (P)	Summarized transactions: 1	48.00
461	PROLINE DISTRIBUTORS	Summarized transactions: 2	47.63
462	OVERHEAD DOOR CO OF OLMSTED C	Summarized transactions: 2	45.85
463	GEOTECH ENVIRONMENTAL EQUIP I	Summarized transactions: 7	36.31
464	ELECTROMARK INC	Summarized transactions: 2	34.31
465	GREAT RIVER ENERGY	Summarized transactions: 1	32.10
466	PRAIRIE EQUIPMENT CO LLC	Summarized transactions: 2	31.45
467	MINNESOTA ENERGY RESOURCES CO	Summarized transactions: 1	22.09
468	FEDEX SHIPPING	Summarized transactions: 2	17.63
469	MED-CITY LOCK	Summarized transactions: 1	14.25
470	PROLINE DISTRIBUTORS	Summarized transactions: 2	13.08
471	PAULS LOCK & KEY SHOP INC	Summarized transactions: 2	11.35

**Price Range Total:** 218,131.21

**Grand Total:** 14,872,001.47



## REQUEST FOR ACTION

### Insurance Renewals for 2025

**MEETING DATE:**

October 29, 2024

**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 2024-2025.

### **Report Narrative:**

#### **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.) This includes additional Cyber coverage for data Security Breach claims. In 2023, RPU received a **dividend from the League of \$9,548**. The League distributes dividends back to its members based on premiums and incurred losses for all years of membership.

#### **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 third party damages.

#### **ALL RISK PROPERTY INSURANCE:**

Management recommends maintaining the same combination of policies for our property coverage.

The League of MN Cities Trust provides coverage for all the non-generation facilities such as the service center, well-houses, water towers, and substations. This is a blanket policy with a \$200,000 deductible. Earlier this year, the League contracted with a third party to complete professional appraisals of all RPU facilities covered by this policy. Based on their assessment, replacement values were increased to better reflect real estate values and construction costs.

Starr Technical Risks Agency, Inc. provides coverage for the generation facilities at Westside, Silver Lake, and Cascade Creek. \$500,000 deductible with a \$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 8% increase for 2024 is comprised of both an increase in equipment/property replacement 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 Technical Risks Agency, Inc., and Travelers Boiler & Machinery as described above.

**2024-2025 Premium Summary:**

\$153,760	LMCIT commercial auto and general liability
\$489,421	AEGIS excess liability
\$112,709	LMCIT non-generation facilities
\$358,612	Starr Tech generation facilities
\$332,542	Traveler's equipment breakdown
<b><u>\$1,447,044</u></b>	<b>TOTAL</b>

**Prepared By:**  
Deb Donahue

**Attachments:**  
[20241029\\_Resolution\\_-\\_2025\\_Insurance\\_Renewals](#)





## RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester to approve the 2024-2025 annual insurance renewals with North Risk Partners and the League of Minnesota Cities Insurance Trust in the amount of \$1,447,044.

PASSED AND ADOPTED BY THE PUBLIC UTILITY BOARD OF THE CITY OF  
ROCHESTER, MINNESOTA, THIS 29th DAY OF October 2024.

\_\_\_\_\_  
PRESIDENT

\_\_\_\_\_  
SECRETARY



## **REQUEST FOR ACTION**

### **Contract Approval: 2025 Hourly Power Line Clearance Tree Services**

**MEETING DATE:**

October 29, 2024

**ORIGINATING DEPT:**

Rochester Public Utilities

**AGENDA SECTION:**

Consent Agenda

**PRESENTER:**

Neil Stiller

### **Action Requested:**

Approve a resolution for 2025 hourly tree trimming services with Asplundh Tree Expert LLC, in the amount of \$802,993 (plus applicable tax), subject to Council approval of the 2025-2026 budget, and authorize the Project Manager to execute the services up to the approved budget amount. Annual costs for this contract will be funded through approval of the budget.

### **Report Narrative:**

Hourly crews perform day-to-day tree trimming work throughout the City based on customer requests, storm work, or other areas impacted by specific projects. RPU is presently in a multi-year contract for hourly services. That contract began January 1, 2021, for a five-year term with the option to extend for up to an additional two years, based on mutual agreement. This resolution is to accept the 2025 labor and equipment hourly rates for the fifth year of the five-year contract. To date, RPU staff are very satisfied with the performance of this contractor. Staff recommends continuing the contract. The labor portion of the contract is increasing 3.8% and equipment is averaging an increase of 3.1%, all within expected margins.

### **Fiscal & Resource Impact:**

The 2025-2026 budget for tree trimming services is \$1.7 million for each year. In addition to the hourly services, staff will return in December to seek approval of contracts for the lump sum portion of RPU's tree trimming program.

### **Prepared By:**

Neil Stiller

### **Attachments:**

[20241029\\_Resolution\\_-\\_2025\\_Hourly\\_Power\\_Line\\_Clearance\\_Tree\\_Services.pdf](#)



## RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester to approve a contract with Asplundh Tree Expert LLC, in the amount of \$802,993 (plus applicable tax) for 2025 hourly tree trimming services, subject to Council approval of the 2025-2026 budget, and authorize the RPU Project Manager to execute the services up to the approved budget amount. Annual costs for this contract will be funded through approval of the budget.

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

ROCHESTER, MINNESOTA, THIS 29th DAY OF October, 2024.

\_\_\_\_\_  
PRESIDENT

\_\_\_\_\_  
SECRETARY



## **REQUEST FOR ACTION**

### **Contract Approval: ePlus Enhanced Maintenance Services**

**MEETING DATE:**

October 29, 2024

**ORIGINATING DEPT:**

Rochester Public Utilities

**AGENDA SECTION:**

Consent Agenda

**PRESENTER:**

Kraig Westendorf - RPU  
Information Systems  
Manager

**Action Requested:**

Approve the multi-year agreement with ePlus Technology, Inc., in the amount of \$491,834.49 and authorize the Mayor and City Clerk to execute the Agreement.

**Report Narrative:**

ePlus Technology, Inc. has previously provided support services for RPU's information technology (IT) infrastructure including switching, routing, firewalls, and security. These are standard services required to maintain the performance, reliability, and security of the hardware and software during their lifetime. Some service examples are updates, upgrades, troubleshooting, break-fix, replacements due to defects, etc.

Staff has negotiated a new three-year agreement at a cost of \$163,944.83 each year, billed annually, for a three-year total of \$491,834.49. The annual expense is included in the 2024 budget and will continue to be funded through the annual approval of the budget.

**Fiscal & Resource Impact:**

This cost is within the amount approved in the 2024 budget.

**Prepared By:**

Kraig Westendorf

**Attachments:**

[20241029\\_Resolution\\_-\\_ePlus Enhanced Maintenance Services](#)



## RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester to approve the multi-year agreement with ePlus Technology, Inc. in the amount of \$491,834.49 and authorize the Mayor and City Clerk to execute the Agreement.

PASSED AND ADOPTED BY THE PUBLIC UTILITY BOARD OF THE CITY OF  
ROCHESTER, MINNESOTA, THIS 29th DAY OF October, 2024.

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PRESIDENT

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SECRETARY



## REQUEST FOR ACTION

### 2025 Updated Water Utility Budget

**MEETING DATE:**  
October 29, 2024

**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 2025.

### Report Narrative:

The 2024-2025 Water Utility operating, capital, and multi-year capital budgets were approved by the RPU Board and City Council on October 24, 2023, and December 4, 2023, respectively. The recommended 2025 updated operating, capital, and multi-year capital budgets were reviewed with the Board on August 6, 2024. The recommended 2025 updated Water Utility budget does not request any changes in the general rate adjustments approved in 2023. In addition, the recommended budget has been included in presentations to the City Council as part of the overall 2025 City budget review process. The public has had the opportunity to comment on the recommended budget at the August, September, and October Board meetings.

Water Utility (in thousands):	2025 Original	2025 Updated
Revenue	\$16,220	\$15,375
Capital (Rate Funded)	\$ 5,239	\$ 5,539

Historically, the water utility has funded capital projects through rates each year between \$2.5M and \$3.0M. The 2025 recommended rate-funded capital expenditures are \$5.539M compared to the original 2025 budget of \$5.239M. The major capital initiatives that are putting upward pressure on our Water Utility rates are City road related projects, the approved Advanced Metering Infrastructure (AMI) project, water main replacement, and the addition of a \$500K contingency for opportunistic capital projects that the Utility could undertake when work is being done to support the Mayo Bold Forward Unbound initiative. We are working to increase the water main replacement to \$1M per year to address reliability and aging water infrastructure.

Another item that will inflate the capital budget in future years is the inclusion of subscription assets in the year that we enter into a software-related subscription. These assets will be capitalized and then amortized over the life of the subscription. There is no impact due to subscription assets to the water capital budget in 2025.

The main drivers for the Water budget are:

- Growth in customers (0.9%) and consumption (2.3%) for 2025. This is due to the assumption of average weather and rainfall.
- The adopted AMI project will require an investment of \$17.9M over five years. This represents an increase of \$2M over the original budget. The increase represents a project contingency that was not

included in the original budget request. The increase in operating costs is expected to be offset by cost savings and additional revenue authorized in the original budget once fully deployed. The multi-year column for the AMI related projects includes funds that were approved in prior budget cycles, the amounts budgeted in future years, as well as the reclassification of software subscriptions from major maintenance operating expense to capital projects in compliance with a change in government accounting standards during 2024.

- Increased inflation, vendor, and supplies availability
- Water main replacements to address aging infrastructure
- City planned street reconstruction
- Development in the downtown (DMC) area affecting water infrastructure
- Distribution system expansion
- Mayo's Bold Forward Unbound initiative
- Water conservation programs and education

For the water utility, management is recommending no change from the 5.5% general rate adjustment plus an AMI related increase in the customer charge of \$1.32 per month that was approved in 2023. This is a monthly increase of \$1.67 per month for the average residential customer in 2025.

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

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

Summary financial sheets are attached reflecting the recommended budget.

If the Board approves the updated 2025 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.

### **Prior Legislative Actions & Community Engagement:**

RPU Board review on August 6, 2024

Available for public comment at the regularly scheduled August, September, and October RPU Board meetings.

### **Prepared By:**

Peter Hogan

### **Attachments:**

[20241029\\_Resolution\\_-\\_2025\\_Water\\_Utility\\_Budget](#)

[2025 Updated Budget Book Recommended - Board Packet Wtr 1022.pdf](#)



## RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester to approve the 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 approve the 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 29th DAY OF October, 2024.

\_\_\_\_\_  
PRESIDENT

\_\_\_\_\_  
SECRETARY





ROCHESTER PUBLIC UTILITIES  
*RECOMMENDED*

# 2025 WATER UTILITY OPERATING BUDGET

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

**INDEX**

<b><u>Title</u></b>	<b><u>Pages</u></b>
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Forecast by Year 2025 through 2029	2
Condensed Income Statement	3
Revenue Sources & Expense Categories	4
Operating Expenditures Graph	5
Production & Sales Statistics Forecast	6

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

**ASSUMPTIONS**

- Interest Earnings Rate: 3.0%
- Average Salary Expense Change: 4.9%  
(excluding headcount additions)
- Anticipated Bonding None
- Change in Full-time Equivalents: 0
- Minimum Cash Reserve Requirement: \$8,629,700
- In Lieu of Tax \$514,088

**RETAIL REVENUES / SALES**

- Revenue Adjustment: 5.5% Proposed General Rate Increase  
Plus \$1.32 Customer Charge Increase
- Water CCF Sales Forecast: 2.3% Increase from 2024  
Projected Sales
- Total Water Utility Customers: 0.9% Increase over Y/E 2024  
Projected Customers
- Forecast Assumes Normal Weather : 538 Cooling Degree Days,  
27.85 Inches Summer Rainfall

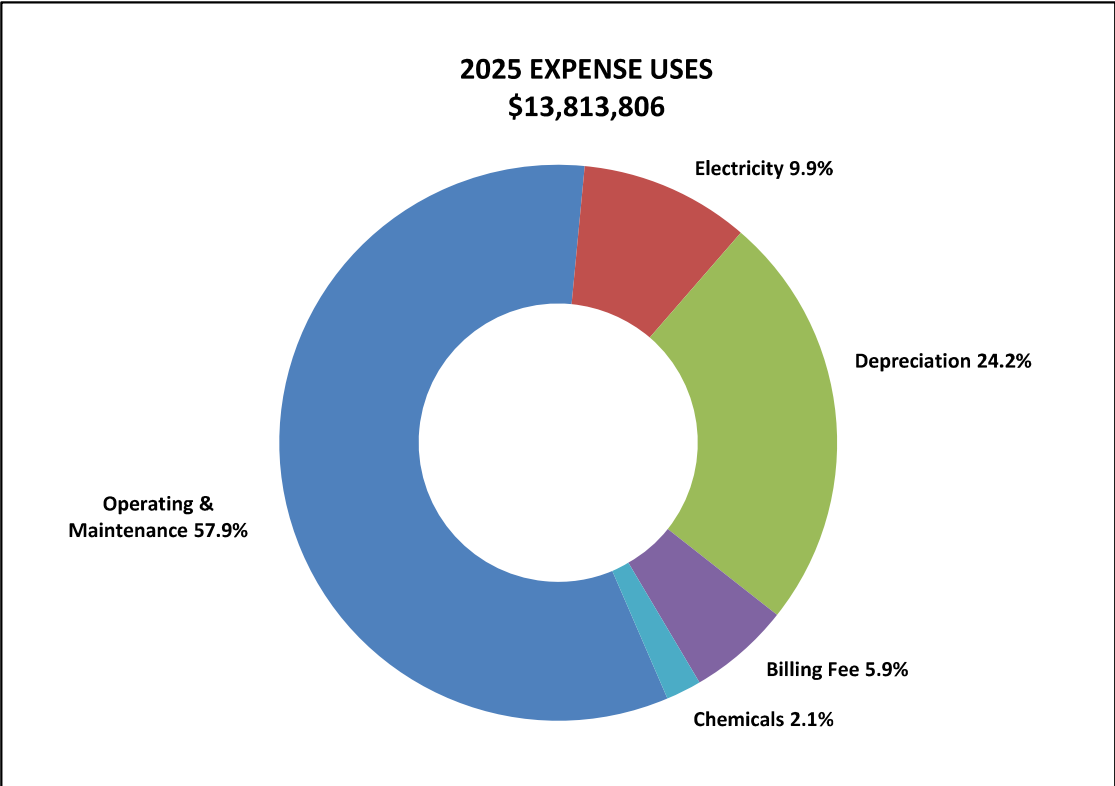
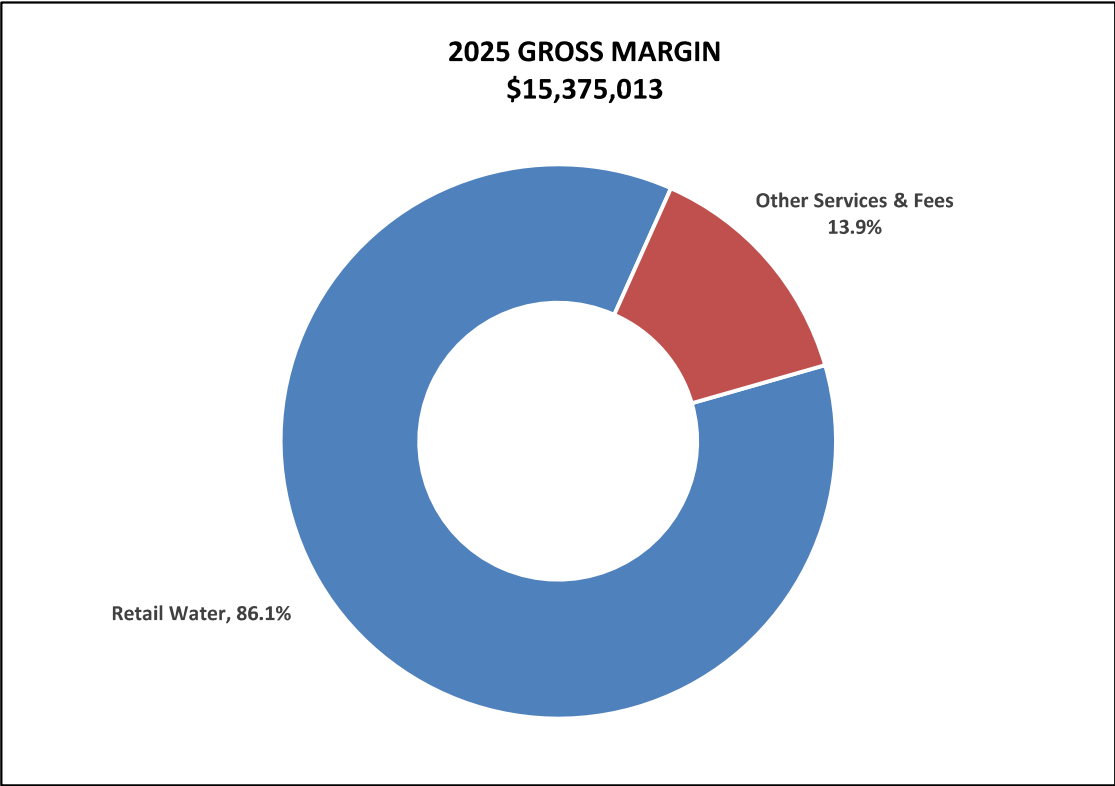
**ROCHESTER PUBLIC UTILITIES  
WATER UTILITY  
Management Reporting P&L**

	Historical Data		2024 F2	2025 - 2029				
	2022	2023		2025	2026	2027	2028	2029
in 000's								
RPU Rate Increase	2.5%	5.0%	5.5%	5.5%	9.0%	7.0%	7.0%	7.0%
Plus AMI Customer Charge			\$1.32	\$1.32				
<b>1 Revenue</b>								
2 Retail Water	\$11,026	\$12,460	\$12,246	\$13,237	\$14,406	\$15,626	\$16,871	\$18,187
3 Other Services & Fees	\$2,154	\$2,148	\$2,122	\$2,138	\$2,160	\$2,180	\$2,201	\$2,222
<b>4 Total Revenue</b>	<b>\$13,180</b>	<b>\$14,609</b>	<b>\$14,368</b>	<b>\$15,375</b>	<b>\$16,566</b>	<b>\$17,806</b>	<b>\$19,073</b>	<b>\$20,409</b>
<b>5 Cost of Revenue</b>								
6 Water Supply	\$2,120	\$2,380	\$2,356	\$2,465	\$2,533	\$2,625	\$2,711	\$2,813
<b>7 Total Cost of Revenue</b>	<b>\$2,120</b>	<b>\$2,380</b>	<b>\$2,356</b>	<b>\$2,465</b>	<b>\$2,533</b>	<b>\$2,625</b>	<b>\$2,711</b>	<b>\$2,813</b>
<b>8 Gross Margin</b>								
9 Retail Water	\$8,907	\$10,080	\$9,890	\$10,772	\$11,873	\$13,001	\$14,160	\$15,374
10 Other Services & Fees	\$2,154	\$2,148	\$2,122	\$2,138	\$2,160	\$2,180	\$2,201	\$2,222
<b>11 TOTAL GROSS MARGIN</b>	<b>\$11,060</b>	<b>\$12,228</b>	<b>\$12,012</b>	<b>\$12,910</b>	<b>\$14,033</b>	<b>\$15,181</b>	<b>\$16,361</b>	<b>\$17,596</b>
<b>12 Controllable Costs</b>								
13 Salaries & Benefits	\$3,338	\$3,495	\$3,471	\$3,850	\$4,170	\$4,337	\$4,655	\$4,842
14 Other Operating Expenses	\$1,176	\$1,291	\$1,564	\$1,597	\$1,655	\$1,716	\$1,779	\$1,933
15 Major Maintenance	\$448	\$396	\$668	\$906	\$893	\$900	\$960	\$915
16 Non-Bonded Capital Projects	\$2,890	\$3,397	\$9,801	\$8,539	\$7,211	\$7,564	\$5,225	\$3,198
<b>17 TOTAL CONTROLLABLE COSTS</b>	<b>\$7,852</b>	<b>\$8,581</b>	<b>\$15,504</b>	<b>\$14,892</b>	<b>\$13,929</b>	<b>\$14,517</b>	<b>\$12,619</b>	<b>\$10,888</b>
18 Depreciation & Amortization	\$2,916	\$2,916	\$3,007	\$3,349	\$3,316	\$3,806	\$4,057	\$4,262
19 Subscription Amortization	-	-	-	\$222	\$346	\$346	\$346	\$346
20 Less Non Bonded Projects (capitalized)	(\$2,890)	(\$3,397)	(\$9,801)	(\$8,539)	(\$7,211)	(\$7,564)	(\$5,225)	(\$3,198)
21 Less Total Internal Costs (capitalized)	(\$291)	(\$324)	(\$409)	(\$341)	(\$579)	(\$578)	(\$311)	(\$115)
22 Interutility Allocation	\$1,874	\$1,956	\$2,045	\$1,766	\$1,819	\$1,874	\$1,930	\$1,988
<b>23 Total Operating Expenses</b>	<b>\$9,408</b>	<b>\$9,731</b>	<b>\$10,346</b>	<b>\$11,349</b>	<b>\$11,621</b>	<b>\$12,401</b>	<b>\$13,416</b>	<b>\$14,171</b>
<b>24 Net Operating Income (Loss)</b>	<b>\$1,652</b>	<b>\$2,497</b>	<b>\$1,666</b>	<b>\$1,561</b>	<b>\$2,412</b>	<b>\$2,780</b>	<b>\$2,945</b>	<b>\$3,426</b>
<b>25 Financing &amp; Other Non-Operating Items:</b>								
26 Bond & Interest Related Expenses	-	-	-	(\$2)	(\$7)	(\$7)	(\$7)	(\$7)
27 Interest Income	\$676	\$775	\$811	\$718	\$653	\$577	\$552	\$613
28 Misc Non-Operating Income (Expense)	(\$34)	(\$67)	(\$14)	-	-	-	-	-
<b>29 Total Financing &amp; Non-Operating Items</b>	<b>\$642</b>	<b>\$709</b>	<b>\$798</b>	<b>\$716</b>	<b>\$645</b>	<b>\$570</b>	<b>\$544</b>	<b>\$606</b>
<b>30 Income Before Transfers or Capital Contributions</b>	<b>\$2,294</b>	<b>\$3,206</b>	<b>\$2,464</b>	<b>\$2,277</b>	<b>\$3,057</b>	<b>\$3,350</b>	<b>\$3,489</b>	<b>\$4,031</b>
31 Transfers (In Lieu of Taxes)	(\$402)	(\$491)	(\$492)	(\$514)	(\$515)	(\$522)	(\$527)	(\$534)
32 Capital Contributions	\$3,271	\$3,251	\$1,100	\$1,100	\$1,100	\$1,100	\$1,100	\$1,100
33 Cash Transfers from City/Intercompany	\$193	-	\$637	\$3,000	-	-	-	-
<b>34 NET INCOME</b>	<b>\$5,357</b>	<b>\$5,967</b>	<b>\$3,709</b>	<b>\$5,863</b>	<b>\$3,642</b>	<b>\$3,928</b>	<b>\$4,063</b>	<b>\$4,597</b>
<b>35 NET INCOME (Excluding Contrib &amp; Cash Tfrs from City)</b>			<b>\$1,972</b>	<b>\$1,763</b>	<b>\$2,542</b>	<b>\$2,828</b>	<b>\$2,963</b>	<b>\$3,497</b>
<b>36 TARGET NET INCOME</b>			<b>\$ 5,777</b>	<b>\$ 6,052</b>	<b>\$ 6,294</b>	<b>\$ 6,546</b>	<b>\$ 6,718</b>	<b>\$ 6,821</b>
<b>37 Excess (Deficit) from Target</b>			<b>\$ (3,805)</b>	<b>\$ (4,290)</b>	<b>\$ (3,752)</b>	<b>\$ (3,719)</b>	<b>\$ (3,755)</b>	<b>\$ (3,324)</b>
<b>38 1/01 Cash Balance</b>	<b>\$ 14,147</b>	<b>\$ 14,774</b>	<b>\$ 14,774</b>	<b>\$ 11,115</b>	<b>\$ 10,158</b>	<b>\$ 8,186</b>	<b>\$ 6,661</b>	<b>\$ 8,153</b>
39 Change in Net Assets		\$5,967	\$3,709	\$5,863	\$3,642	\$3,928	\$4,063	\$4,597
40 Depreciation & Amortization		\$2,916	\$3,007	\$3,571	\$3,662	\$4,153	\$4,404	\$4,608
41 Capital Additions		(\$3,708)	(\$10,210)	(\$8,880)	(\$7,790)	(\$8,142)	(\$5,536)	(\$3,313)
42 Non-Cash Contributions		(3,058)	(\$1,100)	(\$1,100)	(\$1,100)	(\$1,100)	(\$1,100)	(\$1,100)
43 Debt Principal Payments		-	-	-	-	-	-	-
44 Debt Proceeds		-	-	-	-	-	-	-
45 Net Change in Other Assets/Liabilities		(\$1,491)	\$935	(\$410)	(\$387)	(\$363)	(\$338)	(\$310)
<b>46 Net Changes in Cash</b>		<b>\$627</b>	<b>(\$3,659)</b>	<b>(\$956)</b>	<b>(\$1,972)</b>	<b>(\$1,525)</b>	<b>\$1,492</b>	<b>\$4,481</b>
<b>47 12/31 Cash Balance</b>	<b>\$ 14,774</b>	<b>\$ 11,115</b>	<b>\$ 11,115</b>	<b>\$ 10,158</b>	<b>\$ 8,186</b>	<b>\$ 6,661</b>	<b>\$ 8,153</b>	<b>\$ 12,635</b>
<b>48 Minimum Cash Reserve</b>	<b>\$ 7,367</b>	<b>\$ 8,971</b>	<b>\$ 8,971</b>	<b>\$ 8,630</b>	<b>\$ 8,004</b>	<b>\$ 7,342</b>	<b>\$ 7,195</b>	<b>\$ 7,421</b>
<b>49 Excess (Deficit) from Minimum Cash Reserve</b>	<b>\$ 7,406</b>	<b>\$ 2,144</b>	<b>\$ 2,144</b>	<b>\$ 1,529</b>	<b>\$ 182</b>	<b>\$ (682)</b>	<b>\$ 958</b>	<b>\$ 5,213</b>

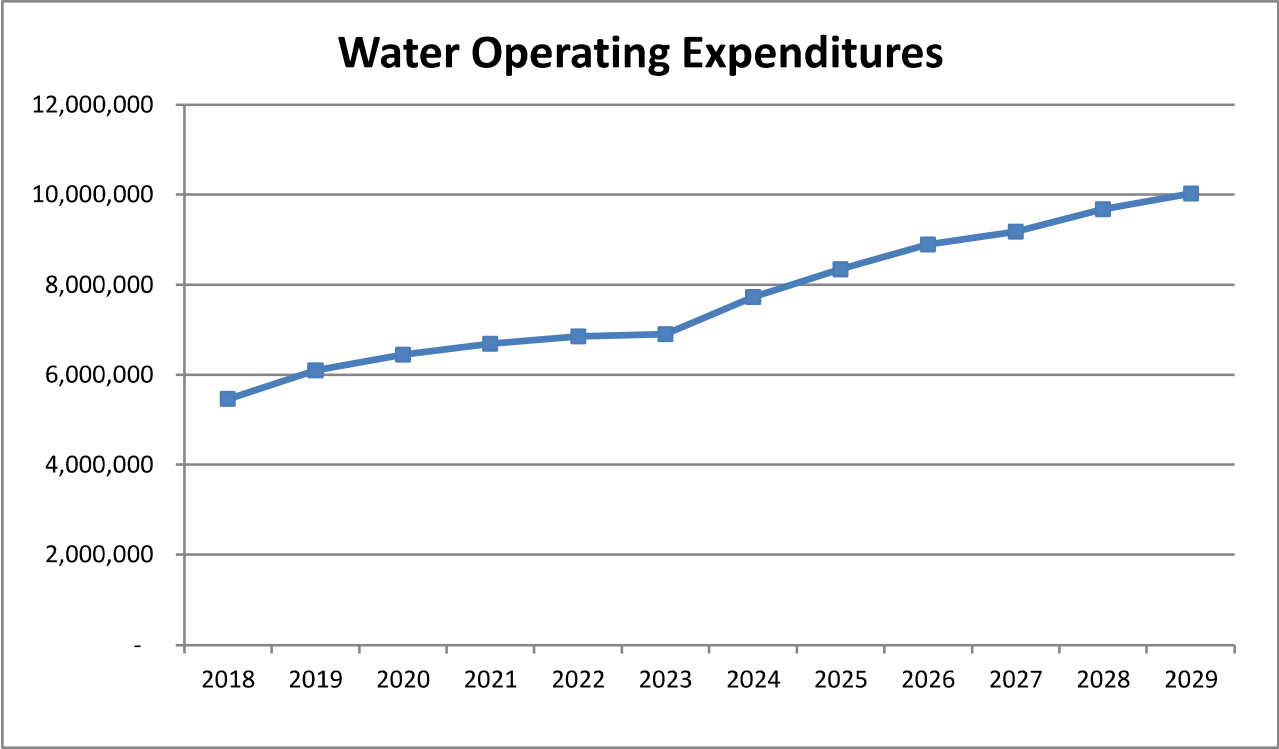
**ROCHESTER PUBLIC UTILITIES  
WATER UTILITY  
Management Reporting P&L**

	Historical Data		2024		2025		Variance	%
	2022	2023	Orig Bdgt	2024 F2	2025	Orig Bdgt	2025 to Orig Bdgt	Variance
in 000's								
1 <b>Revenue</b>								
2 Retail Water	\$11,026	\$12,460	\$12,506	\$12,246	\$13,237	\$14,037	(\$800)	-5.7%
3 Other Services & Fees	\$2,154	\$2,148	\$2,150	\$2,122	\$2,138	\$2,184	(\$45)	-2.1%
4 <b>Total Revenue</b>	<b>\$13,180</b>	<b>\$14,609</b>	<b>\$14,656</b>	<b>\$14,368</b>	<b>\$15,375</b>	<b>\$16,220</b>	<b>(\$845)</b>	<b>-5.2%</b>
5 <b>Cost of Revenue</b>								
6 Water Supply	\$2,120	\$2,380	\$2,182	\$2,356	\$2,465	\$2,176	\$289	13.3%
7 <b>Total Cost of Revenue</b>	<b>\$2,120</b>	<b>\$2,380</b>	<b>\$2,182</b>	<b>\$2,356</b>	<b>\$2,465</b>	<b>\$2,176</b>	<b>\$289</b>	<b>13.3%</b>
8 <b>Gross Margin</b>								
9 Retail Water	\$8,907	\$10,080	\$10,324	\$9,890	\$10,772	\$11,860	(\$1,089)	-9.2%
10 Other Services & Fees	\$2,154	\$2,148	\$2,150	\$2,122	\$2,138	\$2,184	(\$45)	-2.1%
11 <b>TOTAL GROSS MARGIN</b>	<b>\$11,060</b>	<b>\$12,228</b>	<b>\$12,474</b>	<b>\$12,012</b>	<b>\$12,910</b>	<b>\$14,044</b>	<b>(\$1,134)</b>	<b>-8.1%</b>
12 <b>Controllable Costs</b>								
13 Salaries & Benefits	\$3,338	\$3,495	\$3,506	\$3,471	\$3,850	\$3,677	\$173	4.7%
14 Other Operating Expenses	\$1,176	\$1,291	\$1,289	\$1,564	\$1,597	\$1,370	\$227	16.6%
15 Major Maintenance	\$448	\$396	\$908	\$668	\$906	\$1,075	(\$169)	-15.7%
16 Non-Bonded Capital Projects	\$2,890	\$3,397	\$11,547	\$9,801	\$8,539	\$5,239	\$3,300	63.0%
17 <b>TOTAL CONTROLLABLE COSTS</b>	<b>\$7,852</b>	<b>\$8,581</b>	<b>\$17,249</b>	<b>\$15,504</b>	<b>\$14,892</b>	<b>\$11,361</b>	<b>\$3,531</b>	<b>31.1%</b>
18 Depreciation & Amortization	\$2,862	\$2,916	\$3,233	\$3,007	\$3,349	\$3,421	(\$72)	-2.1%
19 Subscription Amortization	-	-	-	-	\$222	-	\$222	0.0%
20 Less Non Bonded Projects (capitalized)	(\$2,890)	(\$3,397)	(\$11,547)	(\$9,801)	(\$8,539)	(\$5,239)	(\$3,300)	63.0%
21 Less Total Internal Costs (capitalized)	(\$291)	(\$324)	(\$311)	(\$409)	(\$341)	(\$274)	(\$67)	24.5%
22 Interutility Allocation	\$1,874	\$1,956	\$1,971	\$2,045	\$1,766	\$2,030	(\$264)	-13.0%
23 <b>Total Operating Expenses</b>	<b>\$9,408</b>	<b>\$9,731</b>	<b>\$10,595</b>	<b>\$10,346</b>	<b>\$11,349</b>	<b>\$11,299</b>	<b>\$50</b>	<b>0.4%</b>
24 <b>Net Operating Income (Loss)</b>	<b>\$1,652</b>	<b>\$2,497</b>	<b>\$1,879</b>	<b>\$1,666</b>	<b>\$1,561</b>	<b>\$2,745</b>	<b>(\$1,184)</b>	<b>-43.1%</b>
25 <b>Financing &amp; Other Non-Operating Items:</b>								
26 Bond & Interest Related Expenses	-	-	-	-	(\$2)	-	(\$2)	0.0%
27 Interest Income	\$676	\$775	\$799	\$811	\$718	\$770	(\$52)	-6.8%
28 Misc Non-Operating Income (Expense)	(\$34)	(\$67)	-	(\$14)	-	-	-	0.0%
29 <b>Total Financing &amp; Non-Operating Items</b>	<b>\$642</b>	<b>\$709</b>	<b>\$799</b>	<b>\$798</b>	<b>\$716</b>	<b>\$770</b>	<b>(\$55)</b>	<b>-7.1%</b>
30 <b>Income Before Transfers or Capital Contributions</b>	<b>\$2,294</b>	<b>\$3,206</b>	<b>\$2,677</b>	<b>\$2,464</b>	<b>\$2,277</b>	<b>\$3,515</b>	<b>(\$1,239)</b>	<b>-35.2%</b>
31 Transfers (In Lieu of Taxes)	(\$402)	(\$491)	(\$487)	(\$492)	(\$514)	(\$512)	(\$2)	0.3%
32 Capital Contributions	\$3,271	\$3,251	\$1,100	\$1,100	\$1,100	\$1,100	-	0.0%
33 Cash Transfers from City	\$193	-	\$3,740	\$637	\$3,000	-	\$3,000	0.0%
34 <b>NET INCOME</b>	<b>\$5,357</b>	<b>\$5,967</b>	<b>\$7,030</b>	<b>\$3,709</b>	<b>\$5,863</b>	<b>\$4,103</b>	<b>(\$1,240)</b>	<b>-30.2%</b>
35 <b>1/01 Cash Balance</b>	<b>\$ 14,147</b>		<b>\$ 13,194</b>	<b>\$ 14,774</b>	<b>\$ 11,115</b>	<b>\$ 12,158</b>	<b>\$ (1,043)</b>	<b>-8.6%</b>
36 Change in Net Assets		\$5,967	\$7,030	\$3,709	\$5,863	\$4,103	\$1,760	42.9%
37 Depreciation & Amortization		\$2,916	\$3,233	\$3,007	\$3,571	\$3,421	\$150	4.4%
38 Capital Additions/Service Territory Comp		(\$3,708)	(\$11,858)	(\$10,210)	(\$8,880)	(\$5,513)	(\$3,367)	61.1%
39 Non-Cash Contributions		(\$3,058)	(\$1,100)	(\$1,100)	(\$1,100)	(\$1,100)	-	0.0%
40 Debt Principal Payments		-	-	-	-	-	-	0.0%
41 Debt Proceeds		-	-	-	-	-	-	0.0%
42 Net Change in Other Assets/Liabilities		(\$1,491)	\$1,658	\$935	(\$410)	(\$410)	-	0.0%
43 Net Changes in Cash		\$627	(\$1,036)	(\$3,659)	(\$956)	\$502	(\$1,458)	-290.6%
44 <b>12/31 Cash Balance</b>	<b>\$ 14,774</b>		<b>\$ 12,158</b>	<b>\$ 11,115</b>	<b>\$ 10,158</b>	<b>\$ 12,659</b>	<b>\$ (2,501)</b>	<b>-19.8%</b>
45 <b>Mimumum Cash Reserve</b>	<b>\$ 7,367</b>		<b>\$ 8,971</b>	<b>\$ 8,971</b>	<b>\$ 8,630</b>	<b>\$ 8,767</b>	<b>\$ (137)</b>	<b>-1.6%</b>
46 <b>Excess (Deficit) from Mimumum Cash Reserve</b>	<b>\$ 7,406</b>		<b>\$ 3,187</b>	<b>\$ 2,144</b>	<b>\$ 1,529</b>	<b>\$ 3,892</b>	<b>\$ (2,363)</b>	<b>-60.7%</b>

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



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



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

	<b>2024 F2</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>
1 CCF Pumped	6,360,794	6,476,461	6,489,134	6,578,747	6,637,047	6,733,117
2 % Change	-4.0%	1.8%	0.2%	1.4%	0.9%	1.4%
3 Retail CCF	6,058,508	6,197,570	6,209,698	6,295,452	6,351,241	6,443,174
4 % Change	-4.1%	2.3%	0.2%	1.4%	0.9%	1.4%
5 Number of Service Points						
6 Residential	38,318	38,640	38,958	39,272	39,582	39,888
7 Commercial	3,919	3,960	4,002	4,044	4,088	4,132
8 Industrial	22	22	22	22	22	22
9 Interdepartmental	1	1	1	1	1	1
10 Total Customers	42,260	42,623	42,983	43,339	43,693	44,043
11 % Change	1.4%	0.9%	0.8%	0.8%	0.8%	0.8%





ROCHESTER PUBLIC UTILITIES  
*RECOMMENDED*

# 2025 WATER UTILITY CAPITAL IMPROVEMENT & MAJOR MAINTENANCE BUDGET

**ROCHESTER PUBLIC UTILITIES  
WATER UTILITY  
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  
2025 - 2029 Major Maintenance Plan**

		<b>Multiple-Year</b>						
		<b><u>Project Total</u></b>	<b><u>2025</u></b>	<b><u>2026</u></b>	<b><u>2027</u></b>	<b><u>2028</u></b>	<b><u>2029</u></b>	<b><u>5-Yr Total</u></b>
1	<b>Core Services</b>							
2	Operating Contingency Fund	90,000	95,000	95,000	95,000	95,000	100,000	475,000
3	Water Cost-of-Service/Rate Design Study	50,000	-	-	55,000	-	-	105,000
4	Wtr Master Plan Update	100,000	-	-	-	-	-	100,000
5	Service Assure - Water	260,800	268,000	275,000	280,000	285,000	285,000	1,368,800
6	Allocation - Water Distribution System Maintenance	375,000	500,000	500,000	500,000	500,000	500,000	2,375,000
7	Water Storage Facility Painting	<i>375,000</i>	<i>500,000</i>	<i>500,000</i>	<i>500,000</i>	<i>500,000</i>	<i>500,000</i>	<i>2,375,000</i>
8	<b>Total Core Services</b>	<b>875,800</b>	<b>863,000</b>	<b>870,000</b>	<b>930,000</b>	<b>885,000</b>	<b>885,000</b>	<b>4,423,800</b>
9	<b>Power Resources</b>							
10	Allocation - RPU Water Facilities	30,000	30,000	30,000	30,000	30,000	30,000	150,000
11	<b>Total Power Resources</b>	<b>30,000</b>	<b>30,000</b>	<b>30,000</b>	<b>30,000</b>	<b>30,000</b>	<b>30,000</b>	<b>150,000</b>
12	<b>Total Major Maintenance Plan - External Expenditures</b>	<b>905,800</b>	<b>893,000</b>	<b>900,000</b>	<b>960,000</b>	<b>915,000</b>	<b>915,000</b>	<b>4,573,800</b>

**Rochester Public Utilities  
Water Utility  
2025 - 2029 Capital Improvement Plan**

	<b>Multi-Year Project Total</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>5-Yr Total</b>
<b>1 Core Services</b>							
2 Water Utility Contingency Fund-Capital		180,000	185,000	185,000	185,000	190,000	925,000
3 1.0 MG Baihly High Level Tower		3,000,000	-	-	-	-	3,000,000
4 DMC - Rochester Rapid Transit 2nd St SW	880,000	110,000	330,000	-	-	-	440,000
5 DMC - Broadway N, Zumbro River Bridge N	700,000	110,000	190,000	-	-	-	300,000
6 Wtr Main Repl Risk Prioritization		80,000	-	-	-	-	80,000
7 Mayo Bold Forward Unbound		500,000	-	-	-	-	500,000
8 New Wells		385,000	525,000	475,000	125,000	380,000	1,890,000
9 Allocation - Water Distribution System Expansion		1,152,641	1,080,000	1,805,000	2,280,000	2,010,000	8,327,641
10 T&D City Projects		602,641	480,000	680,000	555,000	885,000	3,202,641
11 T&D Developer Projects		150,000	175,000	175,000	175,000	175,000	850,000
12 T&D RPU Projects		400,000	425,000	950,000	1,550,000	950,000	4,275,000
13 Install New AC Units at Wells & Boosters		39,800	40,300	40,500	41,500	42,500	204,600
14 Water PLC - 2025		25,000	25,000	25,000	26,000	27,000	128,000
15 Duel Sensor Drone Replacement		-	-	-	15,000	-	15,000
16 Survey GPS Replacement		-	-	-	-	30,000	30,000
17 Well & Booster Station Metering		11,000	12,000	13,000	14,000	14,000	64,000
18 AMI General Implementation Services - Wtr	3,959,079	449,941	80,862	480,176	385,135	-	1,396,114
19 Wtr AMI Meter Installation Services	11,781,635	1,797,743	4,120,710	4,088,986	1,742,225	-	11,749,664
20 MDM - Wtr	192,762	-	-	-	-	-	-
21 AMI Headend - Wtr	628,240	100,793	-	-	-	-	100,793
22 MDM Subscription - Wtr	401,251	-	-	-	-	-	-
23 AMI Headend Subscription - Wtr	895,580	-	-	-	-	-	-
24 Allocation - Water Distribution System Replacement		250,850	198,200	200,600	208,000	211,000	1,068,650
25 Replacement of Pumping Units		185,000	130,000	130,000	135,000	135,000	715,000
26 Well Motor Replacements		20,050	21,600	22,700	23,800	24,900	113,050
27 Installation of Variable Frequency Drive Units		21,400	21,700	22,400	23,000	24,100	112,600
28 Replacement of Booster Pumps		24,400	24,900	25,500	26,200	27,000	128,000
29 Allocation - Water Metering/AMR		118,306	124,256	130,469	136,993	143,842	653,866
30 Alloc - Residential Water Metering/AMR		69,300	72,800	76,440	80,262	84,275	383,077
31 Alloc - Commercial Water Metering/AMR		49,006	51,456	54,029	56,731	59,567	270,789
<b>32 Total Core Services</b>	<b>19,438,547</b>	<b>8,311,074</b>	<b>6,911,328</b>	<b>7,443,731</b>	<b>5,158,853</b>	<b>3,048,342</b>	<b>30,873,328</b>
<b>33 Power Resources</b>							
34 Allocation - Fleet		227,620	299,500	120,117	65,890	149,750	862,877
<b>35 Total Power Resources</b>		<b>227,620</b>	<b>299,500</b>	<b>120,117</b>	<b>65,890</b>	<b>149,750</b>	<b>862,877</b>
<b>36 Total External Expenditures</b>	<b>19,438,547</b>	<b>8,538,694</b>	<b>7,210,828</b>	<b>7,563,848</b>	<b>5,224,743</b>	<b>3,198,092</b>	<b>31,736,205</b>
37 <b>Less: Bonding</b>		-	-	-	-	-	-
38 <b>Less: Contribution in Aid of Construction</b>		-	-	-	-	-	-
39 <b>Less: WAC Funds</b>		(3,000,000)	-	-	-	-	(3,000,000)
<b>40 Net Capital External Expenditures (Rate Funded)</b>	<b>19,438,547</b>	<b>5,538,694</b>	<b>7,210,828</b>	<b>7,563,848</b>	<b>5,224,743</b>	<b>3,198,092</b>	<b>28,736,205</b>
<b>41 Total Internal Expenditures (Capital Labor)</b>		<b>341,369</b>	<b>578,762</b>	<b>578,496</b>	<b>311,438</b>	<b>114,943</b>	<b>2,321,081</b>
<b>42 Total Contributed Assets</b>		<b>1,100,000</b>	<b>1,100,000</b>	<b>1,100,000</b>	<b>1,100,000</b>	<b>1,100,000</b>	<b>5,500,000</b>
<b>43 Net Capital Expenditures</b>	<b>19,438,547</b>	<b>6,980,063</b>	<b>8,889,590</b>	<b>9,242,344</b>	<b>6,636,180</b>	<b>4,413,035</b>	<b>36,161,212</b>



## REQUEST FOR ACTION

### 2025 Updated Electric Utility Budget

**MEETING DATE:**  
October 29, 2024

**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 updated 2025 RPU Electric Utility capital, multiyear capital projects, and operating budgets.

### Report Narrative:

The 2024-2025 Electric Utility operating, capital, and multi-year capital budgets were approved by the RPU Board and City Council on October 24, 2023, and December 4, 2023, respectively. The recommended 2025 updated operating, capital, and multi-year capital budgets were reviewed with the Board on August 6, 2024. The recommended 2025 updated Electric Utility budget does not request any changes in the general rate adjustments approved in 2023. In addition, the recommended budget has been included in presentations to the City Council as part of the overall 2025 City budget review process. The public has had the opportunity to comment on the recommended budget at the August, September, and October Board meetings.

Electric Utility (in thousands):	2025 Original	2025 Updated
Revenue	\$199,093	\$200,722
Capital (Rate Funded)	\$ 15,662	\$ 15,429

The recommended electric utility budget shows slow and steady growth of both customers (2025: 0.8%) and consumption (2025: 2.3%). The approved 2025 budget includes two incremental full-time positions. There is a planned spend down of up to \$50M of cash reserves as part of the 2030 resource plan. Of this amount, \$12M is anticipated to be spent in 2025.

The approved Advanced Metering Infrastructure (AMI) system for our electric customers will require an investment of up to \$18.4M over the next 5 years. This is an increase of \$2.9M over the originally approved budget and reflects the inclusion of a project contingency which was not included in the originally approved budget. The operating expense is expected to be offset by cost savings and additional revenue from a more accurate metering system. The multi-year column for the AMI related projects includes funds that were approved in prior budget cycles, the amounts budgeted in future years, as well as the reclassification of software subscriptions from major maintenance operating expense to capital projects in compliance with a change in government accounting standards during 2024.

The recommended 2025 budget includes an additional \$1M contingency for the Electric Utility. The contingency could be used for opportunistic capital projects that the Utility could undertake when work is being done to support the Mayo Bold Forward Unbound initiative. The rate-funded capital includes an additional \$344K related to the capitalization of subscription assets. This is due to a change in accounting standards in 2023 where software subscriptions are capitalized and amortized over the life of

the asset.

Major assumptions:

In 2026 and 2027 there is an anticipated reduction in the wholesale power costs, due to the retirement of the debt on Sherco 3 by SMMPA in 2026. These funds would normally be passed back to customers through the power cost adjustment; however, the intent is to request Board action effective in 2026 to retain these funds to offset the increase in interest expense due to the 2030 power resource plan borrowing during construction between 2025 and 2030.

A second major assumption is an increase in debt starting in 2026 through 2029 totaling \$457.8M. This debt, besides funding construction, includes issuance costs and required debt reserve funds to support the implementation of the 2030 resource plan (Scenario 2) shared with the Board during the July 30, 2024, meeting. The forecast bonding also includes a potential investment in transmission upgrades (\$30.9M). While the specific configuration of the resources and financing may change, we are showing the projected costs related to the purchase of capacity to offset the capacity currently provided through the SMMPA contract which ends in 2030. The debt service on the transmission investment is offset by additional transmission revenues.

Cash reserves are expected to go down at the end of 2025 due to the completion of the planned Marion Road substation and the beginning of the spend down of up to \$50M related to the 2030 power resource plan.

The Debt Coverage Ratio is above our target of 3.0 times in 2025, however, this ratio is projected to be below target as debt is issued. Once the 2030 transition is completed and the new generation assets and debt are on the Electric Fund's balance sheet, we expect to maintain a long-term debt coverage ratio that will be closer to 1.5 times. This is an important metric when considering future borrowing needs.

Significant business drivers for the 2025 Electric Utility budget are:

- The beginning of the 2030 Power Resource Plan implementation, including anticipated spend of \$12M in reserves.
- Inflation, vendor, and supplies availability
- Labor Inflation
- Rate-funded capital expenditures of \$14.7M
- The Marion Road substation and feeder system completion
- Electric AMI meter system
- Continued investments in distribution system expansion and reliability, including the new Marion Road substation, tree trimming, new services, and replacement of aging infrastructure

Management is recommending no change to the already approved general rate increase of 4% in 2025. The impact to the average residential customer is \$4.30 per month in 2025. There are some rate items that were reviewed with the Board in March 2024 and again in September 2024 including the expansion of the current electric service assured program. These costs have been included in the recommended budget and 2025 rate tariff.

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

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

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.

**Prior Legislative Actions & Community Engagement:**

The RPU Board reviewed the recommended updates to the 2025 budget on August 6, 2024.

The public has had the opportunity to comment on the recommended budget at the August, September, and October Board meetings.

**Prepared By:**

Peter Hogan

**Attachments:**

[20241029\\_Resolution\\_-\\_2025\\_Electric\\_Utility\\_Budget](#)

[2025 Updated Budget Book Recommended - Board Packet Elc 1022.pdf](#)



## RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester to approve the 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 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 29th DAY OF October, 2024.

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PRESIDENT

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SECRETARY





ROCHESTER PUBLIC UTILITIES  
*RECOMMENDED*

# **2025 ELECTRIC UTILITY OPERATING BUDGET**

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

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Operating Expenditures Graph	5
Production & Sales Statistics Forecast	6

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

**ASSUMPTIONS**

- Interest Earnings Rate: 3.0%
- Average Salary Expense Change: 4.9%  
(excluding headcount additions)
- Anticipated Bonding: None
- Change in Full-time Equivalents: 2 Incremental  
2 Replacements of Contract Work
- SMMPA Wholesale Power Cost: 0.00%
- SMMPA CROD Level: 216 MW
- Minimum Cash Reserve Requirement: \$66,647,244
- In Lieu of Tax: \$11,336,702

**RETAIL REVENUES / SALES**

- Revenue Adjustment: 4.0% Proposed General Rate Increase
- Electric KWH Sales Forecast: 1.9% Increase from 2024  
Projected Sales
- Total Electric Utility Customers: 1.2% Increase over Y/E 2024  
Projected Customers
- Forecast Assumes Normal Weather : 30 Yr Average Heating/Cooling Degree  
Days per Year

**WHOLESALE FUEL COSTS**

- Estimated Cost of Fuel: \$4.88/mcf

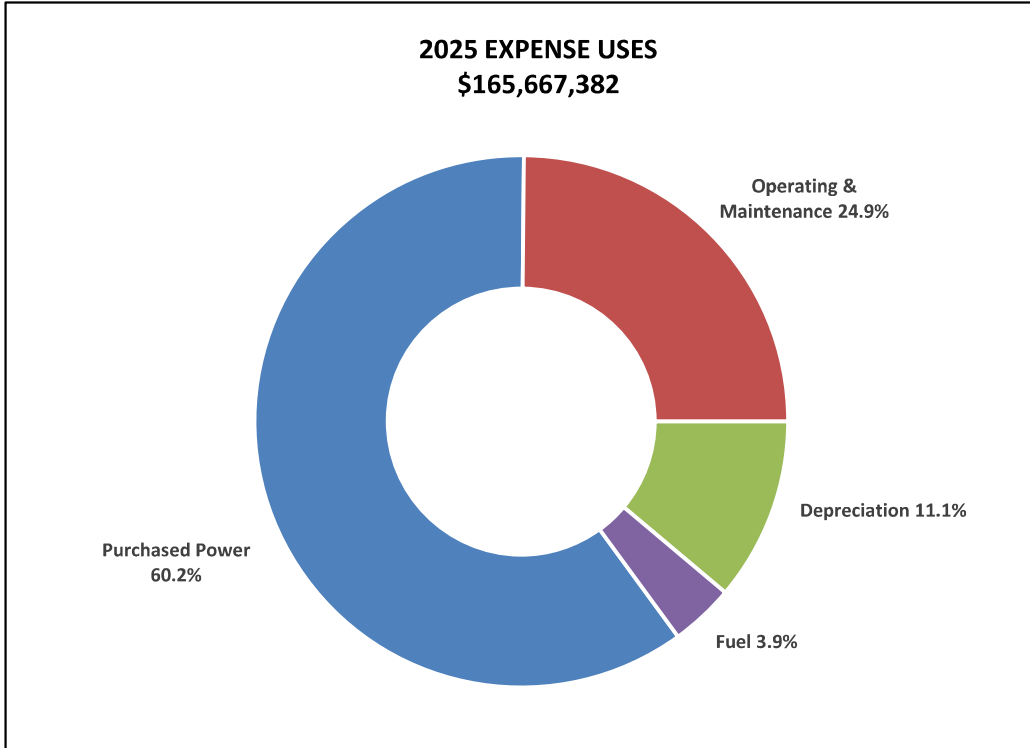
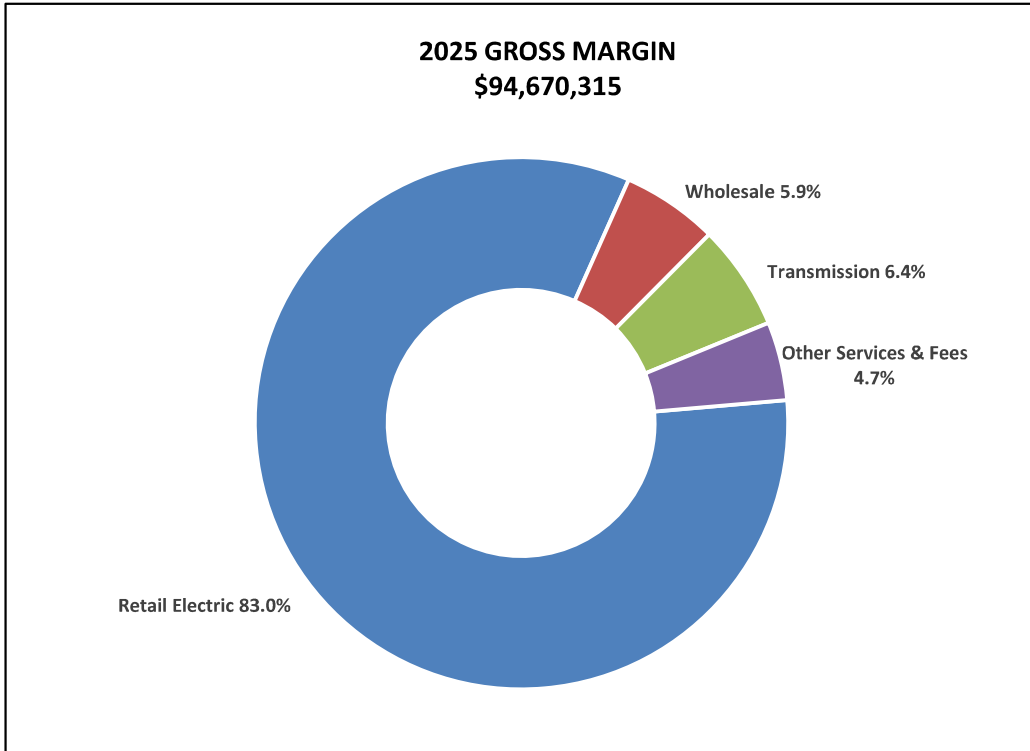
**ROCHESTER PUBLIC UTILITIES  
ELECTRIC UTILITY  
Management Reporting P&L**

	Historical Data		2024 F2					
	2022	2023		2025	2026	2027	2028	2029
in 000's								
	RPU Rate Increase	1.5%	2.5%		4.0%	2.0%	2.0%	2.0%
	Plus AMI Customer Charge			3.2%				2.0%
			\$1.94					
<b>1 Revenue</b>								
2 Retail Electric	\$149,439	164,508	\$172,483	177,983	180,787	187,461	193,010	198,088
3 Wholesale Electric	\$8,864	7,562	\$5,587	\$6,570	\$6,505	\$6,505	\$6,505	\$6,505
4 Wholesale Steam	\$7,871	5,383	\$4,421	\$5,602	\$5,580	\$5,580	\$5,580	\$5,580
5 Transmission	\$7,367	6,433	\$6,063	\$6,063	\$6,063	\$8,418	\$8,418	\$8,418
6 Other Services & Fees	\$1,652	4,149	\$4,165	\$4,493	\$4,539	\$4,585	\$4,633	\$4,680
<b>7 Total Revenue</b>	<b>\$175,193</b>	<b>\$188,035</b>	<b>\$192,719</b>	<b>\$200,711</b>	<b>\$203,475</b>	<b>\$212,549</b>	<b>\$218,147</b>	<b>\$223,271</b>
<b>8 Cost of Revenue</b>								
9 Power Supply	\$88,583	\$99,424	\$98,767	\$99,429	\$88,289	\$84,995	\$85,789	\$86,613
10 Generation Fuel	\$9,833	\$5,632	\$4,628	\$6,612	\$7,564	\$7,569	\$7,573	\$7,578
<b>11 Total Cost of Revenue</b>	<b>\$98,417</b>	<b>\$105,056</b>	<b>\$103,395</b>	<b>\$106,041</b>	<b>\$95,853</b>	<b>\$92,564</b>	<b>\$93,362</b>	<b>\$94,191</b>
<b>12 Gross Margin</b>								
13 Retail Electric	\$60,856	65,083	73,716	78,554	92,498	102,466	107,221	111,475
14 Wholesale	\$6,902	7,313	5,379	\$5,560	\$4,521	\$4,517	\$4,512	\$4,508
15 Transmission	\$7,367	6,433	6,063	\$6,063	\$6,063	\$8,418	\$8,418	\$8,418
16 Other Services & Fees	\$1,652	4,149	4,165	\$4,493	\$4,539	\$4,585	\$4,633	\$4,680
<b>17 TOTAL GROSS MARGIN</b>	<b>\$76,776</b>	<b>\$82,979</b>	<b>\$89,324</b>	<b>\$94,670</b>	<b>\$107,622</b>	<b>\$119,985</b>	<b>\$124,785</b>	<b>\$129,081</b>
<b>18 Controllable Costs</b>								
19 Salaries & Benefits	\$26,879	\$27,650	\$29,198	\$32,155	\$35,443	\$37,090	\$37,759	\$39,729
20 Other Operating Expenses	\$9,651	\$9,756	\$12,125	\$12,568	\$13,130	\$13,690	\$14,252	\$15,290
21 Major Maintenance	\$6,479	\$3,808	\$5,173	\$6,474	\$6,073	\$5,157	\$5,264	\$5,359
22 Non-Bonded Capital Projects	\$19,713	\$21,120	\$53,547	19,100	\$26,835	\$23,625	\$21,746	\$19,358
<b>23 TOTAL CONTROLLABLE COSTS</b>	<b>\$62,723</b>	<b>\$62,334</b>	<b>\$100,043</b>	<b>\$70,297</b>	<b>\$81,481</b>	<b>\$79,562</b>	<b>\$79,021</b>	<b>\$79,737</b>
24 Depreciation & Amortization	\$15,017	\$15,721	\$15,577	\$18,403	\$17,280	\$17,755	\$18,735	\$24,302
25 Subscription Amortization	-	\$441	\$569	\$880	\$1,325	\$1,700	\$2,355	\$3,021
26 Less Non Bonded Projects (capitalized)	(\$19,713)	(\$21,120)	(\$53,547)	(19,100)	(26,835)	(23,625)	(21,746)	(19,358)
27 Less Total Internal Costs (capitalized)	(\$4,193)	(\$4,579)	(\$12,636)	(\$9,087)	(\$8,986)	(\$10,842)	(\$10,608)	(\$7,252)
28 Interutility Allocation	(\$1,874)	(\$1,956)	(\$2,045)	(\$1,766)	(\$1,819)	(\$1,874)	(\$1,930)	(\$1,988)
<b>29 Total Operating Expenses</b>	<b>\$51,959</b>	<b>\$50,841</b>	<b>\$47,961</b>	<b>\$59,627</b>	<b>\$62,446</b>	<b>\$62,677</b>	<b>\$65,826</b>	<b>\$78,462</b>
<b>30 Net Operating Income (Loss)</b>	<b>\$24,818</b>	<b>\$32,138</b>	<b>\$41,362</b>	<b>\$35,043</b>	<b>\$45,175</b>	<b>\$57,309</b>	<b>\$58,959</b>	<b>\$50,618</b>
<b>31 Financing &amp; Other Non-Operating Items:</b>								
32 Bond & Interest Related Expenses	(\$5,463)	(\$5,373)	(\$5,230)	(\$5,076)	(\$6,161)	(\$21,241)	(\$26,607)	(\$29,648)
33 Interest Income	(\$2,621)	\$6,547	\$4,187	\$3,468	\$2,921	\$8,196	\$6,681	\$5,065
34 Misc Non-Operating Income (Expense)	(\$356)	(\$249)	(\$75)	(\$21)	(\$22)	(\$23)	(\$23)	(\$24)
<b>35 Total Financing &amp; Non-Operating Items</b>	<b>(\$8,440)</b>	<b>\$925</b>	<b>(\$1,118)</b>	<b>(\$1,629)</b>	<b>(\$3,262)</b>	<b>(\$13,067)</b>	<b>(\$19,950)</b>	<b>(\$24,608)</b>
<b>36 Income Before Transfers or Capital Contributions</b>	<b>\$16,378</b>	<b>\$33,063</b>	<b>\$40,244</b>	<b>\$33,415</b>	<b>\$41,914</b>	<b>\$44,241</b>	<b>\$39,009</b>	<b>\$26,010</b>
37 Transfers (In Lieu of Taxes)	(\$8,756)	(\$9,629)	(10,963)	(11,337)	(11,401)	(11,540)	(11,632)	(11,729)
38 Capital Contributions/Intercompany	\$8,824	\$7,069	\$21,032	\$3,395	\$624	\$615	\$631	\$648
<b>39 NET INCOME</b>	<b>\$16,446</b>	<b>\$30,502</b>	<b>\$50,314</b>	<b>\$25,473</b>	<b>\$31,138</b>	<b>\$33,316</b>	<b>\$28,008</b>	<b>\$14,929</b>
<b>40 NET INCOME (Excluding Capital Contributions)</b>			<b>\$29,282</b>	<b>\$22,078</b>	<b>\$30,513</b>	<b>\$32,701</b>	<b>\$27,377</b>	<b>\$14,281</b>
<b>41 TARGET NET INCOME</b>			<b>\$ 19,643</b>	<b>\$ 21,577</b>	<b>\$ 24,650</b>	<b>\$ 16,909</b>	<b>\$ 22,829</b>	<b>\$ 23,269</b>
<b>42 Excess (Deficit) from Target</b>			<b>\$ 9,639</b>	<b>\$ 501</b>	<b>\$ 5,864</b>	<b>\$ 15,792</b>	<b>\$ 4,548</b>	<b>\$ (8,988)</b>
<b>43 1/01 Cash Balance</b>	<b>\$ 103,856</b>	<b>\$ 117,149</b>	<b>\$ 110,413</b>	<b>\$ 105,284</b>	<b>\$ 73,393</b>	<b>\$ 81,386</b>	<b>\$ 86,538</b>	<b>\$ 86,538</b>
44 Change in Net Assets		30,502	50,314	25,473	31,138	33,316	28,008	14,929
45 Depreciation & Amortization		15,721	15,577	18,403	17,280	17,755	18,735	24,302
46 Capital Additions/Service Territory Comp		(25,338)	(66,463)	(40,620)	(91,676)	(175,467)	(219,355)	(86,610)
47 Bond Principal Payments		(7,395)	(7,730)	(8,005)	(8,305)	(9,170)	(9,552)	(9,951)
48 Bond Proceeds		-	-	-	16,700	301,200	73,800	66,100
49 Net Change in Other Assets/Liabilities		(197)	1,566	(381)	2,972	(159,643)	113,517	12,138
<b>50 Net Changes in Cash</b>		<b>13,293</b>	<b>(6,736)</b>	<b>(5,129)</b>	<b>(31,891)</b>	<b>7,992</b>	<b>5,153</b>	<b>20,908</b>
<b>51 12/31 Cash Balance</b>	<b>\$ 117,149</b>	<b>\$ 110,413</b>	<b>\$ 105,284</b>	<b>\$ 73,393</b>	<b>\$ 81,386</b>	<b>\$ 86,538</b>	<b>\$ 107,447</b>	<b>\$ 107,447</b>
<b>52 Minimum Cash Reserve</b>	<b>\$ 53,826</b>	<b>\$ 62,629</b>	<b>\$ 66,647</b>	<b>\$ 64,781</b>	<b>\$ 56,763</b>	<b>\$ 58,150</b>	<b>\$ 59,373</b>	<b>\$ 59,373</b>
<b>53 Excess (Deficit) from Minimum Cash Reserve</b>	<b>\$ 63,323</b>	<b>\$ 47,784</b>	<b>\$ 38,637</b>	<b>\$ 8,612</b>	<b>\$ 24,623</b>	<b>\$ 28,389</b>	<b>\$ 48,074</b>	<b>\$ 48,074</b>
<b>54 Debt Service Coverage Ratio</b>		<b>3.9</b>	<b>4.4</b>	<b>4.1</b>	<b>4.4</b>	<b>2.7</b>	<b>2.4</b>	<b>2.0</b>

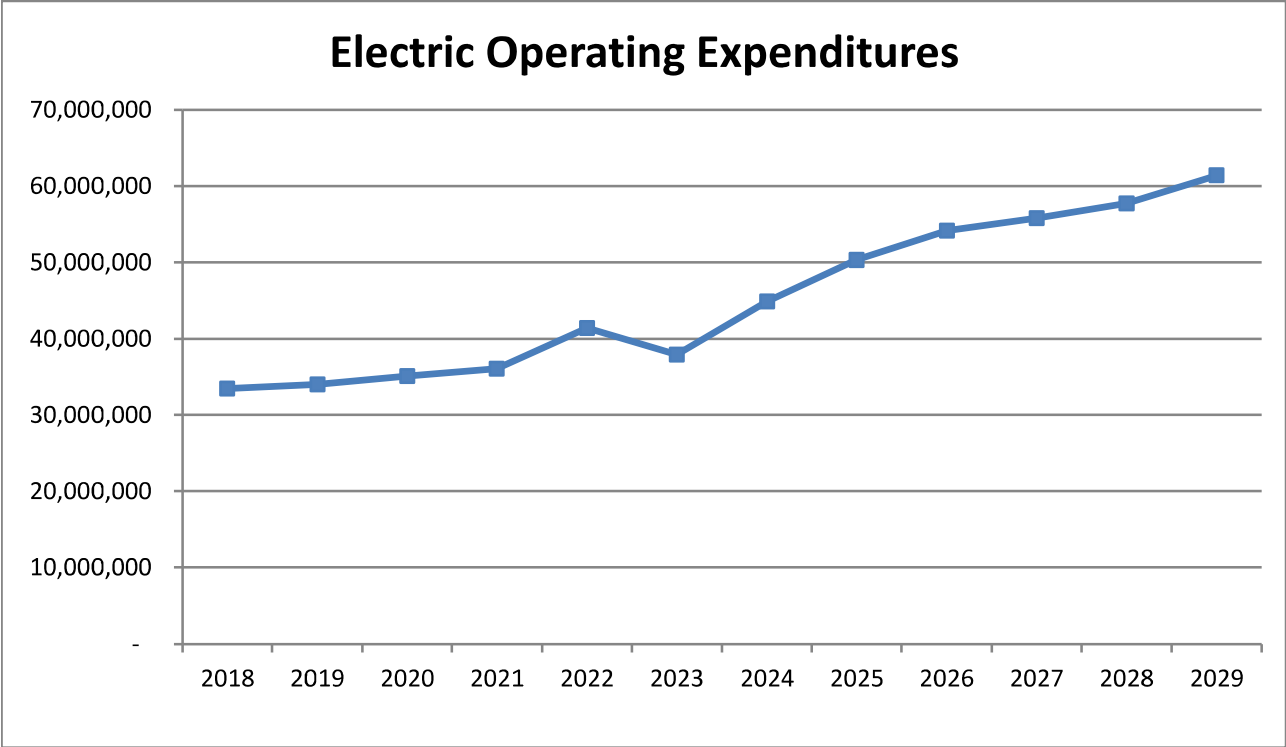
**ROCHESTER PUBLIC UTILITIES  
ELECTRIC UTILITY  
Management Reporting P&L**

	Historical Data		2024		2025		Variance	%	
	2022	2023	Orig Bdgt	2024 F2	2025	Orig Bdgt	2025 to Orig Bdgt	Variance	
in 000's									
1	<b>Revenue</b>								
2	Retail Electric	\$149,439	\$164,508	\$170,177	\$172,483	\$177,983	\$178,571	(\$589)	-0.3%
3	Wholesale Electric	\$8,864	\$7,562	\$4,436	\$5,587	\$6,570	\$4,711	\$1,859	39.5%
4	Wholesale Steam	\$7,871	\$5,383	\$5,161	\$4,421	\$5,602	\$5,602	-	0.0%
5	Transmission	\$7,367	\$6,433	\$6,684	\$6,063	\$6,063	\$6,000	\$63	1.1%
6	Other Services & Fees	\$1,652	\$4,149	\$4,156	\$4,165	\$4,493	\$4,209	\$284	6.8%
7	<b>Total Revenue</b>	<b>\$175,193</b>	<b>\$188,035</b>	<b>\$190,614</b>	<b>\$192,719</b>	<b>\$200,711</b>	<b>\$199,093</b>	<b>\$1,618</b>	<b>0.8%</b>
8	<b>Cost of Revenue</b>								
9	Power Supply	\$88,583	\$99,424	\$101,388	\$98,767	\$99,429	\$102,445	(\$3,016)	-2.9%
10	Generation Fuel	\$9,833	\$5,632	\$5,473	\$4,628	\$6,612	\$6,307	\$305	4.8%
11	<b>Total Cost of Revenue</b>	<b>\$98,417</b>	<b>\$105,056</b>	<b>\$106,861</b>	<b>\$103,395</b>	<b>\$106,041</b>	<b>\$108,752</b>	<b>(\$2,711)</b>	<b>-2.5%</b>
12	<b>Gross Margin</b>								
13	Retail Electric	\$60,856	\$65,083	\$68,789	\$73,716	\$78,554	\$76,126	\$2,428	3.2%
14	Wholesale	\$6,902	\$7,313	\$4,124	\$5,379	\$5,560	\$4,006	\$1,554	38.8%
15	Transmission	\$7,367	\$6,433	\$6,684	\$6,063	\$6,063	\$6,000	\$63	1.1%
16	Other Services & Fees	\$1,652	\$4,149	\$4,156	\$4,165	\$4,493	\$4,209	\$284	6.8%
17	<b>TOTAL GROSS MARGIN</b>	<b>\$76,776</b>	<b>\$82,979</b>	<b>\$83,753</b>	<b>\$89,324</b>	<b>\$94,670</b>	<b>\$90,341</b>	<b>\$4,329</b>	<b>5.2%</b>
18	<b>Controllable Costs</b>								
19	Salaries & Benefits	\$26,879	\$27,650	\$29,288	\$29,198	\$32,155	\$31,846	\$309	1.0%
20	Other Operating Expenses	\$9,651	\$9,756	\$12,378	\$12,125	\$12,568	\$12,440	\$128	1.0%
21	Major Maintenance	\$6,479	\$3,808	\$5,174	\$5,173	\$6,474	\$6,793	(\$319)	-4.7%
22	Non-Bonded Capital Projects	\$19,713	\$21,120	\$52,409	\$53,547	\$19,100	\$18,513	\$587	3.2%
23	<b>TOTAL CONTROLLABLE COSTS</b>	<b>\$62,723</b>	<b>\$62,334</b>	<b>\$99,249</b>	<b>\$100,043</b>	<b>\$70,297</b>	<b>\$69,592</b>	<b>\$705</b>	<b>1.0%</b>
24	Depreciation & Amortization	\$15,017	\$15,721	\$16,707	\$15,577	\$18,403	\$17,995	\$408	2.3%
25	Subscription Amortization	-	\$441	-	\$569	\$880	-	\$880	0.0%
26	Less Non Bonded Projects (capitalized)	(\$19,713)	(\$21,120)	(\$52,409)	(\$53,547)	(\$19,100)	(\$18,513)	(\$587)	3.2%
27	Less Total Internal Costs (capitalized)	(\$4,193)	(\$4,579)	(8,516)	(\$12,636)	(\$9,087)	(\$6,212)	(\$2,875)	46.3%
28	Interutility Allocation	(\$1,874)	(\$1,956)	(\$1,971)	(\$2,045)	(\$1,766)	(\$2,030)	\$264	-13.0%
29	<b>Total Operating Expenses</b>	<b>\$51,959</b>	<b>\$50,841</b>	<b>\$53,060</b>	<b>\$47,961</b>	<b>\$59,627</b>	<b>\$60,832</b>	<b>(\$1,205)</b>	<b>-2.0%</b>
30	<b>Net Operating Income (Loss)</b>	<b>\$24,818</b>	<b>\$32,138</b>	<b>\$30,693</b>	<b>\$41,362</b>	<b>\$35,043</b>	<b>\$29,510</b>	<b>\$5,534</b>	<b>18.8%</b>
31	<b>Financing &amp; Other Non-Operating Items:</b>								
32	Bond & Interest Related Expenses	(\$5,463)	(\$5,373)	(\$5,138)	(\$5,230)	(\$5,076)	(\$4,942)	(\$134)	2.7%
33	Interest Income	(\$2,621)	\$6,547	\$3,011	\$4,187	\$3,468	\$3,100	\$369	11.9%
34	Misc Non-Operating Income (Expense)	(\$356)	(\$249)	(\$24)	(\$75)	(\$21)	(\$24)	\$2	-10.2%
35	<b>Total Financing &amp; Non-Operating Items</b>	<b>(\$8,440)</b>	<b>\$925</b>	<b>(\$2,151)</b>	<b>(\$1,118)</b>	<b>(\$1,629)</b>	<b>(\$1,866)</b>	<b>\$237</b>	<b>-12.7%</b>
36	<b>Income Before Transfers or Capital Contributions</b>	<b>\$16,378</b>	<b>\$33,063</b>	<b>\$28,542</b>	<b>\$40,244</b>	<b>\$33,415</b>	<b>\$27,644</b>	<b>\$5,771</b>	<b>20.9%</b>
37	Transfers (In Lieu of Taxes)	(\$8,756)	(\$9,629)	(\$10,759)	(\$10,963)	(\$11,337)	(\$11,338)	\$2	0.0%
38	Capital Contributions/Intercompany	\$8,824	\$7,069	\$4,907	\$21,032	\$3,395	\$2,852	\$543	19.1%
39	<b>NET INCOME</b>	<b>\$16,446</b>	<b>\$30,502</b>	<b>\$22,690</b>	<b>\$50,314</b>	<b>\$25,473</b>	<b>\$19,157</b>	<b>\$6,316</b>	<b>33.0%</b>
40	<b>1/01 Cash Balance</b>		<b>\$ 103,856</b>	<b>\$ 90,699</b>	<b>\$ 117,149</b>	<b>\$ 110,413</b>	<b>\$ 93,028</b>	<b>\$ 17,386</b>	<b>18.7%</b>
41	Change in Net Assets		\$30,502	\$22,690	\$50,314	\$25,473	\$19,157	\$6,316	33.0%
42	Depreciation & Amortization		\$15,721	\$16,707	\$15,577	\$18,403	\$17,995	\$408	2.3%
43	Capital Additions/Service Territory Comp		(\$25,338)	(\$61,204)	(\$66,463)	(\$40,620)	(\$24,726)	(\$15,894)	64.3%
44	Bond Principal Payments		(\$7,395)	(\$7,730)	(\$7,730)	(\$8,005)	(\$8,005)	-	0.0%
45	Bond Proceeds		-	-	-	-	-	-	0.0%
46	Net Change in Other Assets/Liabilities		(\$197)	\$31,866	\$1,566	(\$381)	(\$731)	\$350	-47.9%
47	<b>Net Changes in Cash</b>		<b>\$13,293</b>	<b>\$2,329</b>	<b>(\$6,736)</b>	<b>(\$5,129)</b>	<b>\$3,690</b>	<b>(\$8,820)</b>	<b>-239.0%</b>
48	<b>12/31 Cash Balance</b>		<b>\$ 117,149</b>	<b>\$ 93,028</b>	<b>\$ 110,413</b>	<b>\$ 105,284</b>	<b>\$ 96,718</b>	<b>\$ 8,566</b>	<b>8.9%</b>
49	<b>Mimumum Cash Reserve</b>		<b>\$ 53,826</b>	<b>\$ 62,629</b>	<b>\$ 62,629</b>	<b>\$ 66,647</b>	<b>\$ 64,058</b>	<b>\$ 2,590</b>	<b>4.0%</b>
50	<b>Excess (Deficit) from Mimumum Cash Reserve</b>		<b>\$ 63,323</b>	<b>\$ 30,399</b>	<b>\$ 47,784</b>	<b>\$ 38,637</b>	<b>\$ 32,660</b>	<b>\$ 5,977</b>	<b>18.3%</b>

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



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



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

	<b>2024 F2</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>
1 Peak MW						
2 SMMPA	216	216	216	216	216	216
4 Market	63	68	71	76	79	83
5 Total Peak MW	279	284	287	292	295	299
6 % Change	-5.3%	1.9%	1.0%	1.7%	1.2%	1.3%
7 Retail MWH	1,149,469	1,171,354	1,182,409	1,201,334	1,215,508	1,230,267
8 % Change	0.2%	1.9%	0.9%	1.6%	1.2%	1.2%
9 Purchased Power MWH						
10 SMMPA	1,163,952	1,183,654	1,194,930	1,214,234	1,228,692	1,243,746
11 Other	3,518	3,323	3,356	3,412	3,454	3,498
12 Total Purchased Power MWH	1,167,470	1,186,976	1,198,286	1,217,646	1,232,146	1,247,245
13 % Change	-0.8%	1.7%	1.0%	1.6%	1.2%	1.2%
14 Generation MWH						
15 Total Generation MWH	83,736	86,896	86,896	86,896	86,896	86,896
16 % Change	-14.0%	3.8%	0.0%	0.0%	0.0%	0.0%
17 Number of Service Points						
18 Residential	54,910	55,588	56,266	56,944	57,620	58,295
19 Small General Service	4,241	4,279	4,318	4,356	4,395	4,433
20 Medium General Service	984	993	1,002	1,011	1,021	1,031
21 Large General Service	13	13	13	13	13	13
22 Large Industrial Service	1	1	1	1	1	1
23 Street & Hwy Lightings	2	2	2	2	2	2
24 Interdepartmental	1	1	1	1	1	1
25 Total Customers	60,152	60,877	61,603	62,328	63,053	63,776
26 % Change	1.0%	1.2%	1.2%	1.2%	1.2%	1.1%
27 Blended cost per MWH for retail supply	\$ 84.60	\$ 83.77	\$ 73.68	\$ 69.80	\$ 69.63	\$ 69.44
28 Steam Generation MLBS	398,192	438,000	438,000	438,000	438,000	438,000
29 % Change	-1.9%	10.0%	0.0%	0.0%	0.0%	0.0%





ROCHESTER PUBLIC UTILITIES  
*RECOMMENDED*

# 2025 ELECTRIC UTILITY CAPITAL IMPROVEMENT & MAJOR MAINTENANCE BUDGET

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

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Major Maintenance Projects	1
Capital Projects	2 - 4

**Rochester Public Utilities  
Electric Utility  
2025 - 2029 Major Maintenance Plan**

		<b>Multi-Year</b>						
		<b>Project Total</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>5-Yr Total</b>
<b>Core Services</b>								
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 Mgmt Program Improvements		75,000	75,000	75,000	-	-	225,000
4	Asbestos Mitigation in Manholes		100,000	100,000	100,000	100,000	100,000	500,000
5	T&D Inspection Services		87,550	100,000	103,000	106,090	109,273	505,913
6	Service Assured-Electric		173,510	175,874	178,273	180,707	183,177	891,541
7	Tree Trimming		1,700,000	1,800,000	1,854,000	1,910,000	1,968,000	9,232,000
8	Allocation - New Services		300,000	317,500	325,225	343,182	351,377	1,637,284
9	Transmission Lines & Equipment Maintenance		50,000	60,000	60,000	70,000	70,000	360,000
10	Distribution Lines & Equipment Maintenance		250,000	257,500	265,225	273,182	281,377	1,567,284
11	Capacitor Bank Controls Replacement		5,000	-	-	-	-	5,000
12	Allocation - Substation Asset Management (Maint)		185,000	200,000	180,000	180,000	180,000	925,000
13	Downtown Electric Reconfiguration Study		80,000	80,000	-	-	-	160,000
14	DER Hosting Capacity Study		-	150,000	220,000	-	300,000	670,000
15	Engineering Records in ImageNow		-	-	-	200,000	-	200,000
16	Transmission LIDAR & Clearance Analysis		270,000	-	-	-	-	270,000
17	<b>Total Core Services</b>		3,096,060	3,118,374	3,155,498	3,139,979	3,311,827	15,821,737
<b>Customer Relations</b>								
19	Cayenta Application Enhancements		63,100	100,000	70,000	100,000	100,000	433,100
20	Cayenta Upgrade		-	-	251,160	-	-	251,160
21	<b>Total Customer Relations</b>		63,100	100,000	321,160	100,000	100,000	684,260
<b>Corporate Services</b>								
23	Rates Modeling		20,000	20,000	20,000	20,000	20,000	100,000
24	Elec Cost-of-Srvc/Rate Design Study		-	100,000	-	-	110,000	210,000
25	SAP ERP Requirements/RFP		50,000	-	-	200,000	-	250,000
26	SAP FERC Conversion		100,000	-	-	-	-	100,000
27	Vena Support - RVNA		60,000	60,000	60,000	60,000	60,000	300,000
28	Utegration (HPC) Support Contract		75,000	75,000	75,000	80,000	85,000	390,000
29	ImageNow Upgrade		-	30,000	-	30,000	-	60,000
30	Sharepoint Site		30,000	30,000	30,000	30,000	30,000	150,000
31	SCADA Pen Test		30,000	33,000	36,000	39,000	42,000	180,000
32	SAP Technical Upgrade		-	100,000	-	-	-	100,000
33	SAP Technical Upgrade		-	-	75,000	-	-	75,000
34	OSI OpenOTS Maint.		-	9,500	10,000	10,500	11,000	41,000
35	Data Analytics		75,000	65,000	65,000	65,000	65,000	335,000
36	Allocation - Technology		54,500	99,500	44,500	44,500	44,500	287,500
37	Info Risk & Security/City Shared Infrastructure		14,500	59,500	4,500	4,500	4,500	87,500
38	Business Systems/Applications		40,000	40,000	40,000	40,000	40,000	200,000
39	<b>Total Corporate Services</b>		494,500	622,000	415,500	579,000	467,500	2,578,500
<b>Compliance and Public Affairs</b>								
41	WES Emissions Testing		-	-	-	75,000	-	75,000
42	Website Upgrade		150,000	-	-	-	-	150,000
43	<b>Total Compliance and Public Affairs</b>		150,000	-	-	75,000	-	225,000
<b>Power Resources</b>								
45	SLP Decommissioning		275,000	200,000	150,000	125,000	400,000	1,150,000
46	Silver Lake Dam Modification		1,240,000	760,000	-	-	-	2,000,000
47	Allocation - Power Resources		430,000	490,000	535,000	665,000	500,000	2,620,000
48	Master Plan		150,000	-	-	-	-	150,000
49	Paint Warehouse		-	102,000	-	-	-	102,000
50	Concrete Repairs (Driveway/Stockyard)		-	105,600	-	-	-	105,600
51	Allocation - Facilities		215,000	215,000	220,000	220,000	220,000	1,090,000
52	<b>Total Power Resources</b>		2,310,000	1,872,600	905,000	1,010,000	1,120,000	7,217,600
<b>General Management</b>								
54	Operating Contingency Fund		360,000	360,000	360,000	360,000	360,000	1,800,000
55	<b>Total General Management</b>		360,000	360,000	360,000	360,000	360,000	1,800,000
56	<b>Total Major Maintenance Plan - External Expenditures</b>		6,473,660	6,072,974	5,157,158	5,263,979	5,359,327	33,500,079

**Rochester Public Utilities  
Electric Utility  
2025 - 2029 Capital Improvement Plan**

	<b>Multi-Year Project Total</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>5-Yr Total</b>
<b>1 Core Services</b>							
2 OSI SCADA Version Upgrade		10,000	290,000	290,000	-	-	590,000
3 Web-Based Service Application		25,000	-	-	-	-	25,000
4 OSI Simulator		161,291	-	-	-	-	161,291
5 Backyard Aerial Lift		-	200,000	-	-	-	200,000
6 Underground Cable Tester		-	57,000	-	-	-	57,000
7 Allocation - New Services		1,330,901	1,366,521	1,407,646	1,451,336	1,491,085	7,047,489
8 New Service Installations		833,205	858,201	883,947	910,466	937,780	4,423,599
9 Distribution Lines & Equipment - Capital		329,012	338,882	349,049	359,520	370,306	1,746,769
10 Property Damage - Repair/Replace		114,437	114,437	118,000	123,000	123,000	592,874
11 T&D Equipment Upgrade/Replace		54,247	55,000	56,650	58,350	60,000	284,247
12 Load Management Installations		7,500	7,500	7,500	7,500	7,500	37,500
13 Substation/Shop Test Equipment Upgrade/Repl		30,000	40,000	40,000	40,000	40,000	190,000
14 Substation Spares and Replacements		20,000	20,000	20,000	20,000	20,000	100,000
15 Northern Hills Sub Control Building Improvement		-	81,500	-	-	-	81,500
16 Vacuum Interrupter Tester		-	50,000	-	-	-	50,000
17 Allocation - Substation Asset Management Capital		220,000	220,000	215,000	215,000	215,000	1,085,000
18 Metering/Shop Test Equipment Upgrade/Repl		45,000	70,000	35,000	40,000	40,000	230,000
19 Primary Metering Replacement - Kemps		28,000	-	-	-	-	28,000
20 AMI MDM	273,973	-	-	-	-	-	-
21 AMI Headend	892,922	143,258	-	-	-	-	143,258
22 AMI Meter Installation Service	9,668,824	4,032,539	4,032,539	601,202	-	-	8,666,280
23 AMI General Implementation Services	5,695,796	639,504	1,515,110	1,535,263	-	-	3,689,877
24 AMI MDM Subscription	570,301	-	-	-	-	-	-
25 AMI Headend Subscription	1,272,894	-	-	-	-	-	-
26 Allocation - Metering		150,000	358,500	370,200	380,000	392,000	1,650,700
27 Q11 - W.C. to new St. Bridget Sub ROW		600,000	-	-	-	-	600,000
28 Replace 20kA, 161kV Circuit Breakers		10,000	210,000	220,000	230,000	240,000	910,000
29 6th St SE Bridge	1,200,000	150,000	850,000	200,000	-	-	1,200,000
30 CSAH 44 and Hwy 14 Interchange	1,045,000	500,000	525,000	-	-	-	1,025,000
31 N Broadway between Elton Hills & the Bri		700,000	-	-	-	-	700,000
32 Mayo Downtown Feeder Rework		100,000	100,000	200,000	1,100,000	1,500,000	3,000,000
33 Q6 Galloping Dampers		125,000	-	-	-	-	125,000
34 Q6 NESC Clearance Mitigation W of E River		70,000	-	-	-	-	70,000
35 Fiber Replacement Silver Lake		70,000	-	-	-	-	70,000
36 DMC - BRT Route Corridor		400,000	-	-	-	-	400,000
37 DMC - BRT West Transit Village		100,000	-	-	-	-	100,000
38 Grid North Partners-N Roch 345kV Line		432,000	1,855,000	12,000,000	9,000,000	8,000,000	31,287,000
39 New Mayo Feeders		1,300,000	-	-	-	-	1,300,000
40 65th St - 50th to 60th Ave		400,000	-	-	-	-	400,000
41 Westside Subst Expansion		-	-	5,000,000	-	-	5,000,000
42 55th St NW Fdr W of 60th Ave		-	-	250,000	250,000	-	500,000
43 20th St SW - 1st Ave to Mayowood Rd		-	-	200,000	300,000	-	500,000
44 Eastwood Rd - Marion to Harbor Dr		-	-	-	100,000	900,000	1,000,000
45 13th & 14th St NW - 11th Ave to Broadway		-	-	-	-	300,000	300,000
46 25th St SW		-	-	-	-	1,000,000	1,000,000
47 11th Ave E - 4th St SE to Silver Creek Bridge		-	-	150,000	150,000	-	300,000
48 Feeder 306 Install		-	-	-	250,000	250,000	500,000
49 Feeder 615 Install		-	400,000	300,000	-	-	700,000
50 Feeder 913 Install		-	-	350,000	350,000	-	700,000
51 Feeder 914 Install		-	-	-	600,000	200,000	800,000
52 Feeder 1315 Install		-	-	350,000	350,000	-	700,000
53 Feeder 1602 Install		-	-	300,000	500,000	-	800,000
54 Feeder 1914 Install		-	1,100,000	1,000,000	-	-	2,100,000
55 Downtown New Duct Systems		-	1,272,727	1,272,727	1,909,091	2,545,455	7,000,000
56 Q2 Rebuild from Bear Creek - RCTC		-	-	300,000	500,000	-	800,000
57 Q4 Rebuild from BV Sub to Salem Rd		-	300,000	700,000	-	-	1,000,000
58 Q7 Rebuild to Grade B		-	-	200,000	300,000	700,000	1,200,000
59 Volt/VAR Optimization		-	-	-	100,000	100,000	200,000
60 Capacitor Control Replacement (10/yr)		-	-	-	150,000	150,000	300,000
61 Fiber - Marion to Cty PW/St Bridget Twr to WC		-	300,000	-	-	-	300,000
62 EV Bus Charging Expansion		-	100,000	100,000	400,000	-	600,000
63 50th Ave NW - 19th St to Valleyhigh		-	-	800,000	1,500,000	-	2,300,000
64 Eastwood Rd SE		-	-	-	700,000	-	700,000
65 TH 14E and S Broadway Intersection		-	350,000	-	-	-	350,000
66 Feeder Extension 50th Ave - S of 50th St NW	170,000	70,000	50,000	50,000	-	-	170,000
67 E Center Street	650,000	100,000	550,000	-	-	-	650,000
68 18th Ave SW - Mayowood to 40th	1,175,000	75,000	550,000	550,000	-	-	1,175,000

**Rochester Public Utilities  
Electric Utility  
2025 - 2029 Capital Improvement Plan**

	<b>Multi-Year Project Total</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>5-Yr Total</b>	
69	DMC - South Broadway from 4th St to 9th St	-	50,000	200,000	200,000	-	450,000	
70	Replace 161kV Disconnect Switches	535,000	90,000	100,000	110,000	115,000	120,000	535,000
71	Replace 20kA, 161kV Circuit Breakers	-	-	200,000	205,000	210,000	220,000	835,000
72	Kemps Metering Repl & 406 Reconfiguration	115,000	-	-	-	-	115,000	
73	Bamber Valley Sub Capacitor Bank	-	-	-	225,000	-	225,000	
74	NE Substation	-	-	300,000	1,500,000	2,500,000	4,300,000	
75	Allocation - Distribution Expansion	2,565,814	2,642,788	2,722,072	2,803,734	2,887,846	13,622,254	
76	Feeder Extensions	117,656	125,000	140,000	150,000	170,000	702,656	
77	Feeder Rebuilds	113,131	130,000	140,000	150,000	160,000	693,131	
78	Transmission Projects	45,253	48,000	50,000	55,000	58,000	256,253	
79	Substation Projects	185,535	200,000	210,000	225,000	240,000	1,060,535	
80	Road Projects	135,757	140,000	160,000	180,000	200,000	815,757	
81	Road Projects - DMC	95,030	100,000	110,000	120,000	130,000	555,030	
82	Manhole Switch Replacements	99,555	105,000	110,000	115,000	120,000	549,555	
83	Cable Replacement	226,262	250,000	260,000	275,000	300,000	1,311,262	
84	Manhole Repair/Replace	248,889	275,000	280,000	290,000	300,000	1,393,889	
85	Distribution Transformers	859,797	777,788	732,072	681,734	614,846	3,666,237	
86	Overhead to Underground Conversion	316,767	360,000	380,000	400,000	420,000	1,876,767	
87	Pole Replacements	54,303	57,000	60,000	62,000	65,000	298,303	
88	Upgrades Due to Electrification	67,879	75,000	90,000	100,000	110,000	442,879	
89	GIS Utility Network Implementation	150,000	-	-	-	-	150,000	
90	Designer XI Implementation	-	500,000	-	-	-	500,000	
91	Dual Sensor Drone	-	-	-	15,000	-	15,000	
92	Survey GPS Replacement	-	-	-	-	30,000	30,000	
93	Fiber Manager Replacement	-	80,000	-	-	-	80,000	
94	AMI OMS Integration	-	-	100,000	-	-	100,000	
95	OMS Replacement	-	-	825,000	-	-	825,000	
96	Small Drone Replacement	15,000	12,500	-	-	-	27,500	
97	Impervious Data Acquisition	-	25,000	-	-	-	25,000	
98	Service Territory Payments	385,832	426,999	488,610	572,627	682,195	2,556,263	
99	Service Territory Payments - SMMPA Reimbursement	(191,675)	(211,437)	(241,364)	(282,397)	(336,052)	(1,262,925)	
100	<b>Total Core Services</b>	23,149,710	15,174,964	20,647,247	33,723,856	26,251,891	24,195,029	119,992,987
<b>Customer Relations</b>								
102	DSM Rebate Software	-	-	30,000	-	-	30,000	
103	DSM Rebate Software Subscription	-	-	825,000	-	-	825,000	
104	Customer Portal Replacement	100,000	-	-	-	-	100,000	
105	Add't Kiosk Locations	-	-	41,400	-	-	41,400	
106	Phone Tech Upgrade	-	85,000	-	-	-	85,000	
107	Customer Portal Subscription	-	515,000	-	-	-	515,000	
108	<b>Total Customer Relations</b>	-	100,000	600,000	896,400	-	-	1,596,400
<b>Compliance &amp; Public Affairs</b>								
110	AED's	50,000	-	-	-	-	50,000	
111	<b>Total Compliance &amp; Public Affairs</b>	50,000	-	-	-	-	50,000	
<b>Corporate Services</b>								
113	SAP ERP/HCM	-	750,000	1,800,000	1,050,000	-	3,600,000	
114	Work Management Solution	-	-	700,000	-	-	700,000	
115	Vena Subscription	343,575	-	-	-	-	343,575	
116	SAP ERP Subscription	-	3,350,605	-	-	-	3,350,605	
117	Racking Replacement in Stockyard - 2024	20,000	20,000	20,000	20,000	20,000	100,000	
118	Business Intelligence/Reporting	45,000	45,000	45,000	45,000	45,000	225,000	
119	PRI to SIP	-	40,000	-	-	-	40,000	
120	SCADA Upgrade	-	150,000	-	-	-	150,000	
121	Community Room Tech Refresh	100,000	-	-	-	-	100,000	
122	Teams Conference Room	50,000	-	-	-	-	50,000	
123	Data Analytics Subscription	16,000	50,000	-	-	-	66,000	
124	Data Analytics License Purchase	-	-	350,000	-	-	350,000	
125	Allocation - Technology	806,000	821,000	691,000	601,000	586,000	3,505,000	
126	Network Management	406,000	211,000	251,000	191,000	266,000	1,325,000	
127	Server Management	-	210,000	210,000	210,000	120,000	750,000	
128	Operation Technology	400,000	400,000	230,000	200,000	200,000	1,430,000	
129	<b>Total Corporate Services</b>	1,380,575	5,226,605	3,606,000	1,716,000	651,000	12,580,180	
<b>Power Resources</b>								
131	Lake Zumbro Hydro Controls Upgrade	-	-	-	-	-	-	
131	Firm Dispatchable Generation	120,000,000	12,000,000	24,000,000	24,000,000	48,000,000	12,000,000	120,000,000
132	Solar	-	-	10,000,000	10,000,000	50,000,000	30,000,000	100,000,000
133	Storage	-	-	20,000,000	90,000,000	80,000,000	10,000,000	200,000,000
134	2030 RESOURCE PLAN	2,000,000	-	-	-	-	-	
134	Allocation - Power Resources	100,000	125,000	250,000	200,000	600,000	1,275,000	

**Rochester Public Utilities  
Electric Utility  
2025 - 2029 Capital Improvement Plan**

		<b>Multi-Year</b>						
		<b>Project Total</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>5-Yr Total</b>
135	Allocation - Fleet		821,320	851,179	993,142	1,007,518	764,324	4,437,483
136	UPS #3 Main Replacement - BUCC		75,600	-	-	-	-	75,600
137	Mezzanine T&D Clean Room		-	69,000	-	-	-	69,000
138	Stock Yard Concrete		-	158,400	-	-	-	158,400
139	Culverts at SE Section		-	182,400	-	-	-	182,400
140	Replace EV Charger		-	-	180,000	-	-	180,000
141	BUCC CRAC Unit Replacement		-	-	66,000	-	-	66,000
142	UPS Charger Unit #4		-	-	79,200	-	-	79,200
143	SCADA CRAC Unit Replacement		-	-	-	78,000	-	78,000
144	Warehouse Window Replacements		-	-	-	297,000	-	297,000
145	Concrete NE Section Phase 1		-	-	-	198,000	-	198,000
146	Substation HVAC Syst Phase 1		-	-	-	168,000	-	168,000
147	Concrete NE Section Phase 2		-	-	-	-	198,000	198,000
148	Substation HVAC Syst Phase 2		-	-	-	-	120,000	120,000
149	Allocation - Facilities		30,000	30,000	30,000	30,000	30,000	150,000
150	<b>Total Power Resources</b>	122,000,000	13,026,920	55,415,979	125,598,342	179,978,518	53,712,324	427,732,083
151	<b>General Management</b>							
152	Mayo Bold Forward Unbound Contingency		1,000,000	-	-	-	-	1,000,000
153	Project Contingency Fund		800,000	800,000	800,000	800,000	800,000	4,000,000
154	<b>Total General Management</b>	-	1,800,000	800,000	800,000	800,000	800,000	5,000,000
155	<b>Total External Expenditures</b>	145,149,710	31,532,459	82,689,831	164,624,598	208,746,409	79,358,353	566,951,650
156	<b>Less: Bonding</b>		(12,432,000)	(55,855,000)	(141,000,000)	(187,000,000)	(60,000,000)	(456,287,000)
157	<b>Less: Non-cash Subscription Assets</b>		(276,075)	(3,156,230)	(660,000)	-	-	(4,092,305)
158	<b>Less: Contributions in Aid of Construction</b>		(3,395,000)	(624,350)	(615,081)	(631,295)	(647,974)	(5,913,700)
159	<b>Net Capital External Expenditures (Rate Funded)</b>	145,149,710	15,429,384	23,054,251	22,349,518	21,115,113	18,710,379	100,658,645
160	<b>Total Internal Expenditures (Capital Labor)</b>		9,066,857	8,985,857	10,842,013	10,608,476	7,251,754	46,754,957
161	<b>Net Capital Expenditures</b>	145,149,710	24,496,241	32,040,108	33,191,530	31,723,589	25,962,133	147,413,602



ROCHESTER PUBLIC UTILITIES  
*RECOMMENDED*

# PERSONNEL BUDGET

**ROCHESTER PUBLIC UTILITIES  
2025 PERSONNEL BUDGET**

**INDEX**

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



**ROCHESTER PUBLIC UTILITIES  
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	103,501 <sup>(1)</sup>	191,113,559 <sup>(1)</sup>	221 <sup>(2)</sup>	468	864,767
2024	102,413 <sup>(1)</sup>	184,729,223 <sup>(1)</sup>	219	468	843,512
2023	101,261	176,967,937	211	480	838,711
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 2022 Retail Customers per Non-Power-Generation Employee for customer size class of 50K-100K customers, is 295. RPU comparison using this criteria and 2023 data is 361.

(1) Forecasted

(2) Staff changes:

2025

Seven potential reclassifications

Adding two new positions:

- Buyer

- Human Resources Liaison

Replacement of two existing contract positions with FTE's

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

<u>Year</u>	<u>2024 Original budget</u>	<u>2024 Projected</u>	<u>2025 Estimated</u>	<u>Difference 2024 Original to 2025</u>	<u>% Change</u>
Regular Employees	\$32,018,108	\$31,806,529	\$34,993,385	\$2,975,278	9.3%
Limited-Term Employees	\$372,141	\$293,435	\$526,912	\$154,771	41.6%
Temporary/Contract Labor	<u>\$403,520</u>	<u>\$445,747</u>	<u>\$485,646</u>	<u>\$82,125</u>	<u>20.4%</u>
<b>Total</b>	\$32,793,769	\$32,545,710	\$36,005,943	\$3,212,174	9.8%

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  
2025 SUPPLEMENTAL DATA  
CAPITAL / OPERATING BUDGETS**

**INDEX**

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

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

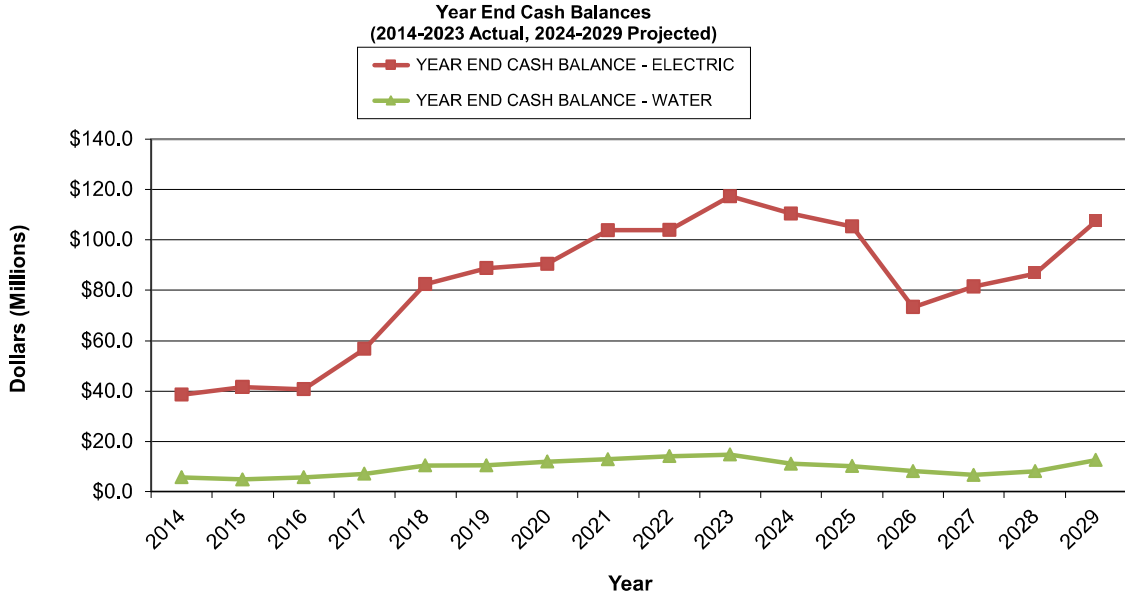
<u>Year</u>	<u>Inflation %</u>	<u>Electric Rates %</u>	<u>Water Rates %</u>	<u>SMMPA Rates %</u>
2024	3.0% *	3.2% **	5.5% ***	0.0%
2023	4.1%	2.5%	5.0%	10.0%
2022	8.0%	1.5%	2.5%	0.0%
2021	4.7%	0.0%	0.0%	0.0%
2020	1.2%	0.0%	3.5%	-4.0%
2019	1.8%	1.9%	6.0%	0.0%
2018	2.4%	1.5%	6.0%	2.0%
2017	2.1%	3.7%	6.0%	6.0%
2016	1.3%	1.7%	6.0%	0.0%
2015	0.1%	3.5%	3.5%	0.0%
<b>10-Year Annualized Average</b>	<b>3.2%</b>	<b>2.0%</b>	<b>4.6%</b>	<b>1.4%</b>
<b>2025</b>	<b>3.0% *</b>	<b>4.0%</b>	<b>5.5% ***</b>	<b>0.0%</b>

\*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  
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
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	117.2		14.8	
2024	110.4		11.1	
2025	105.3		10.2	
2026 *	73.4		8.2	
2027 *	81.4	132.5	6.7	
2028 *	86.5	17.8	8.2	
2029 *	107.4		12.6	

\* 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 are proposed future short-term borrowings of \$16.7 million in 2026 and \$73.8 million in 2028 for the Electric Utility, followed by long-term borrowings of \$301.2 million in 2027 and \$66.1 million in 2029 for the Grid North Partners transmission investment and 2030 Resource Plan. The short-term borrowings would be paid off in 2030 with the investment tax credit funds received upon completion of the Resource Plan projects.

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

	<u><b>2025</b></u>
Utility Licenses, Permits & Penalties	932,301
Water Appropriation Fees	67,025
Payment to General Fund	
Electric	11,336,702
Water	<u>514,088</u>
Total	<u><u>11,850,791</u></u>
Sales Tax - Electric & Water	1,338,187
SMMPA Property Taxes <sup>1</sup>	<u>3,480,490</u>
Total Tax & Tax Equivalents	<u><u>17,668,795</u></u>
Electric/Water Retail Sales	<u><u>191,219,104</u></u>
% of Electric/Water Retail Sales	9.2%

<sup>1</sup>Value represents RPU's 42% membership share in SMMPA.



## REQUEST FOR ACTION

### 2025 Updated Electric Utility Rate Adjustment

**MEETING DATE:**  
October 29, 2024

**ORIGINATING DEPT:**  
Rochester Public Utilities

**AGENDA SECTION:**  
Regular Agenda

**PRESENTER:**  
Peter Hogan

### Action Requested:

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

### 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."*

Based on this guidance, staff conducted a Cost-of-Service (COS) Study for the Electric Utility during 2023. The COS study informs the revenue requirements by customer class to reduce cross-subsidization between and within customer classes. The study results were presented to the Board on September 26, 2023.

Rates for 2025 were approved by the RPU Board and City Council on October 24, 2023, and December 4, 2023, respectively. During the September 24, 2024, Board meeting, management reviewed four recommended rate adjustments to be considered during the current 2025 budget update. The Board approved the issuance of a notice of proposed rate changes during this meeting. The attached notice was provided to the public via the newspaper of record on September 28, 2024.

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's Updated Budget approval request is currently scheduled for December 2024.

### Prior Legislative Actions & Community Engagement:



RPU Board - March 27, 2024, review of rate recommendations from the 2023 cost of service study

RPU Board - September 24, 2024, review of recommended rate adjustments

Notice of proposed rate changes published in the newspaper of record (Rochester Post Bulletin) on September 28, 2024.

Public comment has been welcomed at the monthly RPU Board meeting.

**Prepared By:**

Peter Hogan

**Attachments:**

[20241029\\_Resolution\\_-\\_2025\\_Electric\\_Utility\\_Rate\\_Adjustment](#)

[Electric rate tariff 2025](#)

[2025 RPU Rate Public Notice](#)



## 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, 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, 2025.

PASSED AND ADOPTED BY THE PUBLIC UTILITY BOARD OF THE CITY OF  
ROCHESTER, MINNESOTA, THIS 29th DAY OF October, 2024.

\_\_\_\_\_  
PRESIDENT

\_\_\_\_\_  
SECRETARY



## **2024-2025 RATE SCHEDULE**

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## 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).

### MINIMUM BILL:

	2024	2025
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: *October 24, 2023*  
Effective Date: *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).

Approved by Rochester Public Utility Board:  
Effective Date:

October 24, 2023  
January 1, 2024

## 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](http://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](http://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).

### MINIMUM BILL:

	2024	2025
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).

**MINIMUM BILL:**

	2024	2025
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 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

## 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).

### MINIMUM BILL:

	2024	2025
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](http://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](http://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).

### MINIMUM BILL:

	2024	2025
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:**

1. 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.
2. 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.
3. 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.
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.
8. 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 - SECONDARY

### 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 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 taking delivery at a voltage compliant with RPU's published Electric Rules and Regulations, with all service taken at one point under 13.8 kV, and measured through one meter, including both Single and Three phase voltage. 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.

**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.

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

*October 29, 2024  
January 1, 2025*

## 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 10,000 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](http://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](http://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		
Non-Summer / kW	\$17.34	\$17.86
Summer / kW	\$21.68	\$22.33
Energy Charge		
Non-Summer / kWh	5.140¢	5.379¢
Summer / kWh	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.

**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 29, 2024  
January 1, 2025*

## MEDIUM GENERAL SERVICE SECONDARY- 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 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. 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 taking delivery at a voltage compliant with RPU's published Electric Rules and Regulations, with all service taken at one point under 13.8 kV, and measured through one meter, including both Single and Three phase voltage. 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:

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

	2024	2025
Non-Summer:		
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.

**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.

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

*October 29, 2024  
January 1, 2025*

## LARGE GENERAL SERVICE PRIMARY

### AVAILABILITY:

At all locations for loads where the measured demand is at least 25 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 taking delivery at a voltage compliant with RPU's published Electric Rules and Regulations, with all service taken through one meter. The electric service shall be three-phase and the delivery voltage shall nominally be 13.8kV GRDY / 7.97kV. 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 primary 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.

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

*October 29, 2024  
January 1, 2025*

## LARGE GENERAL SERVICE PRIMARY- TIME-OF-USE

### AVAILABILITY:

At all locations for loads where the measured demand is at least 25 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 taking delivery at a voltage compliant with RPU's published Electric Rules and Regulations, with all service taken through one meter. The electric service shall be three-phase and the delivery voltage shall nominally be 13.8 kV GRDY / 7.97 kV. 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 the Primary service voltage of 13.8 kV GRDY / 7.97 kV as described in RPU's published Electric Service Rules and Regulations.

### RATE:

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

	2024	2025
Non-Summer:		
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 large general service customer, subject to the availability of the necessary TOU metering equipment.
2. Customers converting to the LGS-TOU rate from the LGS rate shall make a one-time payment to RPU for any conversion cost above the normal cost to install LGS-TOU metering.
3. A customer may switch back to the LGS 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.

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

*October 29, 2024*  
January 1, 2025

## 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 13.8 kV GRDY / 7.97 kV.

### 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:

	2024	2025
Demand Charge per kW:		
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.

Approved by Rochester Public Utility Board:  
Effective Date:

October 24, 2023  
January 1, 2024



## 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:

	2024	2025
Per kWh for all kWh Billed		
LED RPU Owned (All Sizes)	59.683¢	62.369¢
LED (All Sizes)	45.466¢	48.421¢

### 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 29, 2024  
January 1, 2025

## 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.

Approved by Rochester Public Utility Board:  
Effective Date:

October 24, 2023  
January 1, 2024

## 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

	2024	2025
<u>Mercury Vapor Lights (Closed)</u>		
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.
  - 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 29, 2024  
January 1, 2025*

## 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)
- Residential TOU Service (RESTOU)
- 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 and shall be applied in accordance with the provisions of *Parts L, M and P of Rules Governing the Interconnection of Cogeneration and Small Power Production Facilities with Rochester Public Utilities.*

#### Energy Charge:

The energy charge shall be determined in accordance with the applicable rate schedule and shall be applied in accordance with the provisions *Parts L, M, N, O and P of Rules Governing the Interconnection of Cogeneration and Small Power Production Facilities with Rochester Public Utilities.*

#### Grid Access Charge:

Effective January 1, 2026 and applicable to residential and general service distributed generation customers with system size of less than 40kW AC. Minnesota Statute 216B.164 authorizes municipal utilities to charge a cost recovery fee on distributed generation facilities, enabling recovery of some of the cost shifts that occur between distributed generators and the rest of the utility customers. The monthly charge is applied per the nameplate kW AC of the installed inverter for the first year of operation and will be adjusted annually to the actual measured annual kW AC production peak. Annual adjustments to the kW AC output are dependent on the deployment of advanced metering technology, which will provide accurate measurements for billing purposes.

<b>RATE:</b>	2026
Residential Monthly Charge per measured kW AC:	\$2.40
Small General Service Monthly Charge per measured kW AC:	\$2.31

### Minimum Charge:

The minimum charge shall be determined in accordance with the applicable rate schedule for each customer class.



### **Energy and Capacity Credits:**

The energy and capacity credits shall be calculated and approved in accordance with Part C of Rules Governing the Interconnection of Cogeneration and Small Power Production Facilities with Rochester Public Utilities and published annually as Schedule 1 and Schedule 2. The energy and capacity credits shall be applied in accordance with the provisions of Parts L, M, N, O and P of Rules Governing the Interconnection of Cogeneration and Small Power Production Facilities with Rochester Public Utilities.

### **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 Rules Governing the Interconnection of Cogeneration and Small Power Production Facilities with Rochester Public Utilities.
2. Service under this rate schedule rider will be furnished only to customers whose electrical generating capacity meet the requirements documented in Rules Governing the Interconnection of Cogeneration and Small Power Production Facilities with Rochester Public Utilities; 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:*

*October 29, 2024  
January 1, 2025*

## 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 other 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).

**MINIMUM BILL**

	2024	2025
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.

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

*January 26, 2021  
March 1, 2021*

## 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
<b>Interconnection Fees</b>		
<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

## **SERVICE ASSURED® Utility Service Repair Coverage**

### **AVAILABILITY:**

Coverage is available to RPU residential Electric customers living in single-family homes, single-owner duplexes, and some townhome associations, individual twinhomes, and triplexes where each has its own service line. Electric Service Assured® will be applied to all Electric Service customers effective January 1, 2025. 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 water service protected under the Water Service Assured® program without the Electric Service Assured® program, or in combination with the Electric 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>	<b>Amount</b>
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 29, 2024  
January 1, 2025*

## 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
<b>Customer Charge:</b>		
<b>Size of Meter</b>	<b>Amount</b>	<b>Amount</b>
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
<b>Commodity Charge Rate/CCF:</b>		
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>	<b>Amount</b>
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

Approved by Rochester Public Utility Board:      November 29, 2022  
Effective Date:      January 1, 2023

**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.

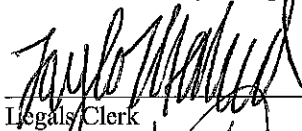
2. The newspaper has complied with all of the requirements to constitute a qualified newspaper under Minnesota law, including those requirements found in Minnesota Statutes §331A.02.

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 28, 2024.

4. The publisher's lowest classified rate paid by commercial users for comparable space, as determined pursuant to § 331A.06, is as follows:

5. Pursuant to Minnesota Statutes §580.033 relating to the publication of mortgage foreclosure notices: The newspaper's known office of issue is located in OLMSTED County. The newspaper complies with the conditions described in §580.033, subd. 1, clause (1) or (2). If the newspaper's known office of issue is located in a county adjoining the county where the mortgaged premises or some part of the mortgaged premises described in the notice are located, a substantial portion of the newspaper's circulation is in the latter county.

Dated this 28th day of September, 2024.

  
\_\_\_\_\_  
Legals Clerk

  
\_\_\_\_\_  
Notary Public



On September 24, 2024, the Rochester Public Utilities (RPU) Board directed staff to give public notice of the proposed changes to the RPU electric rate tariff.

Effective January 1, 2025 the Medium General Service (MGS) class will apply to customers with measured demand of at least 25 kW but less than 10,000 kW, with service taken at one point under 13.8 kV and measured through one meter, including single and three-phase voltage.

Effective January 1, 2025 the Large General Service (LGS) class will apply to customers with measured demand of at least 25 kW but less than 10,000 kW, with all service taken through one meter. The service shall be three-phase and the delivery voltage shall nominally be 13.8 kV GRDY / 7.97 kV.

An LGS Time-Of-Use rate will be offered to LGS customers beginning January 1, 2025.

Non-Summer

On-peak Demand / kW	\$ 19.30
Off-peak Demand / kW	\$ 2.09
Energy Charge / kWh	6.643¢

Summer

On-peak Demand / kW	\$ 26.03
Off-peak Demand / kW	\$ 2.09
Energy Charge / kWh	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 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.

In accordance with Minnesota Statute 216B.164 governing cogeneration facilities under 40 kW, RPU will charge a cost recovery fee to Residential Cogeneration customers of \$2.40, and to Small General Service Cogeneration customers of \$2.31 per nameplate kW AC on distributed generation installations in the first year and RPU will adjust the charge annually to the annual measured peak kW AC production, dependent upon AMI metering technology deployment, to mitigate the cost shifts between distributed generators and other utility customers. This change will be effective January 1, 2026.

In RPU's continued commitment to providing reliable energy to our customers, all electric customers will be automatically enrolled in the RPU Electric Service Assured® Utility Service Repair Coverage program. The charge will be \$1.99 monthly for the RPU Electric Service Assured® program or \$3.00 when combined with the RPU Water Service Assured® Program. Customers may choose to opt out by calling RPU to request removal from the program.

Please contact Josh Mason at 507-280-1588 or email at [jmason@rpu.org](mailto:jmason@rpu.org).



## **REQUEST FOR ACTION**

### **2030 Resource Plan Special Capital Reserve**

**MEETING DATE:**

October 29, 2024

**ORIGINATING DEPT:**

Rochester Public Utilities

**AGENDA SECTION:**

Regular Agenda

**PRESENTER:**

Peter Hogan

**Action Requested:**

Approve a resolution designating Special Capital Reserve in the amount of \$50,000,000 to partially fund capital investments related to the 2030 Power Resource Plan.

**Report Narrative:**

The RPU Electric Utility Cash Reserve Policy includes a provision for Special Capital and Major Maintenance Reserves. The purpose of the special capital and major maintenance reserve is to defray all or a portion of a future capital or major maintenance or external expenditure that is not externally financed.

RPU plans to not extend its current wholesale power contract with Southern Minnesota Municipal Power Agency in April of 2030. The current scenario anticipates the purchase of a firm dispatchable resource, battery storage, and solar generation assets with a capital investment of up to \$420 million. As part of the financial planning related to RPU's 2030 resource plan, RPU plans to spend up to \$50 million of currently unrestricted funds and finance the balance of the assets with a combination of short and long-term debt. The short-term debt is intended to be paid off with direct pay proceeds from investment tax credits.

The intent of this action is to have the Board designate \$50 million in unrestricted cash for the purpose of supporting the funding of the 2030 plan. Upon approval, this designation will be reflected on the Statement of Assets (Balance Sheet) of the Electric Utility within the Special Capital and Major Maintenance Reserves. The reserve will be relieved as the funds are spent.

**Priorities & Foundational Principles:**

Fiscal Responsibility & Sustainability  
Economic Vibrancy & Growth Management

**Prepared By:**

Peter Hogan

**Attachments:**

[20241029\\_Resolution\\_-\\_2030\\_Resource\\_Plan\\_Special\\_Capital\\_Reserve](#)



## RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester to approve a designated Special Capital Reserve in the amount of \$50,000,000 to partially fund capital investments related to the 2030 Power Resource Plan.

PASSED AND ADOPTED BY THE PUBLIC UTILITY BOARD OF THE CITY OF  
ROCHESTER, MINNESOTA, THIS 29th DAY OF October, 2024.

\_\_\_\_\_  
PRESIDENT

\_\_\_\_\_  
SECRETARY



## **REQUEST FOR ACTION**

### **Board Policy 03. Board Relationships with the Common Council**

**MEETING DATE:**

October 29, 2024

**ORIGINATING DEPT:**

Rochester Public Utilities

**AGENDA SECTION:**

Board Policy Review

**PRESENTER:**

Tim McCollough

**Action Requested:**

Review and receive comments on the policy.

**Report Narrative:**

Attached is the current version of the **Board Relationship with the Common Council** policy that the Board ad hoc group reviewed on October 15. It contains no suggested edits and it is recommended by the ad hoc Board group to re-confirm the policy as currently stated on the November consent agenda.

**Prepared By:**

Tim McCollough

**Attachments:**

[3 Board Relationship with the Common Council](#)



## POLICY 3: Board Relationship with the Common Council

### POLICY OBJECTIVE:

The Board intends to state its relationship with the Common Council and the relationship of its management and staff with the staff of other City Departments. This policy is intended to establish the limits of Board authority and accountability to the Common Council.

### POLICY STATEMENT:

1. The Board recognizes the Common Council as the elected body of the City of Rochester to whom the Board is accountable for the performance of the City utility systems which it controls. The Board's accountability extends only to the limits of authority which have been delegated to the Board by the Council or provided by the Home Rule Charter to the Board.
2. The Board, by authority of the City's Home Rule Charter, was created "to control, manage, and operate the electric, water, and steam district heating systems of the City." The Board's principal role is to provide policy direction for the RPU management and staff. The Board's responsibilities and functions are covered in a separate policy statement.
3. The Board will delegate certain responsibility and authority to its management and staff employees, who are accountable directly to the Board. The Board's delegations to management are covered in a separate policy statement.
4. The Board will cooperate with the Council in a manner consistent with the policies adopted by the Board and the City's Home Rule charter, and with the implementing policies and procedures of its management and staff employees.

The Board will direct its employees to cooperate and coordinate their activities with the staff of other City departments in a manner consistent with the established policies and procedures of the Board and its management, and the City's Home Rule Charter.

5. The Board recognizes that certain actions which are essential to the sound management of its utility systems are, by law or Charter, reserved for the Common Council, upon recommendations of the Board. These actions include:
  - a. Approval of the annual budget.
  - b. Authorization to expend in excess of \$100,000 to any one person, firm, or corporation for the purchase of goods or services which is not contained within the board's approved annual budget.
  - c. Authorization to purchase or sell real and personal property or an interest in such property where the value exceeds \$100,000.
  - d. Concurrence of hourly wages or salary ranges for all employee positions authorized by the Board.

- e. Establishment of procedures for the appointment, employment, and termination of the General Manager and other employees.
  - f. Authorization to issue revenue bonds or any way to contract indebtedness.
  - g. Authorization to transfer monies from the City General Fund into the utility enterprise funds.
  - h. Concurrence in rates and charges for utility services, as established by the Board.
  - i. Authorization to provide utility service to areas outside of the City corporate limits or other legally assigned service area.
  - j. Authorization to establish or discontinue any City utility system.
  - k. Assignment to or removal from Board control of a City utility system.
  - l. Authorization for the electronic transfer and disbursement of monies from the Utility enterprise funds.
  - m. Authorization to acquire real property or property rights by condemnation.
6. The Utility Board has full authority to act and is accountable, in the following respects:
- a. Establishment and application of approved rates and charges as well as billing and recovery of amounts due.
  - b. Quality and reliability of services provided.
  - c. Authorization of expenditures and contracts provided the Board's approved annual budget contains an appropriation to pay the expenditure.
  - d. Authorization of expenditures and contracts less than \$100,000 when the Board's approved annual budget does not contain an appropriation to the contract or expenditures.
  - e. Authorization to purchase or sell real and personal property or an interest in such property where the value is \$100,000 or less provided advance notice to the City Administrator is given.
  - f. Payment of all approved financial obligations resulting from the purchase of goods and services and the borrowing of funds.
  - g. Protection and preservation of all physical and financial assets of the utility systems controlled by the Board.
  - h. Organizational structure and, with Council concurrence, staffing levels, personnel policies, compensation and fringe benefit programs.
  - i. Employee conduct.
  - j. Financial accounting, reporting, and periodic auditing, according to generally accepted procedures for municipal utility enterprises.
  - k. Planning, budgeting, and controlling the use of human, physical, and financial resources.

- I. Customer and public relations programs including the scheduling and conduct of meetings or hearings to obtain public comment regarding utility operations.
    - m. Scheduling and conduct of hearings and the issuance of rulings related to customer or employee appeal of Board or management policies and decisions.
    - n. Conformance with applicable law and regulations.
7. The Utility Board expects the Common Council to provide public policy direction on the following items which are relevant to the Board's utility system operations:
  - a. The short and long-term growth policy of the City and the role of the Board in implementing such policy.
  - b. The extent to which each revenue producing utility is expected to be financially self-supporting.
  - c. The extent to which service will be provided, on a non-preferential basis, within or beyond the assigned service area.
  - d. The extent to which rates and charges will differentiate among customers with respect to the costs of serving them.
  - e. The extent to which the Board should provide customer services beyond those customarily required to deliver the utility capacity or commodity.
8. The Board will advise the Council of any action related to the utility systems which must or should be taken by the Council. Such notification will set forth the need for action, the specific action requested, and such supporting information as will reasonably inform the Council of prevailing circumstances and the expected results of the requested action. The Board will prepare or assist the Council in preparing all documentation required for the requested action.
9. The Board will routinely furnish to the Council copies of all annual reports, audit reports, Board agendas and minutes, financial statements, and other reports and information as may be appropriate to keep the Council reasonably informed.
10. The Board will endeavor to establish and maintain good working relations with the Council through the practice of personal interaction. To this end, the Board will encourage the scheduling of a joint meeting as needed. The purpose of this meeting is to exchange information relating to utility operations and to discuss any matter of mutual interest. The Board will also designate one of its members and/or management employees to attend any meeting of the Council, when requested, to answer questions or furnish additional information which the Council may require, regarding utility operations, or requested Council actions.

**RELEVANT LEGAL AUTHORITY:** Rochester City Charter Chapter XV

**EFFECTIVE DATE OF POLICY:** October 14, 1988

**DATE OF POLICY REVIEW:** October 30, 2024

**POLICY APPROVAL:** February 28, 2021

**POLICY REVIEW:**

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

\_\_\_\_\_  
Date



## **REQUEST FOR ACTION**

### RPU Index of Board Policies

**MEETING DATE:**

October 29, 2024

**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:**

Erin Henry-Loftus

**Attachments:**

[Rochester Public Utilities Index of Board Policies](#)

# Rochester Public Utilities Index of Board Policies

Column1	REVISION DATE	DAYS SINCE LAST REVIEW	MONTHS SINCE LAST REVIEW	FOCUS AREA / STAFF LIAISON	ANTICIPATED REVISION TIME PERIOD	TARGET COMPLETION DATE
BOARD POLICY	REVISION DATE	DAYS SINCE LAST REVIEW	MONTHS SINCE LAST REVIEW	FOCUS AREA / STAFF LIAISON	ANTICIPATED REVISION TIME PERIOD	TARGET COMPLETION DATE
1. Mission Statement	04/25/23	547	18	Policy / Tim McCollough		
2. Responsibilities and Functions	09/26/23	393	13	Policy / Tim McCollough		
3. Relationship with the Common Council	02/28/12	4621	152	Policy / Tim McCollough	Q4 2024	11/26/24
4. Board Organization	03/27/18	2402	79	Policy / Tim McCollough		
5. Board Procedures	04/30/24	176	6	Policy / Tim McCollough		
6. Delegation of Authority/Relationship with Management	11/28/23	330	11	Policy / Tim McCollough		
7. Member Attendance at Conferences and Meetings	12/18/18	2136	70	Policy / Tim McCollough		
8. Board Member Expenses	12/18/18	2136	70	Policy / Tim McCollough		
9. Conflict of Interest	DELETED	N/A	N/A	N/A		
10. Alcohol and Illegal Drugs	DELETED	N/A	N/A	N/A		
11. Worker Safety	03/27/12	4593	151	Policy / Tim McCollough		
<b>CUSTOMER</b>						
12. Customer Relations	04/30/19	2003	66	Ops & Admin /Patty Hanson		
13. Public Information and Outreach	04/30/19	2003	66	Communications / Patty Hanson		
14. Application for Service	07/01/16	3036	100	Communications / Patty Hanson	Q1 2025	03/25/25
15. Electric Utility Line Extension Policy	03/28/17	2766	91	Finance / Peter Hogan		
16. Billing, Credit and Collections Policy	04/26/22	911	30	Finance / Peter Hogan	Q3 2025	07/29/25
17. Electric Service Availability	10/29/19	1821	60	Ops & Admin / Scott Nickels		
18. Water and Electric Metering	06/26/18	2311	76	Ops & Admin / Scott Nickels		
19. Adjustment of Utility Services Billed	06/29/21	1212	40	Finance / Peter Hogan		
20. Rates	07/25/17	2647	87	Finance / Peter Hogan		
21. Involuntary Disconnection	09/28/21	1121	37	Communications / Peter Hogan		
<b>ADMINISTRATIVE</b>						
22. Acquisition and Disposal of Interest in Real Property	12/19/17	2500	82	Ops & Admin / Scott Nickels		
23. Electric Utility Cash Reserve Policy	01/28/20	1730	57	Finance / Peter Hogan		
24. Water Utility Cash Reserve Policy	01/28/20	1730	57	Finance / Peter Hogan		
25. Charitable Contributions	06/25/19	1947	64	Communications / Peter Hogan		
26. Utility Compliance	10/24/17	2556	84	Communications / Bill Bullock		
27. Payment in Lieu of Taxes (Formerly Contribution in Lieu of Taxes)	08/06/24	78	3	Finance / Peter Hogan		
28. Joint-Use of Infrastructure and Land Rights	03/30/21	1303	43	Ops & Admin / Scott Nickels		
29. Customer Data Management Policy	07/30/24	85	3	Communications / Peter Hogan		
30. Life Support	09/24/19	1856	61	Communications /Patty Hanson	Q2 2025	06/30/25
31. Electric Utility Undergrounding Policy	05/21/24	155	5	Ops & Admin / Scott Nickels		
Red - Currently being worked on						
Yellow - Will be scheduled for revision						
Orange - Policy is up for review by the ad hoc group						
Marked for deletion						



**REQUEST FOR ACTION**

**General Manager's Report for October 2024.**

**MEETING DATE:**  
October 29, 2024

**ORIGINATING DEPT:**  
Rochester Public Utilities

**AGENDA SECTION:**  
General Managers Report

**PRESENTER:**

**Prepared By:**  
Erin Henry-Loftus

**Attachments:**  
[October 2024 General Manager's Report Presentation.pdf](#)  
[October 2024 General Manager's Major Projects Update.pdf](#)



# General Manager's Report October 2024

**VISION** | We will set the standard for service.

**MISSION** | We provide the highest quality services and products for our customers. With our experience and resources, we enrich people's lives, help businesses prosper, and promote the community's welfare.



WORKING TOWARD  
**100%**  
NET RENEWABLE ELECTRICITY BY 2030

APPROXIMATELY  
**60K**  
ELECTRIC  
CUSTOMERS

GALLONS OF WATER PUMPED  
**4.953  
BILLION**

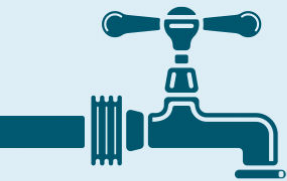
**130  
YEARS**

2023 ASA  
**99.994%**  
RELIABILITY



**219  
EMPLOYEES**

ROCHESTER  
**PUBLIC UTILITIES**  
WE PLEDGE, WE DELIVER™



**40K**  
WATER  
CUSTOMERS

**1**  **COUNCIL APPOINTED  
COUNCILMEMBER  
BOARD MEMBER**



**4** **MAYOR  
APPOINTED  
BOARD MEMBERS**

**#1**  
BEST TASTING WATER

 **RELIABILITY**

 **RATES**

 **RESPONSIBILITY**

 **RELATIONSHIPS**

 **REPUTATION**



# THE FIVE R'S



## RELIABILITY

Leaders in Service and System Reliability



## RATES

Provide Value and Long-Term Financial Stability



## RESPONSIBILITY

Stewards of the Resources We Impact



## RELATIONSHIPS

Empowered and Customer-Focused Employees



## REPUTATION

Engaged with Our Community





**CARE FOR THE ENVIRONMENT.**



**PROTECT EACH OTHER.**



**RESPECT EVERYONE.**

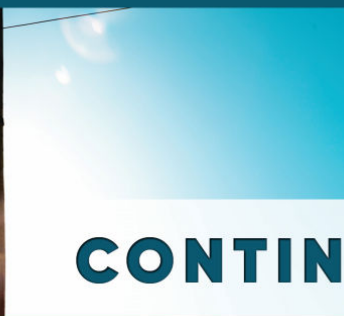
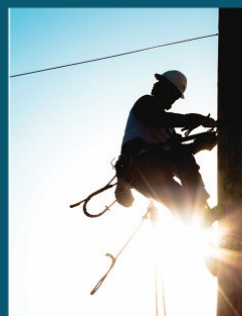


**TAKE OWNERSHIP.**



**LEAVE A POSITIVE IMPRESSION.**

**CONTINUE IMPROVING.**





# Meeting Reports & Current Activity

- **General Updates – October Highlights**
- **Director of Water & Director of Customer Relations**
- **SMMPA Annual Meeting & Board Meeting Report**
- **APPA Legal & Regulatory Conference Report**
- **Major Award Announcement During Meeting**
- **Berlin Seminar on Green Energy**
- **External Funding Opportunities Update**
- **Project Status Updates (Separate File Attachment)**



# General Updates | October Highlights

- **Missouri River Energy Services (MRES)** – several members of the RPU Executive Team traveled to Sioux Falls to meet with MRES staff to make networking connections and explore joint project power supply opportunities.
- **Rochester Chamber of Commerce Local Government Affairs Committee (LGAC)** – we presented an update to the Power Supply Resource Plan.
- **Saint Paul Regional Water Services (SPRWS)** – visited the offices of SPRWS to learn about the water service to the large urban service area of St Paul and the surrounding communities.
- **Data Center Inquiries** – we have been receiving multiple requests this year for siting of new industrial scale loads related to data center growth. Some have been speculative while others have been more serious. The team is working on a strategy to address large scale load requests.
- **Hurricane Milton Mutual Aid Support call from Florida Municipal Electric Association** – 32 trucks and 38 personnel from 14 MN municipal utilities assembled and departed on October 7 for preemptive staging to assist with anticipated hurricane Milton impacts in Florida. 6 teammates from RPU joined with two large trucks and a pickup.
- **Advanced Meter Contracts Finalized** – The RPU team with external counsel support has negotiated and we have executed all Advanced Metering hardware and software contracts.





## Welcome to the Team Todd Blomstrom, Director of Water



Todd Blomstrom  
Director of Water

Todd Blomstrom currently serves as the Assistant General Manager for Saint Paul Regional Water Services, overseeing engineering, water distribution, and capital planning. In this role, he ensures safe and reliable water service for the city of Saint Paul and six surrounding suburban communities.

Before joining Saint Paul Regional Water Services, Todd held positions as a public works director and city engineer for local governments, where he managed infrastructure planning, project design and construction, annual budgets, and the daily operations of utility systems. His background includes working with elected officials and customers to successfully deliver water supply and distribution services, while balancing technical and financial considerations.

Todd holds both a bachelor's and master's degree in engineering from the University of Minnesota and is a licensed professional engineer. Todd plans to join RPU on November 7.



# Welcome to the Team Patty Hanson, Director of Customer Relations



Patty Hanson

Director of Customer  
Relations

Patty Hanson has been appointed as the Director of Customer Relations at RPU, responsible for managing and enhancing customer experiences across all service channels. With a strong focus on customer satisfaction, Patty leads a team dedicated to delivering responsive, efficient, and high-quality support to meet the needs of customers. She brings extensive experience in customer service strategy, relationship management, process improvement, and driving initiatives to strengthen communication and ensuring a positive customer journey.

# **SMMPA Board Report | Annual Meeting & October Board Meeting Report**





# SMMPA Board Report | 2025 Budget & Rates

## Highlights

- No recommended changes to power supply demand and energy base rates
- Effective February 1, 2025: second year of transmission rates transition from 100% ratchet to monthly CP basis
  - Approved by board in May 2023
- ECA base cost calculated for the 2025 calendar year at \$31.82/MWh, to be used for charge/credit determination for January through December 2025
  - Financial Transmission Rights (FTR) revenues budgeted at \$0 for 2025
  - 2024 base rate is \$31.31/MWh



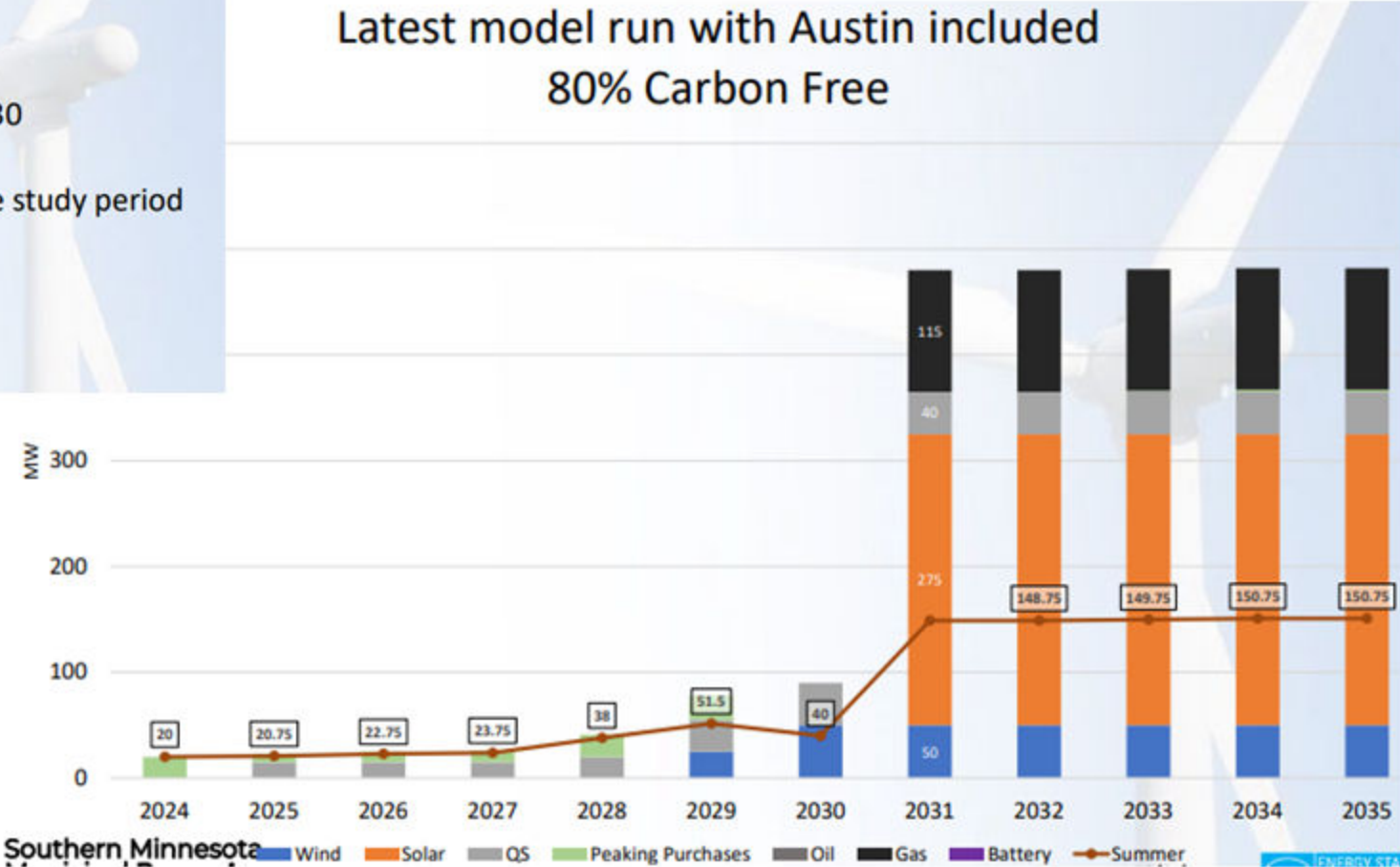


# SMMPA Board Report | 2024 Integrated Resource Plan Approval

## IRP Preferred Plan

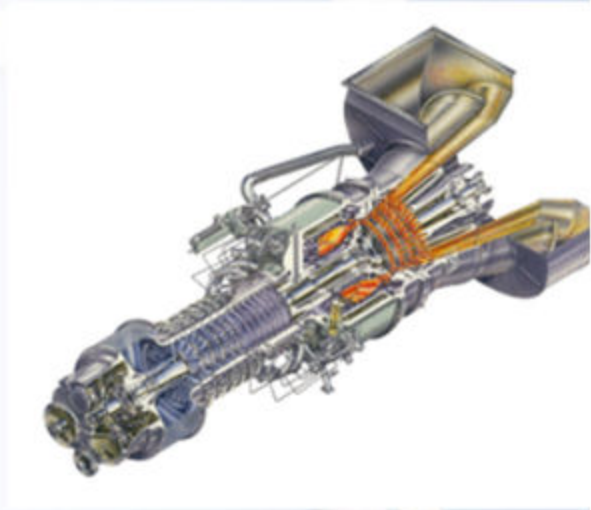
- Retirement of Agency-owned wind turbines in 2025
- Expiration of Wapsipinicon wind contract in 2029
- Sherco 3 retirement in 2030
- Expiration of Olmsted Waste to Energy Facility contract in 2030
- Retirement of Mora landfill gas generator in 2032
- All existing gas and oil plants remaining in service through the study period
- Addition of 14 MW emergency diesel engines prior to 2030
- 55 MW of conventional dual fuel generation
- 225 MW of new solar resources added in 2031
- 50 MW of new wind resources added in 2031

## Latest model run with Austin included 80% Carbon Free



# SMMPA Board Report | Capacity Resource Addition Activities

## Titan 130 Gas Turbine



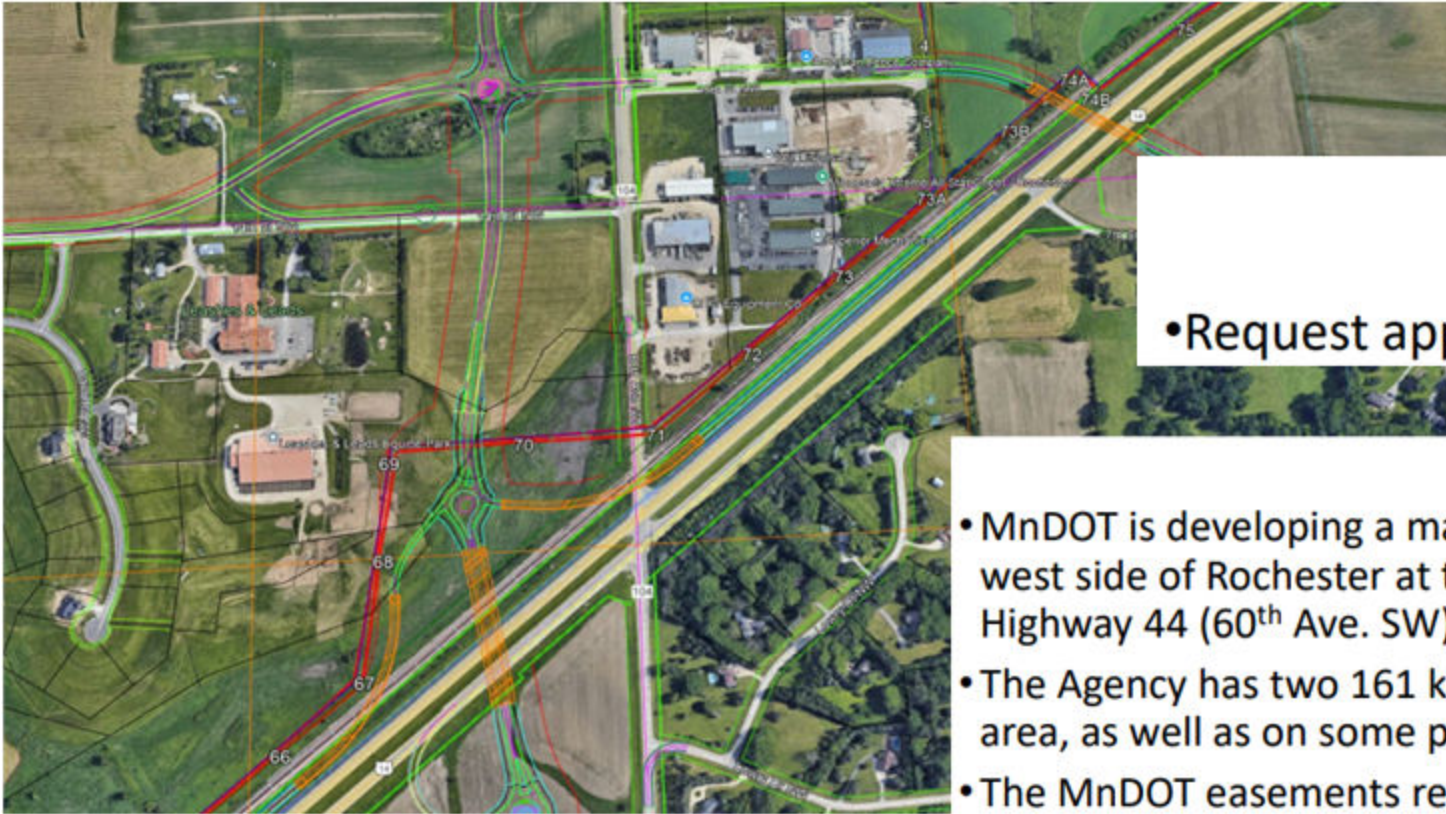
### Board Action

- Authorize funds for activities for engineering and procurement contract
- Not to exceed \$4,051,556





# SMPA Board Report | Hwy 14 & County Highway 44 (60<sup>th</sup> Ave SW)



## Board request

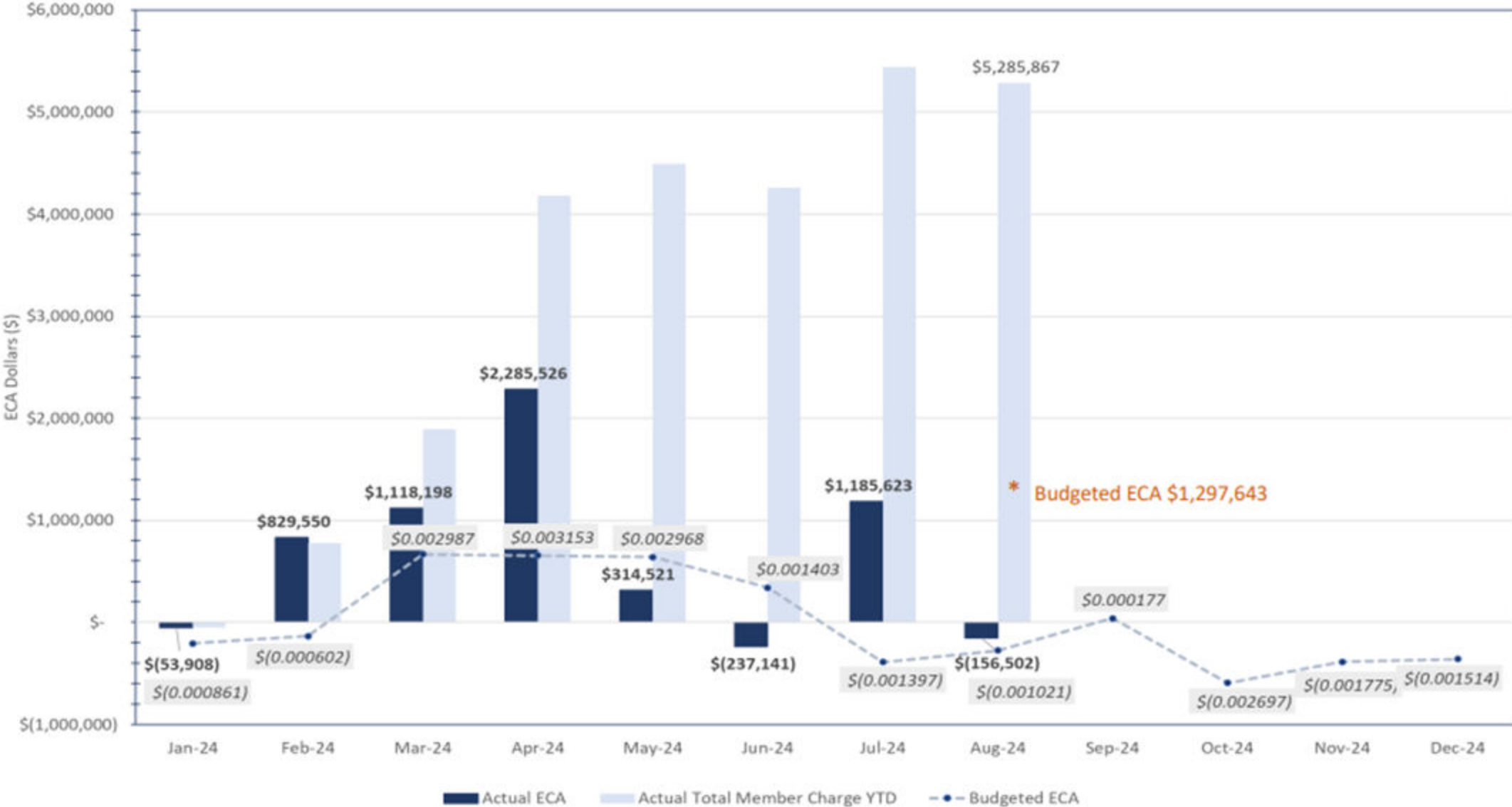
- Request approval of \$3,627,000 to complete project

## Background

- MnDOT is developing a major interchange with ramps and bridges on the west side of Rochester at the intersection of Highway 14 and County State-Aid Highway 44 (60<sup>th</sup> Ave. SW)
- The Agency has two 161 kV lines on MnDOT easements within the project area, as well as on some private easements
- The MnDOT easements require the Agency to relocate its lines at its own cost
- The State will reimburse the Agency for relocation of lines on private easements (Estimation \$300,000 - \$400,000)
- Approximately 1.2 miles of double circuit 161 kV will have to be relocated
- MnDOT has requested completion of the relocation by Fall 2025



# SMMPA Board Report | Energy Cost Adjustment (ECA)



# APPA Legal & Regulatory Conference | Report



**Detailed updates will be provided verbally in the meeting.**





# Berlin Seminar on Green Energy Policy | Purpose

The 2024 delegation goal is to meet with leading energy and climate solutions experts in 2 states and government officials in Berlin and to learn from each other. The **delegation will start in Hamburg**, then move to the large rural agricultural state of **Schleswig-Holstein--Germany's biggest wind energy producer** and the state best known for its farmers' coop ownership profile, and finally go to **Berlin for conversations with top government officials**.

Topics to be discussed include:

Public engagement for broad-based support of the energy transition, transmission and distribution grids, rural development opps led by groups of farmers, green hydrogen, private public partnerships on sustainable aviation fuels, German arrangements for sharing economic benefits of new clean energy generation with local municipalities and counties, energy efficient buildings, EV charging infrastructure, data centers, and decarbonizing heating systems (intelligent CHP plus industrial heat pumps).

- ✓ **Thom Peterson**, MN Commissioner of Ag
- ☐ **Rep. Patty Acomb**
- ☐ **Rep. Athena Hollins**
- ✓ **Rep. Larry Kraft**
- ☐ **Rep. Fue Lee**
- ✓ **Rep. Danny Nadeau**
- ✓ **Rep. Zack Stephenson**
- ✓ **Rep. Brad Tabke**
- ☐ **Sen. John Hoffman**
- ☐ **Sen. Aric Putnam**
- ☐ **Sen. Jordan Rasmusson**
- ✓ **Hwikwon Ham**, PUC Commissioner
- ✓ **TBA**, MN Dept of Commerce
- ✓ **Will Seuffert**, PUC Executive Secretary
- ✓ **Luke Gaalswyk**, President and CEO, Ever-Green Energy
- ☐ **Gary Wertish**, President, MN Farmers Union
- ✓ **Tessa Haagenson**, Director of Power Supply and Business Development, Connexus Energy
- ✓ **Tim McCollough**, General Manager, Rochester Public Utilities
- ✓ **Rock Park**, Policy Analyst, National Grid Renewables
- ✓ **Ken Smith**, President and CEO, District Energy St. Paul
- ✓ **Dr. Sabine Engel**, UMN, IONE
- ✓ **Steve Kelley**, UMN, Humphrey School of Public Affairs
- ✓ **Dr. Melissa Kenney**, UMN, IONE
- ✓ **Mike Reese**, UMN, WCROC



# Financial | External Funding Opportunities Update

TITLE	DESCRIPTION	AMOUNT	STATUS
<u>Rural and Municipal Utility Advanced Cybersecurity Grant (RMUC)</u>	Grant to extend IT security monitoring at substations.	\$236,000	Awarded
<u>Board of Water and Soil Resources (BWSR) Pollinator Pilot</u>	Board of Water and Soil Resources (BWSR) pollinator funding opportunities for utilities.	\$110,000	Awarded
<u>MN Department of Commerce Energy Benchmarking Grant</u>	Grant for municipal utilities to implement the building energy benchmarking legislation from the 2023 session.	\$321,631	Awarded
<u>Grid Resilience and Innovation Partnerships (GRIP) Program</u>	The grant would help fund “Bright Horizons”, a project to seek to deploy smart grid technologies that will help customers improve energy efficiency and reduce energy costs via a DERMS platform and load control following the installation of Advanced Metering Infrastructure of RPU. <b>Applied for the MN State Competitive Fund (SCF) Grant with the potential of being successful in the Federal Grant application.</b>	\$7,200,000 (inclusive of a 50% match requirement)	Not Successful
<u>FEMA &amp; MN Emergency Funds</u>	<b>Received notice that the estimates again fell below the Federal \$750k threshold</b>	Estimated at \$108,750	Initial estimates have been provided. Full accounting of costs is underway.
<u>MN Electric Grid Resilience Grants Program</u>	The MN EGRG Program created by the State Legislature (Minn. Law Chapter 60—H.F.No. 2310. Article 12. Sec. 72.), is designed for eligible electric utilities to increase their electric grid resiliency by preparing for, adapting to, or minimizing the consequences of extreme weather or malicious physical or cyber-attacks. A total of \$5,300,000 is available; the maximum award to eligible entities is \$250,000. There is no match required for the funds.	Up to \$250,000	Developing Application. Due November 19, 2024
<u>Inflation Reduction Act (IRA) Direct Pay Tax Credits</u>	Direct pay tax incentives now available to tax-exempt entities through up front investment tax credits or through production tax credits on renewable and other projects (batteries)	\$90,000,000	Exploring opportunities with the Power Supply Resource Plan



# What's Ahead

Wed, Nov 6 – Thu, Nov 7	Q4 MRO Committee & Board Meetings	McCollough	St Paul, MN
Thu, Nov 7 – Fri, Nov 8	SMMPA Annual Board Retreat	McCollough	Prior Lake, MN
Wed, Nov 13	SMMPA Board Meeting	McCollough	Blooming Prairie, MN
Fri, Nov 15 – Sun, Nov 24	Berlin Seminar on Green Energy Policy	McCollough	Berlin, Germany
<b>Tue, Nov 26</b>	<b>RPU Board Meeting</b>	<b>Board – All, GM</b>	<b>RPU</b>
Mon, Dec 2	RPU Board Member Appointment	McCollough	City Hall
Wed, Dec 11	SMMPA Board Meeting	McCollough	Fairmont, MN
<b>Tue, Dec 17</b>	<b>**RPU Board Meeting**</b>	<b>Board – All, GM</b>	<b>RPU</b>
Wed, Jan 8	SMMPA Board Meeting	McCollough	Rochester, MN
Sun, Jan 12 – Tue, Jan 14	APPA Joint Action Conference	McCollough	Scottsdale, AZ
<b>Tue, Jan 21</b>	<b>**RPU Board Meeting**</b>	<b>Board – All, McCollough</b>	<b>RPU</b>
Tue, Jan 28 – Wed, Jan 29	MMUA Legislative Conference	Board – TBD, McCollough	St Paul, MN
Wed, Feb 12	SMMPA Board Meeting	McCollough	Lake City, MN
<b>Tue, Feb 18</b>	<b>**RPU Board Meeting**</b>	<b>Board – All, McCollough</b>	<b>RPU</b>
Mon, Feb 24 – Thu, Feb 27	APPA Legislative Rally	Board – TBD, McCollough	Washington, DC





# QUESTIONS



# Major Projects Update October 2024

**VISION** | We will set the standard for service.

**MISSION** | We provide the highest quality services and products for our customers. With our experience and resources, we enrich people's lives, help businesses prosper, and promote the community's welfare.

# MAJOR PROJECTS UPDATE

UPDATED      %  
BUDGET      %  
COMPLETE

On-Track	<a href="#">Marion Road Substation &amp; Associated Projects</a>	Jul 30, 2024	90	75
On-Track	<a href="#">Advanced Metering Infrastructure (AMI) Project</a>	Jul 30, 2024	86	0
On-Track	<a href="#">Lake Zumbro Hydroelectric Dam Generator Controls Upgrade</a>	Mar 27, 2024	20	25
New → On-Track	<a href="#">Booster Pump #95</a>	Oct 29, 2024	26	30
Planning	<a href="#">Grid North Partners (GNP) MISO Tranche 1 – LRTP 4</a>	May 21, 2024		
On-Track	<a href="#">GIS Utility Network Conversion</a>	Jun 25, 2024	38	50
On-Track	<a href="#">BSWR Pollinator Utility Transmission Easement Pilot</a>	Jul 30, 2024	0	0
Planning	<a href="#">MN Energy Benchmarking</a>	Aug 27, 2024	31	0
On-Track	Power Supply Resource Plan	Sep 24, 2024	88	65
	Customer Portal Replacement Project	Nov 2024		
	Bold. Forward. Unbound.	Dec 2024		



# Marion Road Substation & Associated Projects



Duct Bank Under Construction



## Project Overview

### PROJECT SUMMARY:

This project has three major segments (Substation, Transmission, and Conduit Systems). All three segments have experienced challenges partially due to supply and labor shortages following COVID19. The Substation and Transmission are nearing completion with all major equipment on site and installed. The conduit system is approximately 2 miles long and the last segment has encountered a work stoppage due to a Cultural Heritage Site.

### ACCOMPLISHMENTS:

- ✓ Substation is substantially complete and tested. It is tentatively scheduled to be energized the last week of July or first week of August 2024
- ✓ Duct banks are under the RR and 9<sup>th</sup> Street SE construction is nearing completion
- ✓ Duct bank from Marion Sub to HWY 14E is nearing completion
- ✓ MnDOT permit issued for HWY 14E crossing

# PROJECT DASHBOARD

## PROJECT STATUS



## PROJECT MANAGER

Steven Cook & Neil Stiller

## EXECUTIVE SPONSOR

Scott Nickels

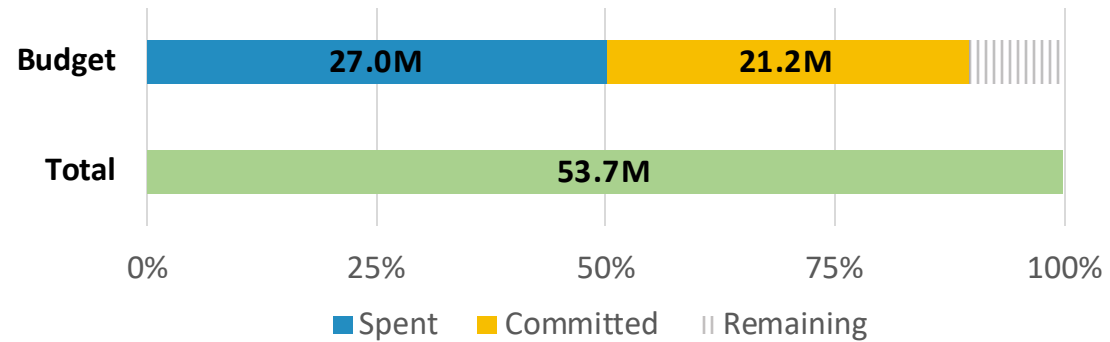
## DATE

Jul 30, 2024

## SCHEDULE

Project Start Date	2018
Baseline Finish Date	January 2025
Estimated Finish Date	June 2026

## FINANCIALS



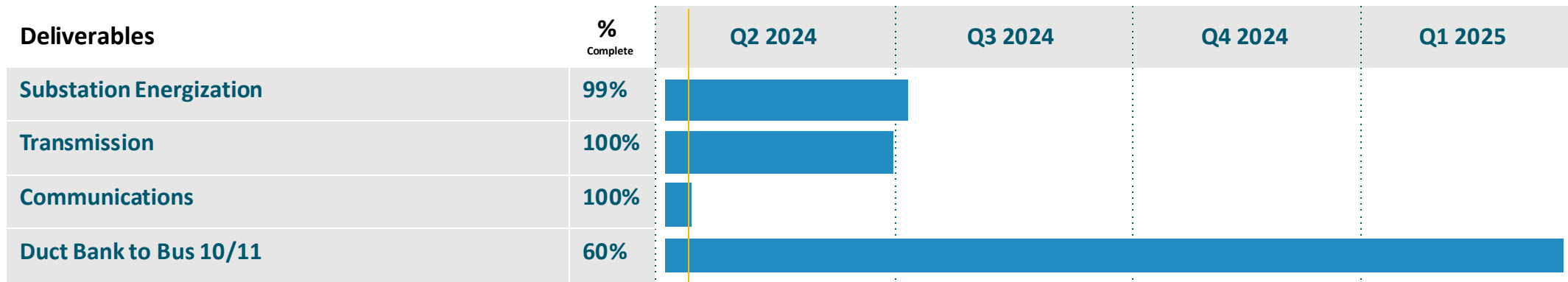
## % BUDGET

90%

## % COMPLETE

75%

## EXECUTION TIMELINE



## KEY RISKS & ISSUES

No.	Description	Severity	Impact	Status
D1	Cultural Heritage Site	Med	Budget/Schedule	Open
D2	Soldiers Field Construction Coordination	Min	Budget/Schedule	Open

## UPCOMING MAJOR MILESTONES

**July 2024** Energization of Substation

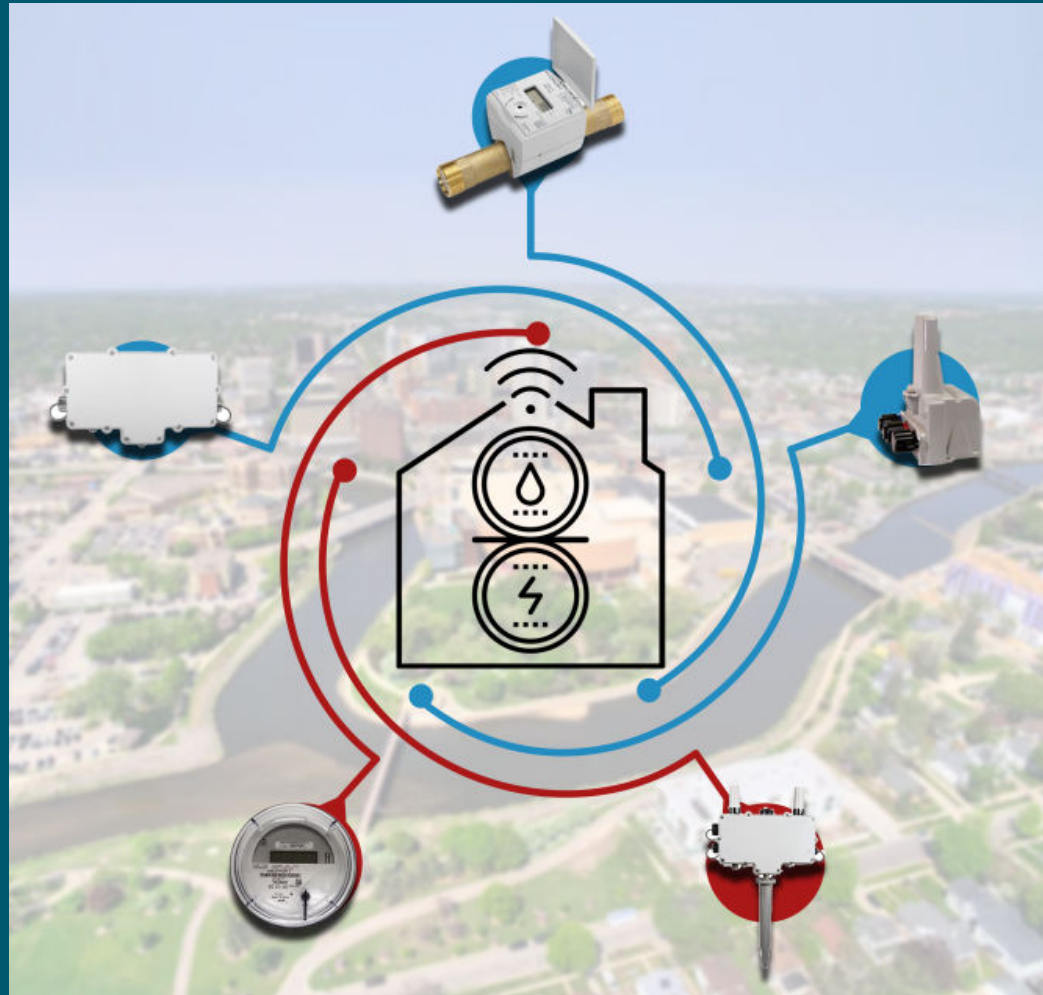
**Aug 2024** Energizing two feeders out of Substation to serve SE Rochester load

## PROJECT STATUS DESCRIPTION

The last phase of the duct bank project is under construction and while there are still risks associated with the Cultural Heritage site they appear to be manageable without a reroute at this time. There is \$5.5M of remaining budget to cover contingencies.



# Advanced Metering Infrastructure Project



## Project Overview

### PROJECT SUMMARY:

The project involves three main parts - Advanced Metering Infrastructure (AMI), Meter Data Management (MDM), and the joint effort of RPU personnel and the Meter Installation Vendor (MIV) to replace 60,000 electric and 40,000 water endpoints. The replacement will take place over a period of three years, starting in the fall of 2025.

### ACCOMPLISHMENTS:

- ✓ RFPs have been completed for AMI, MDM, and MIV.
- ✓ Product demonstrations have been held.
- ✓ A preferred best in breed solution has been selected.
- ✓ Multiple contract negotiations are nearing completion.
- ✓ A project timeline has been established.

# PROJECT DASHBOARD

## PROJECT STATUS



### PROJECT TITLE

Advanced Metering Infrastructure Project

### PROJECT MANAGER

Util-Assist

### EXECUTIVE SPONSOR

Scott Nickels

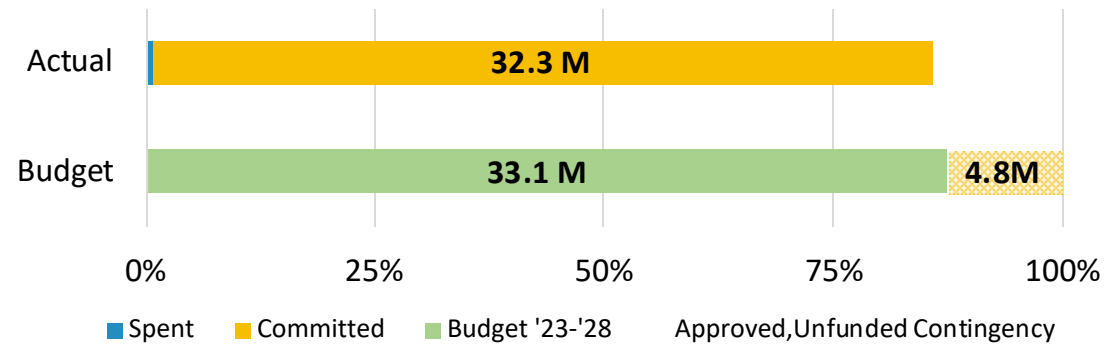
### DATE

Jul 30, 2024

## SCHEDULE

Project Start Date	October 2023
Baseline Finish Date	December 2028
Estimated Finish Date	December 2028

## FINANCIALS



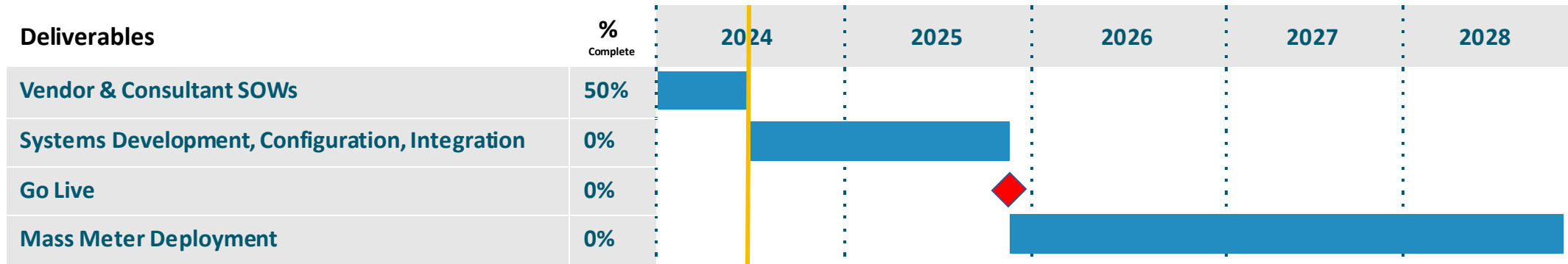
## % BUDGET

86.1 %

## % COMPLETE

0 %

## EXECUTION TIMELINE



## KEY RISKS & ISSUES

No.	Description	Severity	Impact	Status
1	Meter Delivery	High	Schedule/Budget	Open
2	System Integrations	High	Schedule/Budget	Open
3	Water Meter Deployment - Residence Entrance	Medium	Schedule/Budget	Open

## UPCOMING MAJOR MILESTONES

**August 2024** SOWs Completed

**July 2024** Pre-Education System Integration Workshops

**August 2024** Kickoff Project Workshops

## PROJECT STATUS DESCRIPTION

In June, the team successfully concluded contract negotiations with Itron, resulting in the execution of the AMI contract. The System Integration (SI) contract was also executed in June and the team has scheduled various pre-education workshops with RPU project resources throughout the month of July. In parallel, we are actively engaged in ongoing negotiation sessions with the MDM vendor, aiming to finalize the contract by the end of July. The MIV contract is nearing completion and is also expected to be finalized by the end of July. Additionally, the RPU team has scheduled review sessions this month to advance the finalization of the CIS contract, with an anticipated completion date extending into August.

# Lake Zumbro Hydroelectric Dam Generator Controls Upgrade



## Project Overview

### PROJECT SUMMARY:

The project involves four main parts – New PLC based generator and plant controls, a new fully static excitation system, mechanical governor replacement, and updated generator protection. The installation and commissioning of the project is scheduled for the fall of 2024.

### ACCOMPLISHMENTS:

- ✓ A contract has been issued for the design and engineering of the project With L & S Electric.
- ✓ 16 Request For Information (RFI's) and two site visits have been completed.
- ✓ Approval of conceptual design drawings has been completed.



# PROJECT DASHBOARD

## PROJECT STATUS



## PROJECT TITLE

Lake Zumbro Hydroelectric Dam Generator Controls Upgrade

## PROJECT MANAGER

Matt Mueller

## EXECUTIVE SPONSOR

Tony Dzubay

## DATE

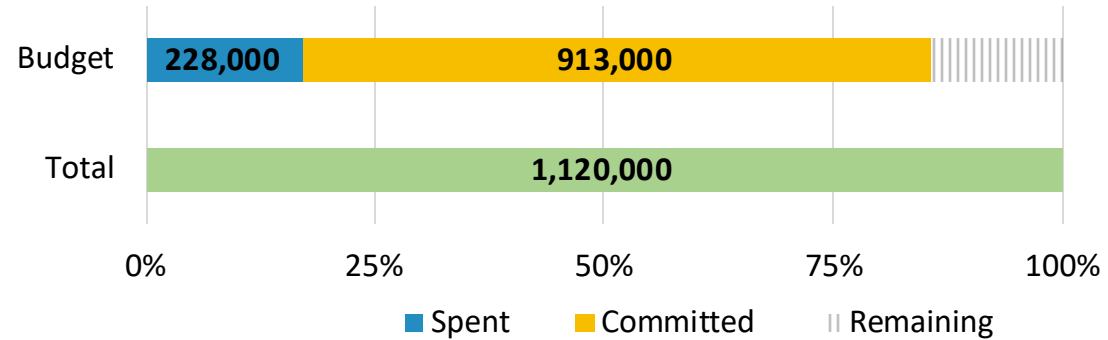
Mar 27, 2024



## SCHEDULE

Project Start Date	October 2023
Baseline Finish Date	November 2024
Estimated Finish Date	December 2024

## FINANCIALS



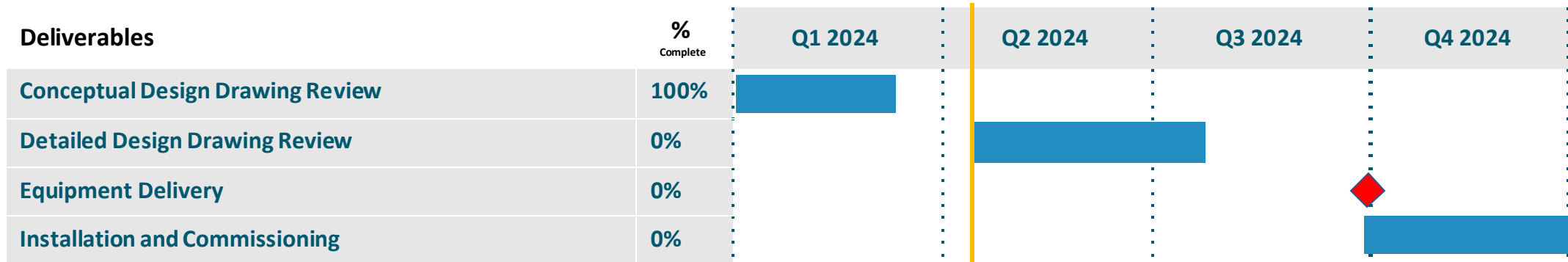
## % BUDGET

20 %

## % COMPLETE

25 %

## EXECUTION TIMELINE



## KEY RISKS & ISSUES

No.	Description	Severity	Impact	Status
1	SCADA Equipment/Integration	High	Scope/Budget	Open
2	Equipment Delivery	High	Schedule/Budget	Open
3	Fall Weather	Medium	Schedule	Open

## UPCOMING MAJOR MILESTONES

- May 2024** Detailed Design Drawing Review
- October 2024** Equipment delivery and installation

## PROJECT STATUS DESCRIPTION

Currently on schedule and on budget

# #95 Booster Project



## Project Overview

### PROJECT SUMMARY:

The project adds an additional supply to the Willow Heights High Level pressure zone. The proposed booster station provides redundancy to the #31 Boosters in the event of a failure at that site. The booster station is located at the site of our #95 Willow Reservoir and will be constructed on top of the existing valve vault.

### Projects goals:

Provide a redundant feed to the Willow Heights High Level Pressure Zone.

### ACCOMPLISHMENTS:

- ✓ Design and Permitting Complete
- ✓ Water Main Installed and Tested
- ✓ Contract Awarded

# PROJECT DASHBOARD

## PROJECT STATUS



### PROJECT TITLE

#95 Booster Project

### PROJECT MANAGER

Luke Payne

### EXECUTIVE SPONSOR

Scott Nickels

### DATE

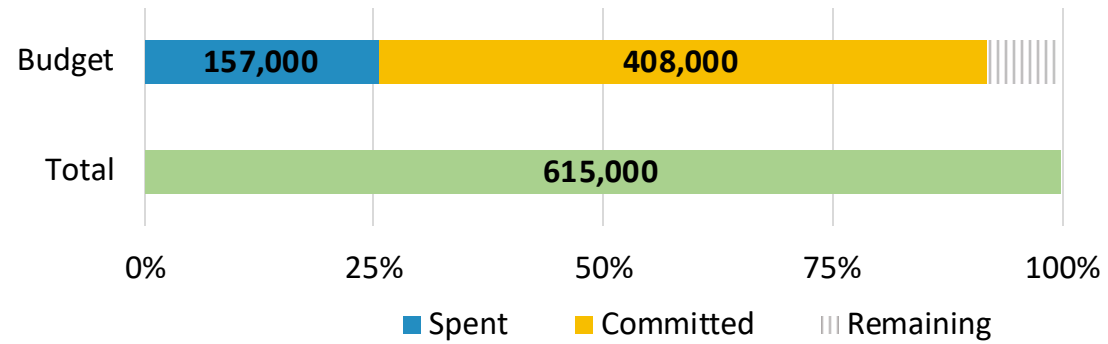
10/29/24



## SCHEDULE

Project Start Date	April 2022
Baseline Finish Date	May 2025
Estimated Finish Date	May 2025

## FINANCIALS



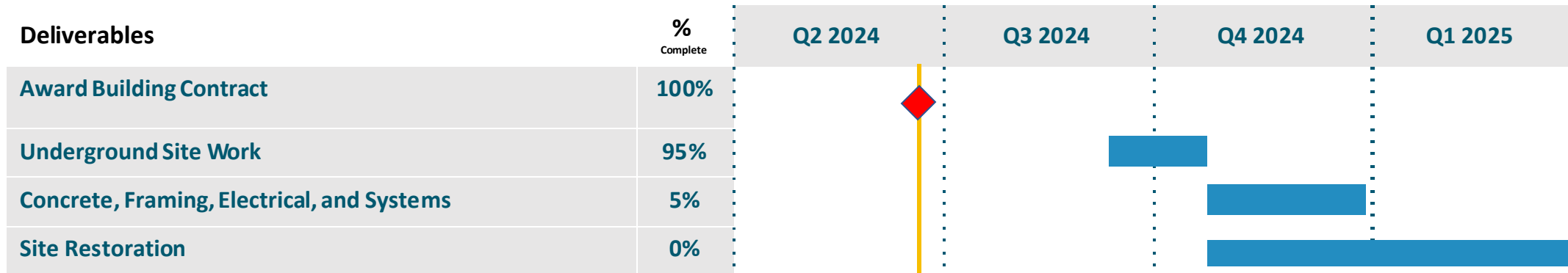
## % BUDGET

26%

## % COMPLETE

30%

## EXECUTION TIMELINE



## KEY RISKS & ISSUES

No.	Description	Severity	Impact	Status
1	Electrical Equipment Lead Time	Medium	Schedule	Open
2	Construction Delays (Weather)	Medium	Schedule/Budget	Open
3	Performance of New Contractor	Medium	Schedule	Open

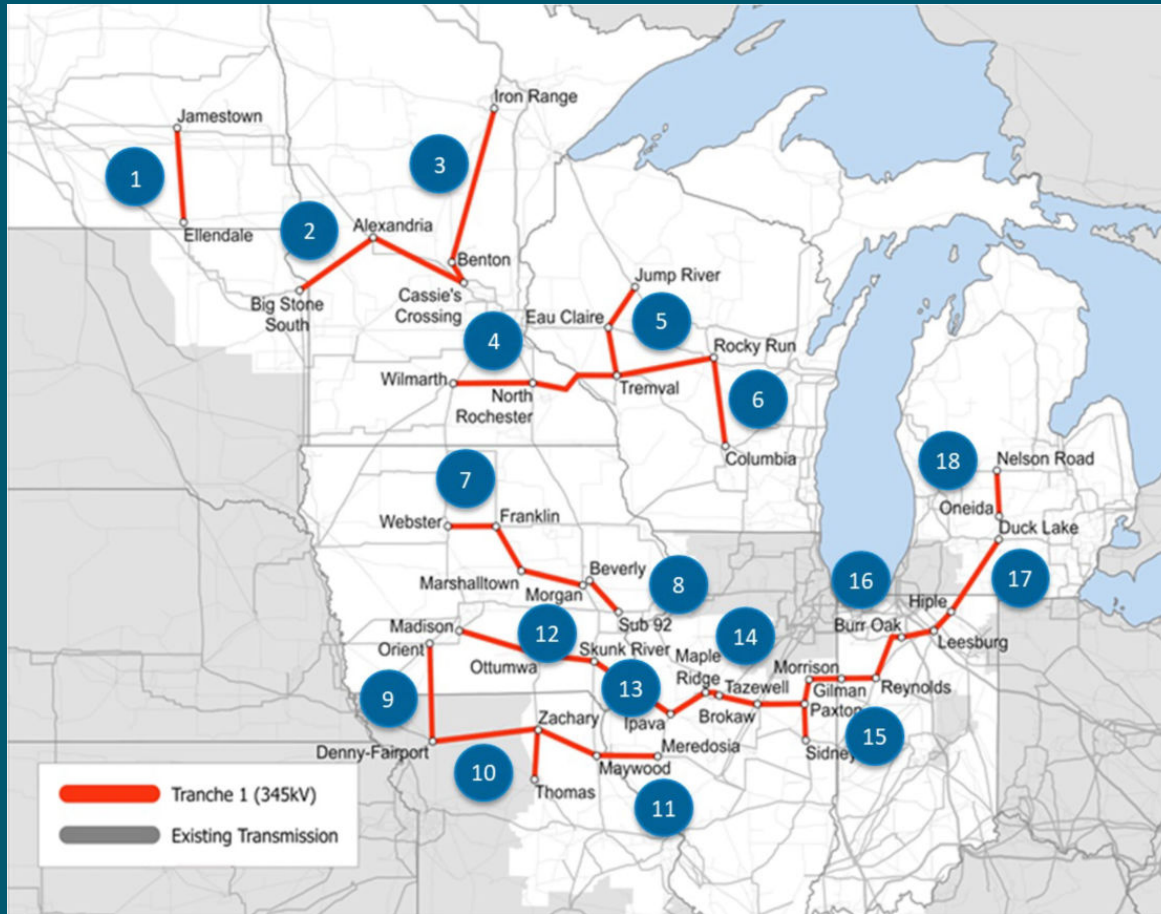
## UPCOMING MAJOR MILESTONES

- October 2024** – Complete Concrete and Framing
- December 2024** – Project Substantially Complete
- Spring 2025** – Final Site Restoration

## PROJECT STATUS DESCRIPTION

Building should be dried-in and secure in the next two weeks. Project scheduled to be substantially complete by the end of 2024, with site restoration to be completed in the spring.

# Grid North Partners (GNP) MISO Tranche 1 – LRTP 4



Description: MISO Tranche 1 map. RPU will be participating in the #4 (LRTP 4) project.



## Project Overview

### PROJECT SUMMARY:

RPU will be partnering with Xcel Energy, SMMPA, and Dairyland Power Cooperative in the construction and ownership of a portion of Line #4 (LRTP 4) on the map. The companies are working at finalizing preliminary agreements that will describe investment levels, ownership, and other items. This will then lead into formal agreements that each utility will execute. RPU anticipates that its investment in this project will be near \$30M, but this amount has not been finalized yet.

### ACCOMPLISHMENTS:

- ✓ RPU expressed interest in partnering in the LRTP 4 project with the other GNP utilities.
- ✓ Meetings have been held that have laid much groundwork for RPU's participation level.
- ✓ An MOU amongst the parties is being finalized
- ✓ Preliminary discussion have been had to begin laying the foundation for the official project agreements.



# GIS Utility Network Implementation



## Project Overview

### PROJECT SUMMARY:

This project is a data conversion project migrating the water and electric GIS data to a new data model. The previous data model is 20+ years old and isn't compatible with the latest generation of GIS applications. Successful completion of this project will ensure RPU's GIS remains relevant and extend capabilities as new GIS applications are released in the future.

### ACCOMPLISHMENTS:

- ✓ UDC completed a data readiness study in 2022 identifying potential errors/gaps in the data conversion for both water and electric utilities
- ✓ UDC assisted the GIS Team with the conversion of water utility GIS data January – May of 2024

# PROJECT DASHBOARD

## PROJECT STATUS



### PROJECT TITLE

GIS Utility Network Implementation

### PROJECT MANAGER

Ryan Moore

### EXECUTIVE SPONSOR

Scott Nickels

### DATE

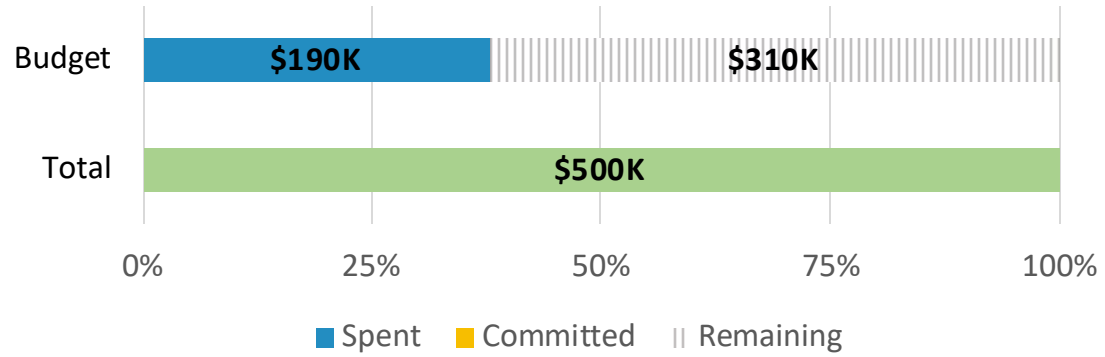
6/25/24



## SCHEDULE

Project Start Date	December 2023
Baseline Finish Date	December 2025
Estimated Finish Date	December 2025

## FINANCIALS



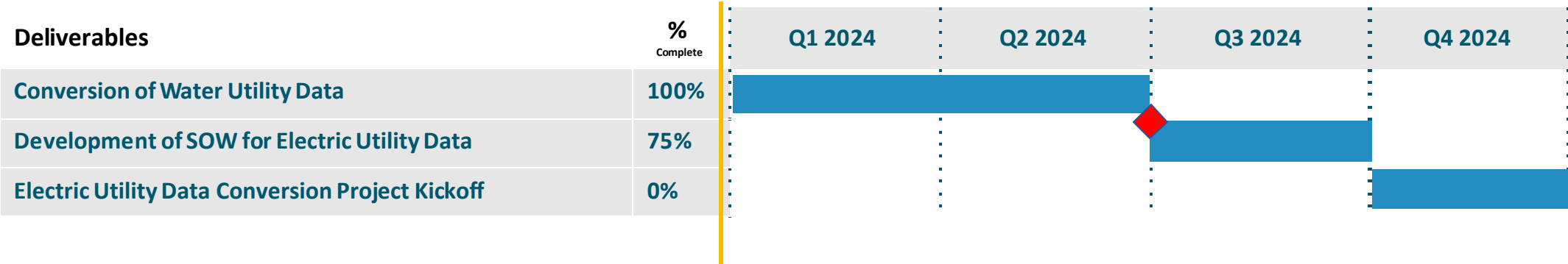
## % BUDGET

38 %

## % COMPLETE

50 %

## EXECUTION TIMELINE



## KEY RISKS & ISSUES

No.	Description	Severity	Impact	Status
1	Consultant Resource Availability	High	Project Start Date	Open
2	Deliverables not to expectation	High	Schedule/Budget	Open
3	Missed items in SOW	Medium	Schedule/Budget	Open

## UPCOMING MAJOR MILESTONES

**October 2024 Electric Data SOW** completed with UDC

**December 2024/ January 2025** Project Kickoff

## PROJECT STATUS DESCRIPTION

Currently on schedule and on budget

# BWSR Pollinator Pilot Project Partnership



## Project Overview

### PROJECT SUMMARY:

RPU is partnering with the State of Minnesota's Board of Water and Soil Resources (BWSR) department to implement two habitat-friendly pollinator corridors in Rochester. This three-year pilot project is all about transforming two transmission corridors into long standing pollinating habitats that incorporate native vegetation that supports pollinating insects, mitigates erosion and sedimentation, and ensures the integrity and resiliency of Rochester's landscapes while protecting habitat and water resources.

The two transmission sites are located behind the Withers Sports Complex and Bear Creek / Marion Rd.

### ACCOMPLISHMENTS:

- ✓ Mowing was completed in August.
- ✓ Spraying of both ROWs was completed in September.
- ✓ Soil prep treatment (tilling, discing) deemed unnecessary given the use of a native seed drill.
- ✓ Seeding scheduled for early November.

# PROJECT DASHBOARD

## PROJECT STATUS



### PROJECT TITLE

Pollinator Project

### PROJECT MANAGER

Board of Water and Soil Resources (BWSR)

### EXECUTIVE SPONSOR

Patty Hanson

### DATE

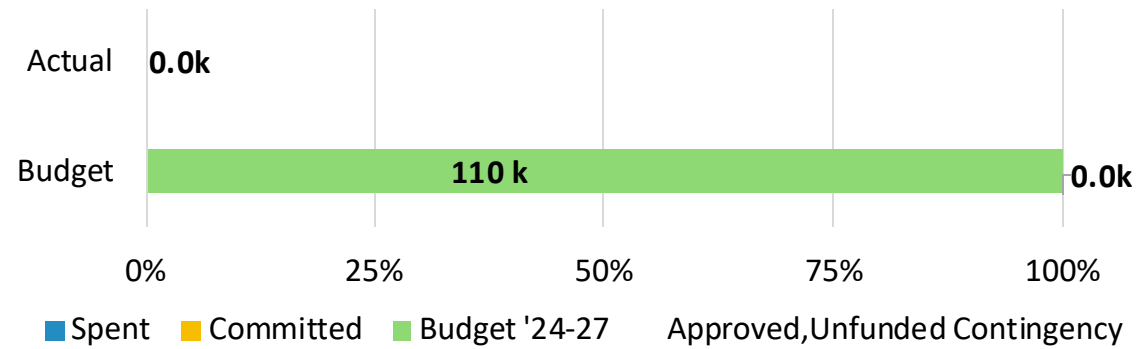
July 30, 2024



## SCHEDULE

Project Start Date	June 21, 2024
Baseline Finish Date	June 30, 2027
Estimated Finish Date	June 30, 2027

## FINANCIALS



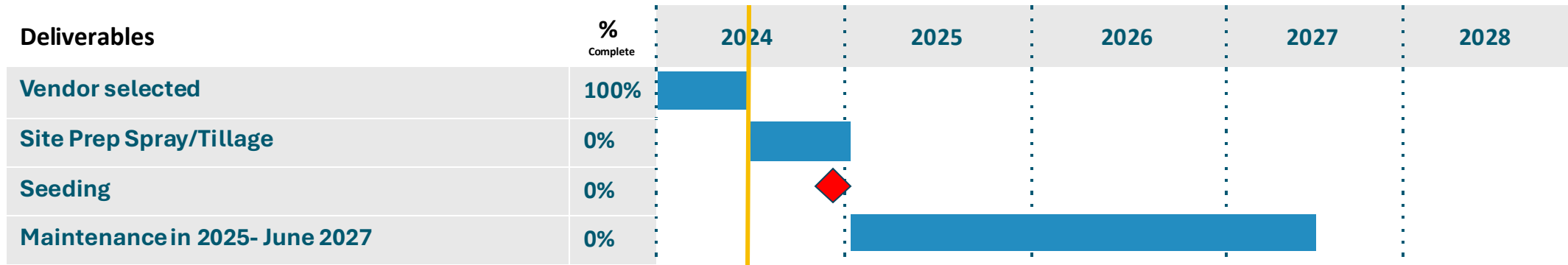
## % BUDGET

0 %

## % COMPLETE

0 %

## EXECUTION TIMELINE



## KEY RISKS & ISSUES

No.	Description	Severity	Impact	Status
1	Weather	Medium	Schedule	Open

## UPCOMING MAJOR MILESTONES

**August - October 2024** Sites are prepped and ready for seeding

**November 2024** Seeding is completed

## PROJECT STATUS DESCRIPTION

Site prep work started in August 2024 which includes mowing and spraying.



# MN Energy Benchmarking



## Benchmarking Energy Use Data



## Project Overview

### PROJECT SUMMARY:

MN Statute 216C.331 requires commercial customers of 50,000 square feet and greater to upload their energy data into the EnergyStar Portfolio Manager.

Projects goals are two-fold: 1) implement a software tool, MyMeter and 2) hire an Energy and Environmental Advisor to help set up the program and assist customers.

Project launch is scheduled for March 1, 2025

### ACCOMPLISHMENTS:

- ✓ Project kickoff took place in late September.
- ✓ Limited Term Energy & Environmental Advisor position posted.
- ✓ The start of requirements gathering has begun.

# PROJECT DASHBOARD

## PROJECT STATUS



### PROJECT TITLE

Energy Benchmarking

### PROJECT MANAGER

Patty Hanson

### EXECUTIVE SPONSOR

Patty Hanson

### DATE

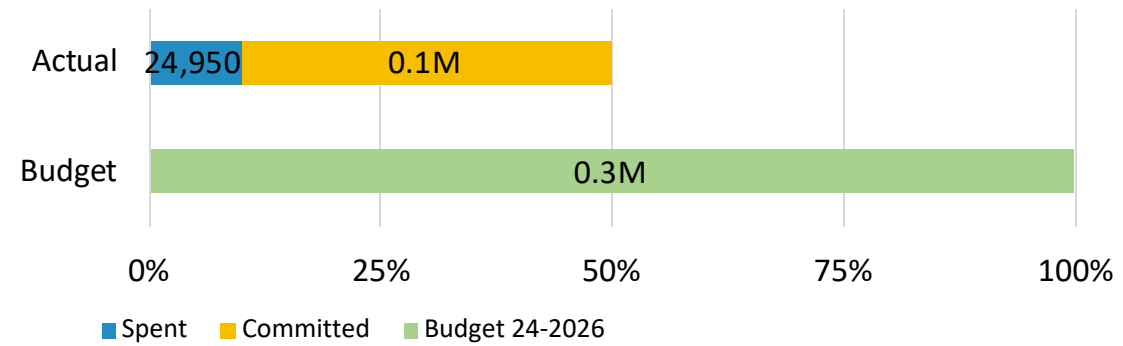
August 2, 2024



## SCHEDULE

Project Start Date	August 2024
Baseline Finish Date	January 2025
Estimated Finish Date	March 2025

## FINANCIALS



## % BUDGET

31 %

## % COMPLETE

0 %

## EXECUTION TIMELINE

Deliverables	% Complete	2024	2025	2026	2027	2028
Hiring of Limited Term FTE	0%					
Systems Development, Configuration, Integration	0%					
RPU Staff Training / Approval of Program	0%					
Go-Live	0%					

## KEY RISKS & ISSUES

No.	Description	Severity	Impact	Status
1	Hiring a limited term FTE	Medium	Schedule/Budget	Open
2	System Integrations	High	Schedule/Budget	Open
3	Deployment	High	Schedule/Budget	Open

## UPCOMING MAJOR MILESTONES

- October 2024** Requirements Completed
- November 2024** Limited Term Position in Place
- March 2025** Project completed

## PROJECT STATUS DESCRIPTION

State grant funding was awarded in the amount of \$321, 631 to cover the costs of implementing the MyMeter software, a benchmarking solution, and to hire a limited term FTE to help stand up the program.

# RPU Power Resource Plan



## Project Overview

### PROJECT SUMMARY:

Latest resource plan initiated in 2022

### Projects goals:

Develop a resource plan to replace SMMPA contract in 2030.

Meet environmental goals 80% net carbon reduction by 2030.

Final phase of planning before implementation to be completed early in 2025.

### ACCOMPLISHMENTS:

- ✓ Developed least cost scenario
- ✓ Identified energy resources and capacity resources to fulfill needs
- ✓ Submitted interconnection application to MISO.

# PROJECT DASHBOARD

## PROJECT STATUS



## PROJECT TITLE

Power Supply Resource Plan

## PROJECT MANAGER

Tony Dzubay

## EXECUTIVE SPONSOR

Bill Bullock

## DATE

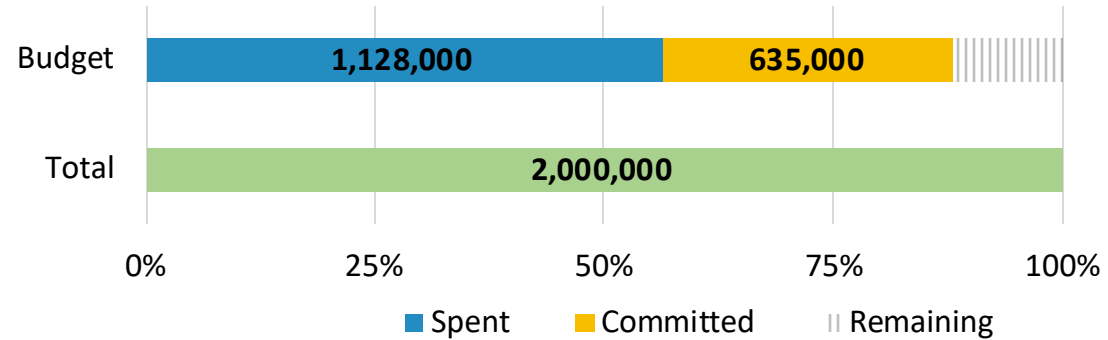
Sep 17, 2024



## SCHEDULE

Project Start Date	March 2022
Baseline Finish Date	December 2024
Estimated Finish Date	April 2025

## FINANCIALS



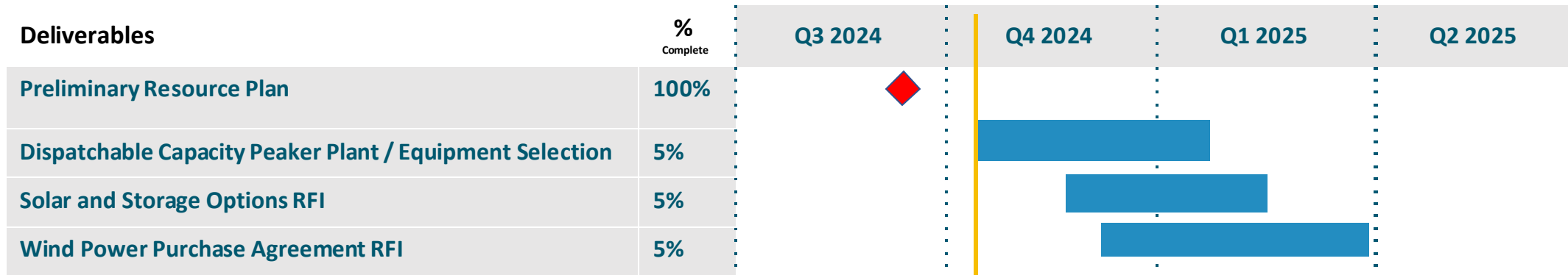
## % BUDGET

88 %

## % COMPLETE

65%

## EXECUTION TIMELINE



## KEY RISKS & ISSUES

No.	Description	Severity	Impact	Status
1	Supply Chain Issues	High	Schedule/Budget	Open
2	Equipment Inflation	High	Schedule/Resource Mix	Open
3	Competition for Resources	Medium	Budget/Resource Mix	Open

## UPCOMING MAJOR MILESTONES

- Sep 24** Kickoff RFI Phase
- Oct 24** RFI for prime mover
- Nov 24** RFI for Solar & Storage
- Dec 24** RFI for Wind
- Mar 25** Summary Report

## PROJECT STATUS DESCRIPTION

Currently on schedule and on budget



## REQUEST FOR ACTION

Division Reports and Metrics - October 2024

**MEETING DATE:**  
October 29, 2024

**ORIGINATING DEPT:**  
Rochester Public Utilities

**AGENDA SECTION:**  
Division Reports & Metrics

**PRESENTER:**  
Tim McCollough

### **Action Requested:**

Review the reports from each of RPU's divisions: Safety, Power Delivery, Power Resources, Customer Relations, and Corporate Services.

### **Report Narrative:**

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

### **Prepared By:**

Erin Henry-Loftus

### **Attachments:**

[Division Report October 2024](#)



OCTOBER 2024

# DIVISION REPORTS AND METRICS

SAFETY  
POWER DELIVERY  
POWER RESOURCES  
CUSTOMER RELATIONS  
CORPORATE SERVICES

# SAFETY

## SAFETY:

TRAINING	Total Required Enrollments	Completions as of 7/31/2024	Percent Complete
September	544	542	99.6 %
Calendar Year to 9/30/2024	4857	4855	99.9 %

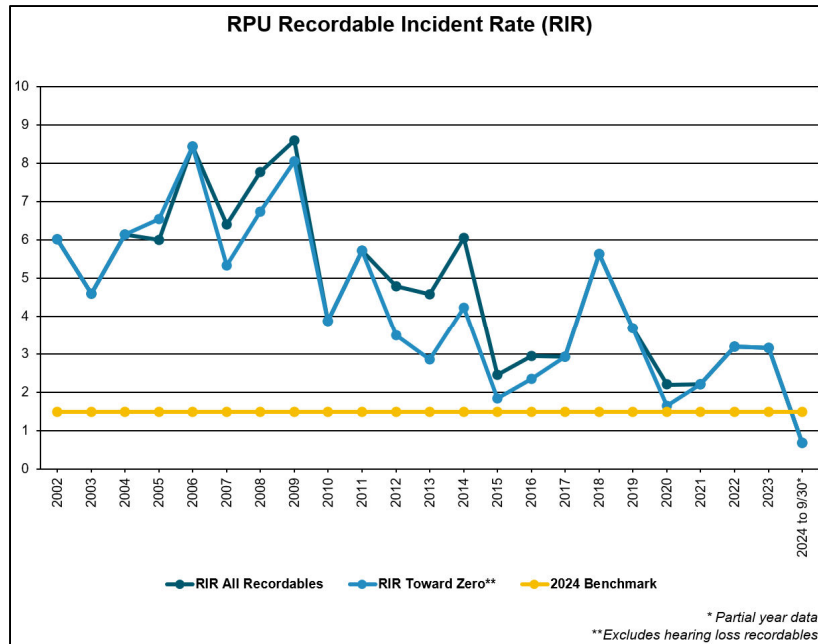
SAFETY TEAMS	Total Members	Members Attending	Percent Attending
September 2024	20	16	80.0 %
Calendar Year to 9/30/2024	232	185	79.3 %

INCIDENTS	Reports Submitted	OSHA Cases <sup>1</sup>	RPU RIR <sup>2</sup>	BLS RIR <sup>3</sup>
September 2024	1	0	--	--
Calendar Year to 9/30/2024	11	1	0.68	1.5

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



23 of RPU's 24 departments are recordable injury free in 2024.  
 217 of RPU's 218 teammates are recordable injury free in 2024.



**SAFETY**

2024 OSHA RECORDABLE CASE DETAIL

Work Area	Incident Date	Description	Primary Reason it's a Recordable	Corrective Action
T&D	2/22/2024	Hit thumb (R) with a hammer.	Lost Workdays	Discussed situational awareness.

**SAFETY INITIATIVES:**

1. Completed annual Service Center evacuation drill.
2. Completed radio frequency monitoring device hands on training.
3. Provided required training to new water department staff.



**POWER DELIVERY**

**ELECTRIC UTILITY:**

**1. Electric Outage Calculations for the month and year to date (September 2024 Data)**

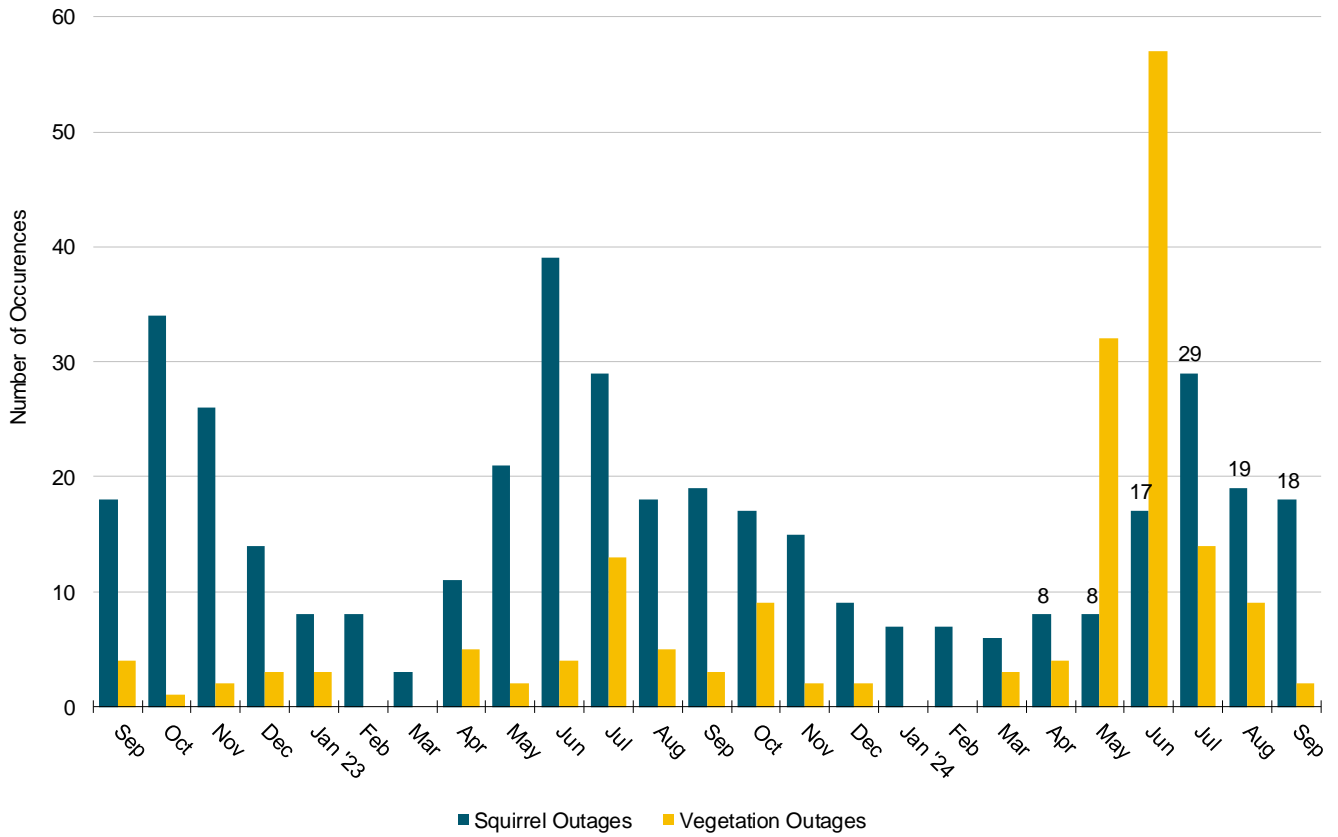
- |  |   |
|--|---|
| a. Reliability= 99.99279%              | Year-to-date Reliability = 99.99127%                |
| b. 3,948 Customers Affected by Outages | Year-to-date Customers Affected by Outages = 34,789 |
| c. SAIDI= 3.11 min                     | Year-to-date SAIDI = 34.64 min                      |
| d. CAIDI= 45.85 min                    | Year-to-date CAIDI = 55.15 min                      |

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

- The Smartworks statements of work (SOW) and master service agreements (MSA) were finalized and executed for the AMI project. The team continues to finalize the SOWs, MSAs, and professional service agreements (PSAs) for Cayenta, and Anixter (Meter deployment).
- The AMI Team held a discovery workshop kick-off meeting with the project teams from all solution vendors, contractors, and consultants. The workshops will begin in November.
- System Operations participated in the semi-annual power system restoration (PSR) drill with all MISO North Transmission Operators. The goal of the drill is to test individual Transmission Operator’s power system restoration plans, as directed and coordinated by MISO, to recover MISO North from a complete blackout condition.
- RPU sent 4 lineworkers and 2 mechanics, along with a bucket truck and digger, to Kissimmee Utility Authority (KUA) in Florida for Hurricane Milton restoration. In total, 14 Minnesota municipal utilities responded to the mutual aid request, sending 23 Trucks, 46 lineworkers, and 2 mechanics to assist KUA.

**POWER DELIVERY**

**Number of Outages  
by Select Cause Code**



**POWER DELIVERY**

Summary of individual electrical outages (greater than 200 customers – September 2024 data)

# Customers	Date	Duration	Cause
1,168	9/6/2024	29m	Animals - Squirrel
279	9/9/2024	6h 7m	Lightning
228	9/21/2024	2h 46m	Vegetation

Summary of aggregated incident types (greater than 200 customers – September 2024 data)

# Customers	Total # of Incidents	Cause
1,387	18	Animals - Squirrel
279	1	Lightning
270	9	Planned Outage
268	2	Vegetation

## POWER DELIVERY

### WATER UTILITY:

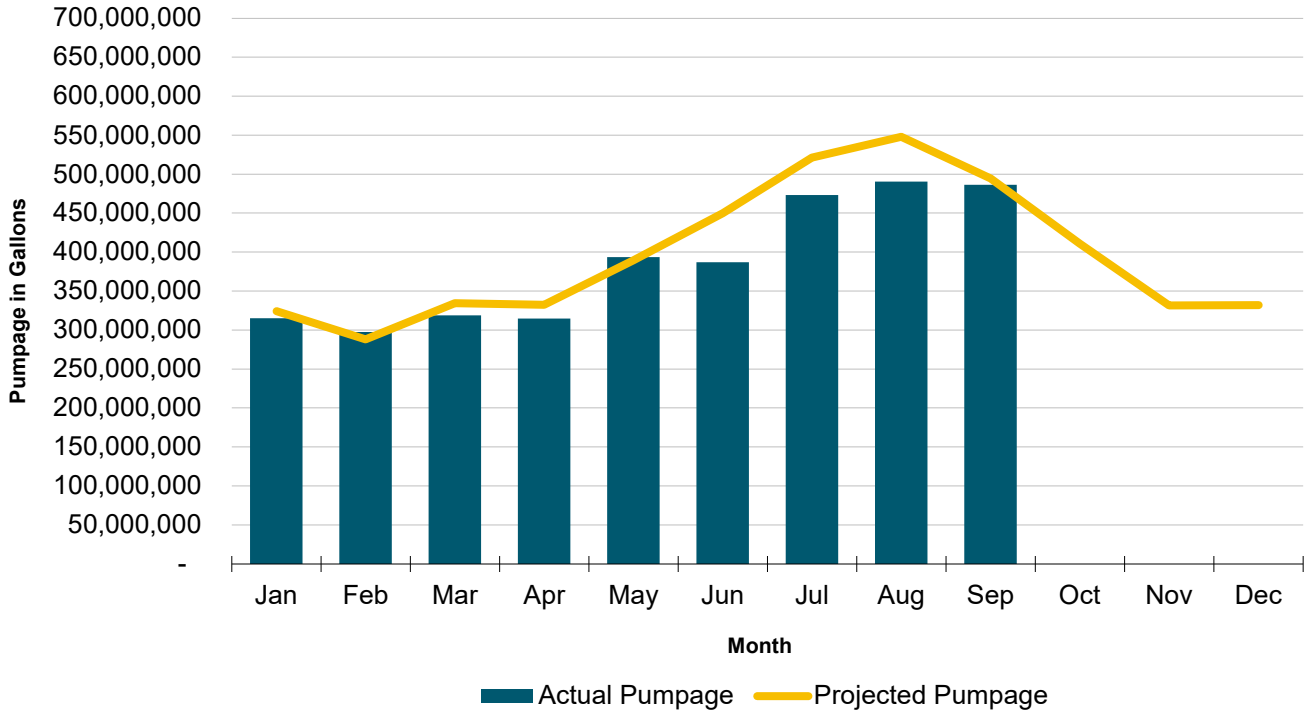
1. Water Outage Calculations for the month and year to date( September 2024 Data)
  - a. Reliability= 99.9993247 %                      Year-to-date Reliability = 99.995769 %
  - b. 75 Customers Affected by Outages              Year-to-date Customers Affected by Outages = 1,048
  - c. 204.8 Customer Outage Hours                      Year-to-date Customer Outage Hours = 2,565.5
  - d. SAIDI= 0.3 min                                      Year-to-date SAIDI = 3.7 min
  - e. CAIDI= 163.8 min                                      Year-to-date CAIDI = 146.9 min
  
- Performed 2,205 Gopher State water utility locates during the month for a total of 11,427 for the year.
  
- There are currently 93 Water ERTs that were unable to be read in the system. We are experiencing approximately 21 new non-reads per week. The stockroom has the following products available:

500W ERTS:	252 available, 2,000 on order
Ultrasonic meters, 5/8" x 1/2":	754 available, 480 on order
Ultrasonic meters, 5/8" x 3/4":	211 available, 1,264 on order
  
- Repaired water distribution system failures or maintenance at the following locations during the month:
  - None

**POWER DELIVERY**

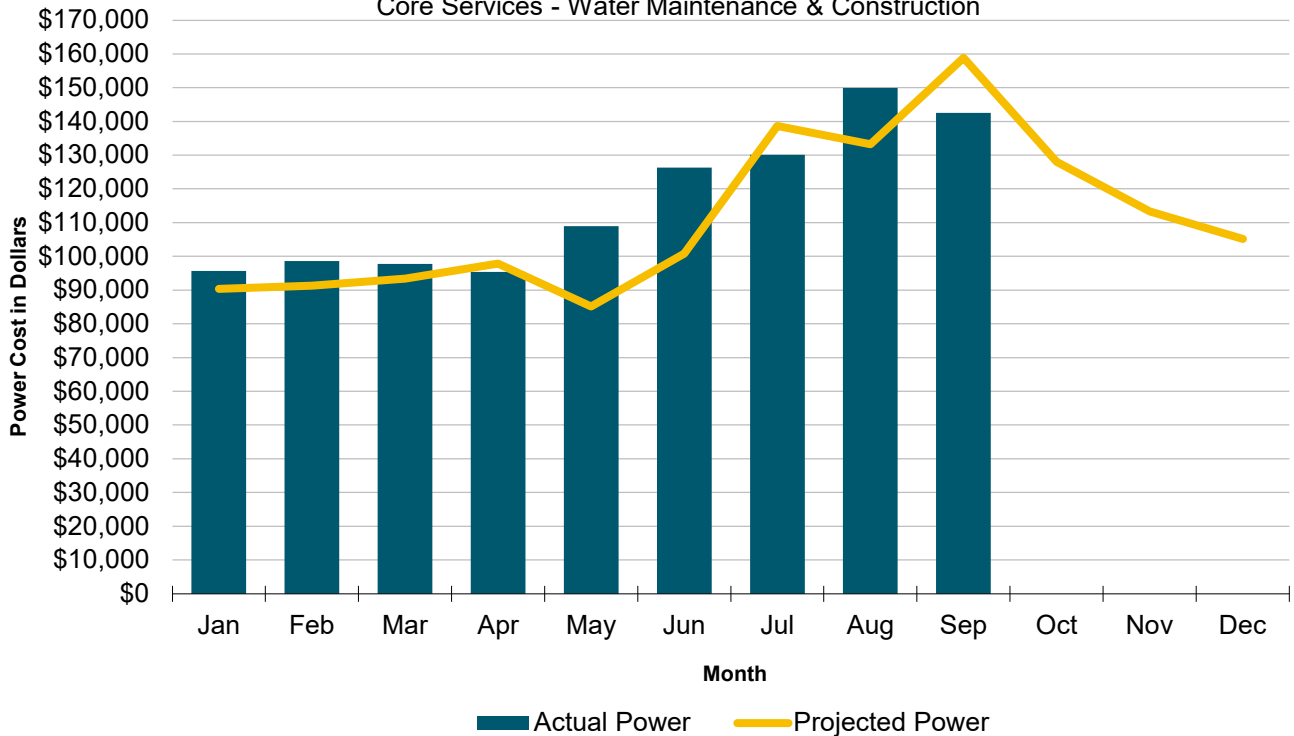
**Actual vs. Projected Pumpage: 2024**

Core Services - Water Maintenance & Construction



**Actual vs. Projected Power Cost for Wells: 2024**

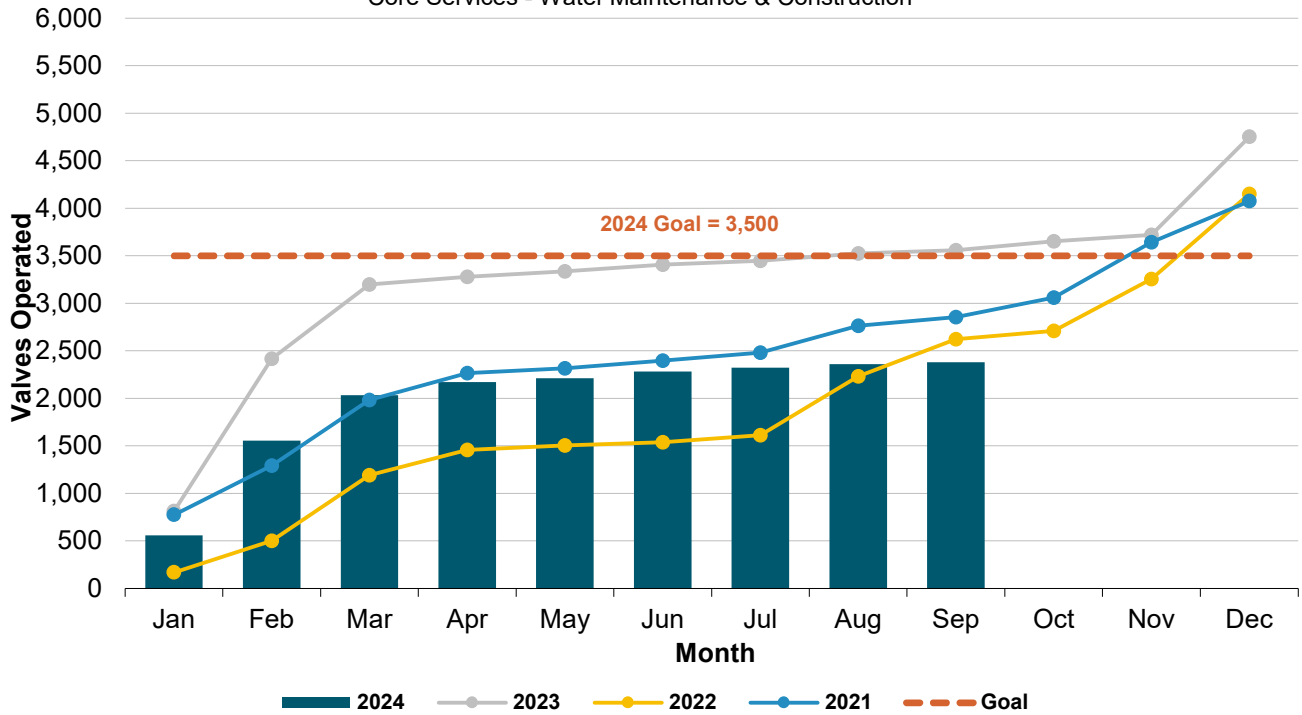
Core Services - Water Maintenance & Construction



**POWER DELIVERY**

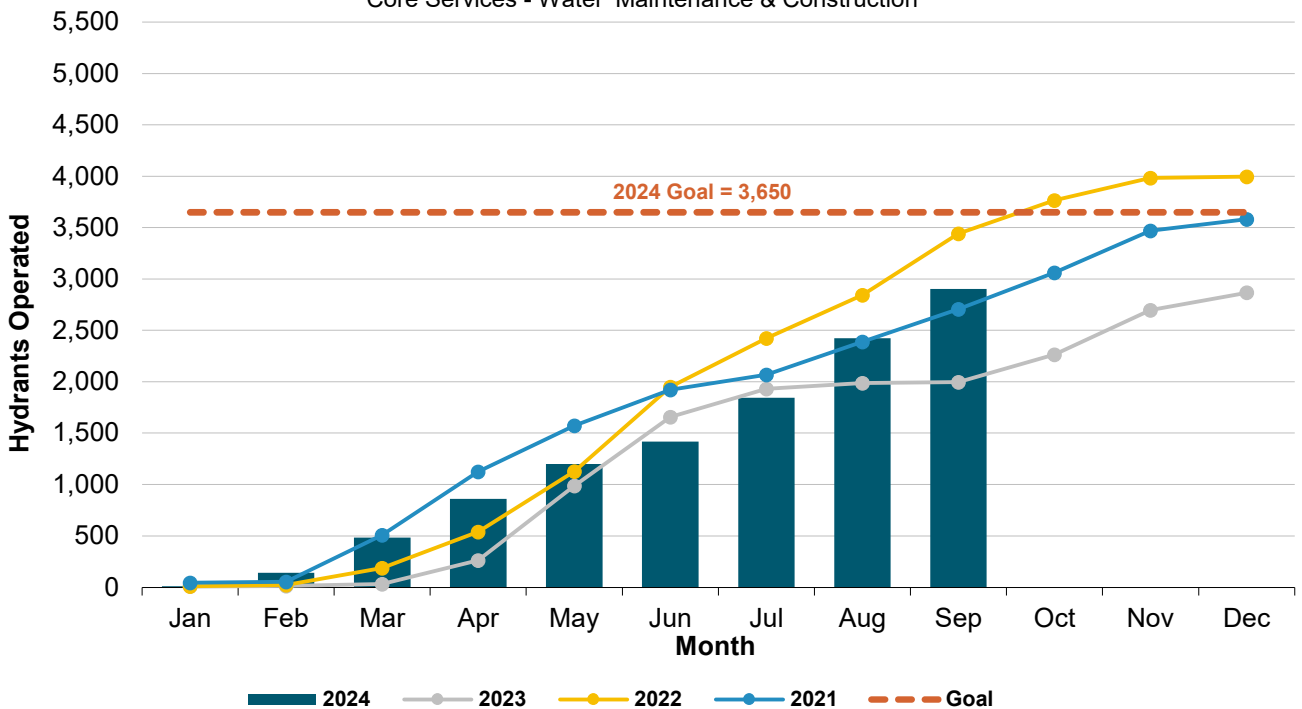
**2024 Valve Operations Program**

Core Services - Water Maintenance & Construction



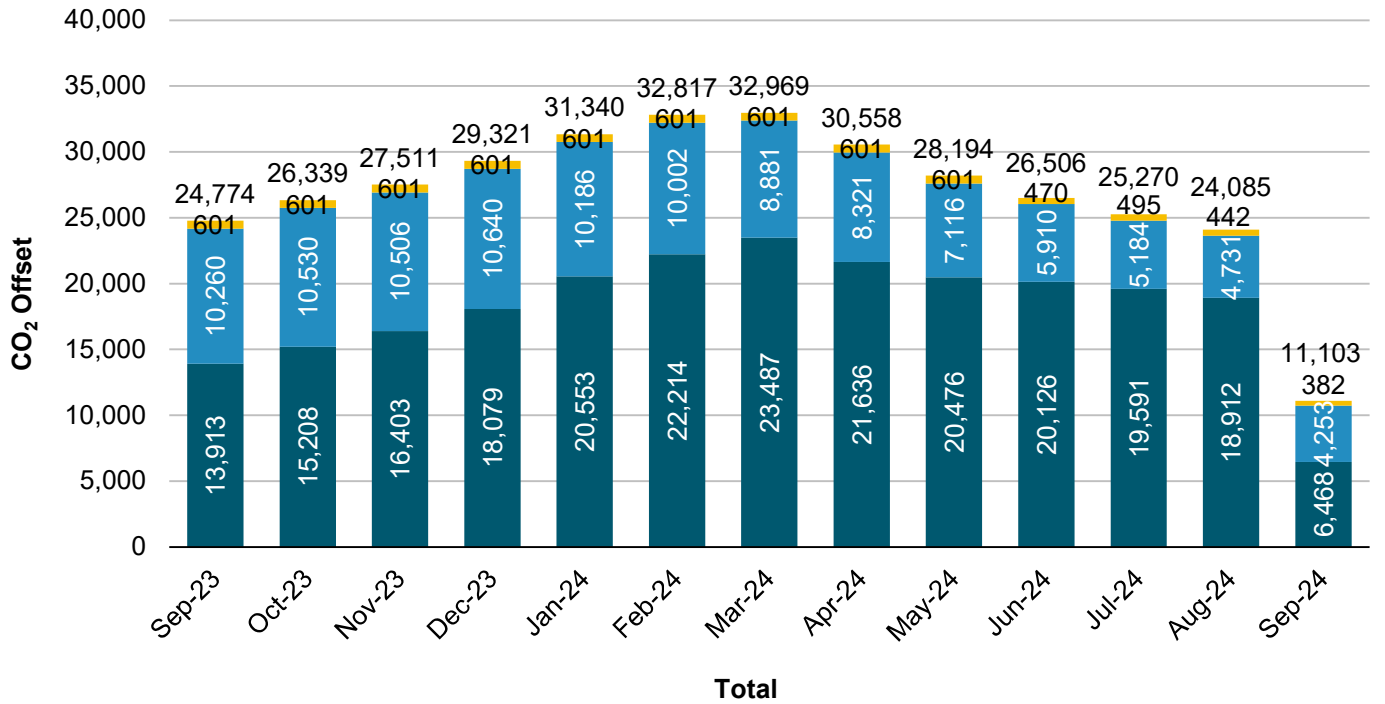
**2024 Hydrant Operations Program**

Core Services - Water Maintenance & Construction



**POWER RESOURCES**

**RPU Environmental Stewardship Metric  
Tons CO<sub>2</sub> Saved  
12 Month Rolling Sum**



## POWER RESOURCES

### WHOLESALE OPERATIONS:

1. INSERT

a. Ancillary Service Market – Supplemental Reserves

- i. Cleared DA
  - 1. GT2 – 30 days
  - 2. WES – 30 days
- ii. Deployment YTD
  - 1. GT2 – 0
  - 2. WES – 0

b. Dispatched by MISO

i. GT1	– 4 times	YTD	26 times
ii. GT2	– 20 times	YTD	96 times
iii. WES	– 25 times	YTD	148 times

c. Hours of Operation

i. GT1	– 10 hours	YTD	144 hours
ii. GT2	– 106 hours	YTD	634 hours
iii. WES	– 147 hours	YTD	1001 hours

d. Electricity Generated

i. GT1	– 220 MWh	YTD	3110 MWh
ii. GT2	– 3131 MWh	YTD	20904 MWh
iii. WES	– 4446 MWh	YTD	31485 MWh

e. Forced Outage

i. GT1	– 0 hours	YTD	390 hours
ii. GT2	– 0 hours	YTD	5 hours
iii. WES	– 0 hours	YTD	49 hours

2. MISO market Real-Time Price averaged \$26.27/MWh and Day Ahead Price averaged \$24.48/MWh.



**STAKEHOLDER ENGAGEMENT, FORUMS, AND MEETINGS:**

1. Utility Programs and Services attended an online meeting hosted by the Minnesota Department of Commerce (MN DOC) on two proposed state rebate programs, Home Efficiency Rebates (HOMES) and Home Electrification and Appliance Rebate (HEAR). The HOMES Program approach is for whole-house energy savings with all income level eligibility. The HEAR Program approach is for a point-of-sale rebate for specific electrification and appliances for low-or moderate-income households only. These two programs are scheduled to be launched in spring 2025. Currently, the MN DOC is working with utilities on gathering proposed program feedback.

**EVENTS/OPPORTUNITIES FOR CUSTOMERS:**

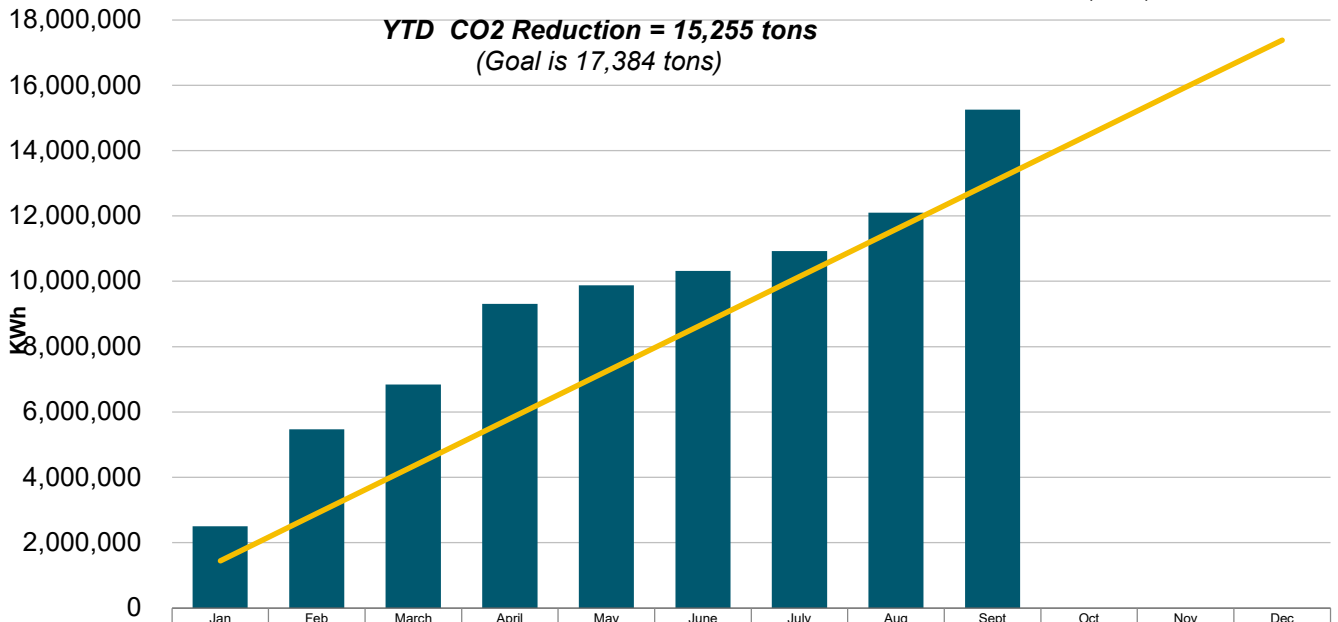
1. Utility Programs and Services participated in the National Drive Electric Week with two events, the Rochester Chevrolet Electric Vehicle Event on October 2 and Electric Vehicles at the Farmers Market on September 28.
2. Utility Programs and Services hosted a class titled “Solar Energy for Your Home or Business” through Community Education on Saturday, October 12. There were 13 people in attendance.
3. 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, 1,060 customers were called.

**COMMUNICATIONS:**

1. RPU participated in the Snow Summit hosted by Rochester Public Works on Saturday, October 4 at the Public Works and Transition Operations Center. RPU Water Operations were on hand to discuss water service preparation and work zone safety in the winter.
2. Public Power Week 2024 ran October 6-12. We created a TV and radio spot that ran on local stations, and is located on our YouTube channel, RPU TV, as well. For the month of October, we are also giving away free RPU Halloween goody bags to kids that come into our lobby.
3. On Monday, October 7, we worked with Neil Stiller and his staff on the sendoff of mutual aid. A news release was sent out and we received some great media coverage of the event.

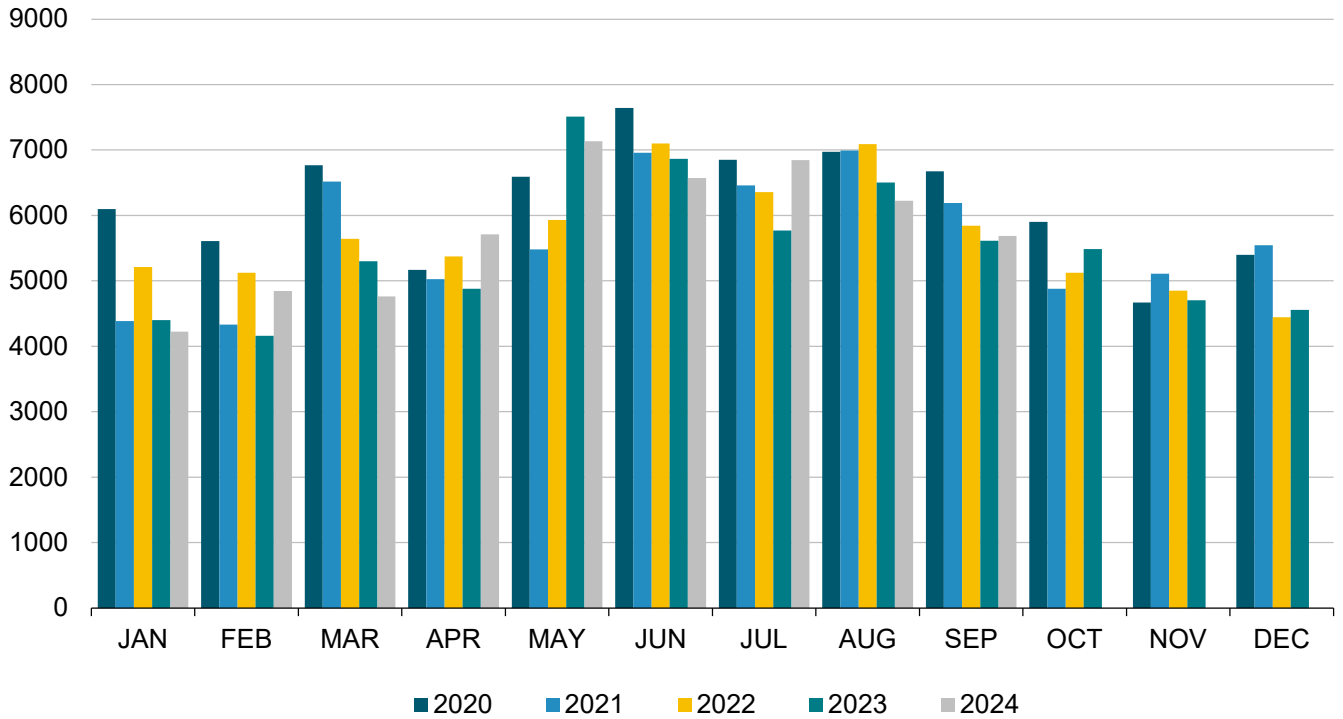
### RPU'S 2024 CUMULATIVE kWh SAVINGS As of September 30, 2024

1.5% Goal = 17,383,939 kWh



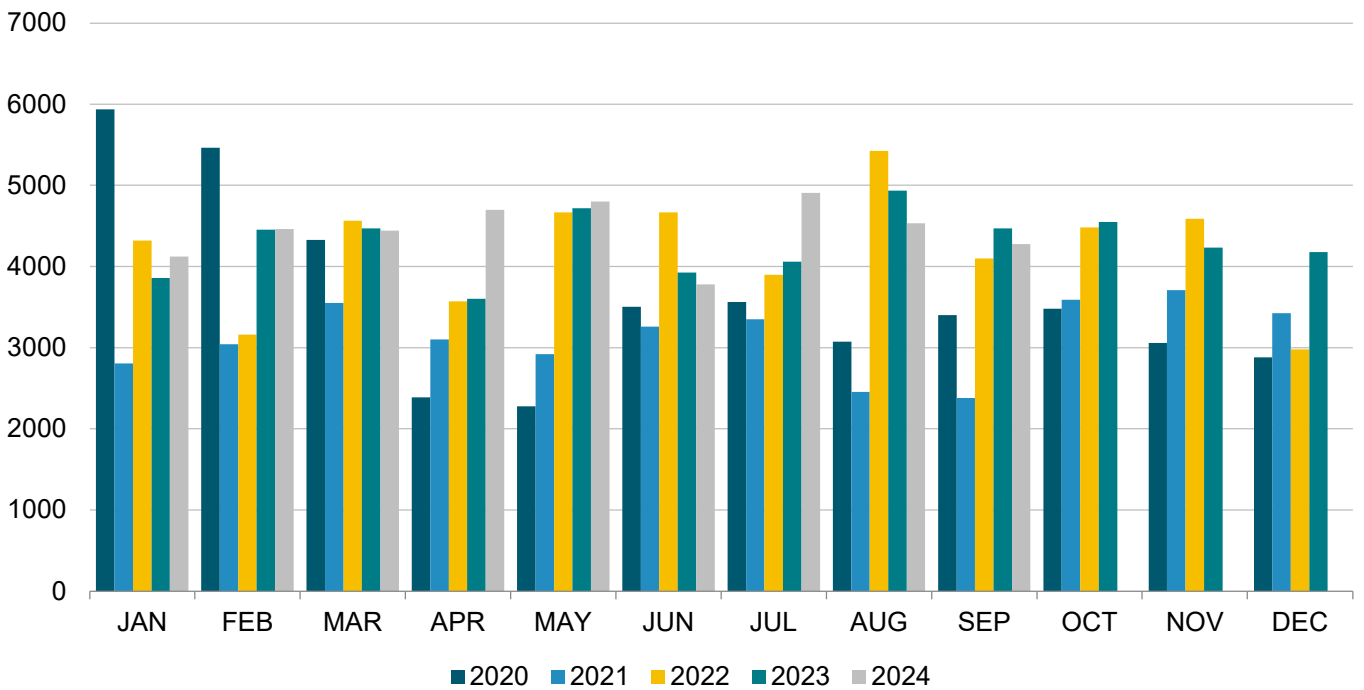
	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec
YTD Actual kWh Savings	2,504,552	5,470,521	6,837,187	9,310,820	9,872,021	10,320,934	10,923,200	12,100,801	15,255,277			
% to Goal	14.4%	31.5%	39.3%	53.6%	56.8%	59.4%	62.8%	69.6%	87.8%	0.0%	0.0%	0.0%
1.5 percent	1,448,662	2,897,323	4,345,985	5,794,646	7,243,308	8,691,970	10,140,631	11,589,293	13,037,954	14,486,616	15,935,277	17,383,939

### Number of Calls Handled



• Total Number of Calls - 5,687

### Total Transactions Processed by Customer Care



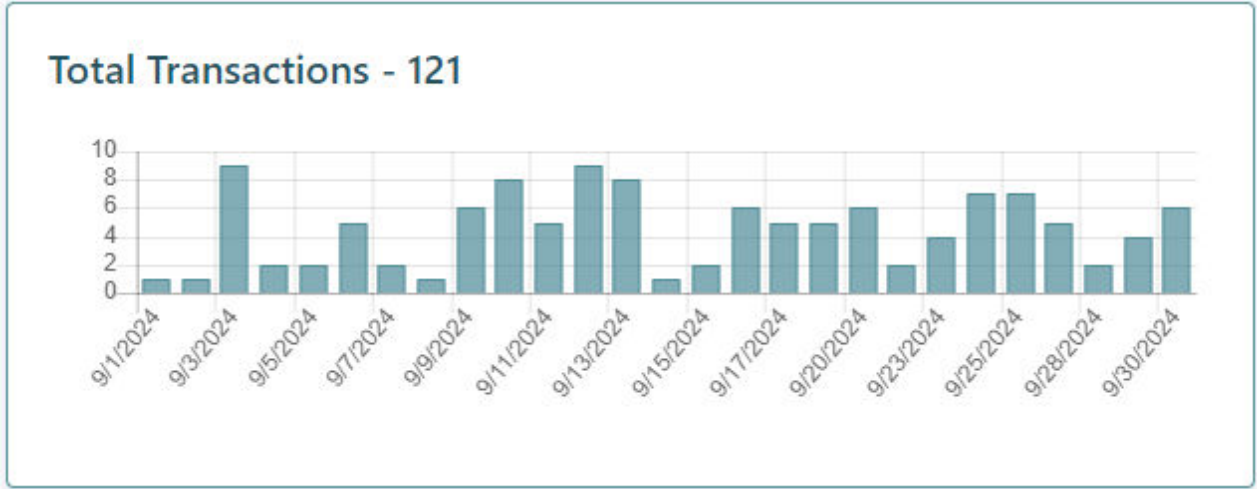
• Total Number of Transactions Processed by Representatives -

4,275

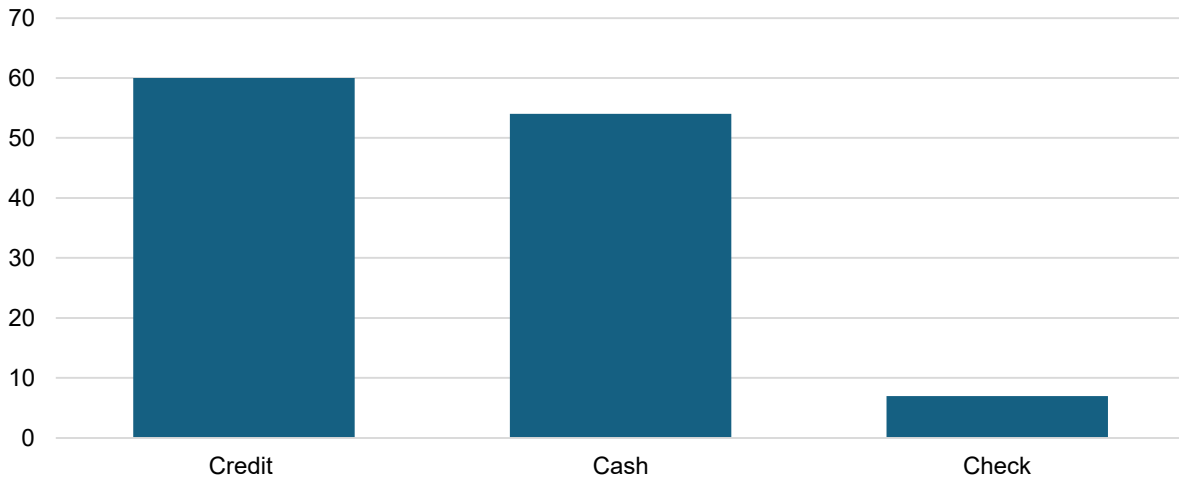
• Total Number in Dollars Processed by Representatives -

\$1,941,576.00

### Kiosk Payments

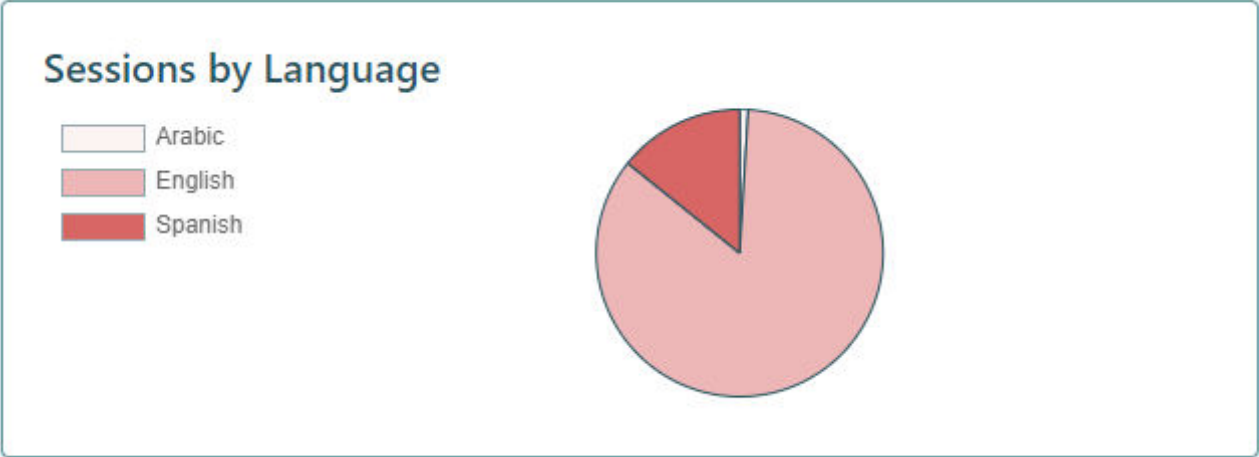


### Kiosk Payments by Revenue Source



- Total Number of Transactions - 121
- Total Number of Transactions by Payment Method:
  - Cash - 54
  - Check - 7
  - Credit Card - 60

**CUSTOMER RELATIONS** (Contact Center, Utility Programs & Services, Commercial & Residential)

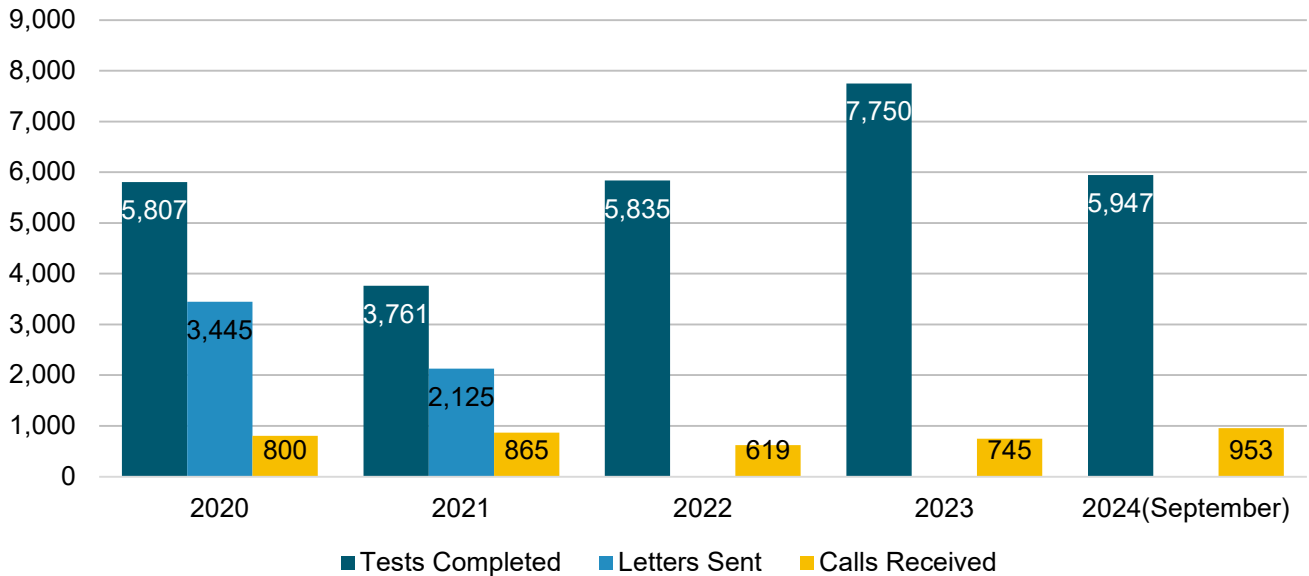


**CORPORATE SERVICES**

**BUSINESS SERVICES:**

- Coordinated onboarding of one full-time employee and the offboarding of the seasonal and temporary employees.

**Backflow Program  
Residential and Commercial**

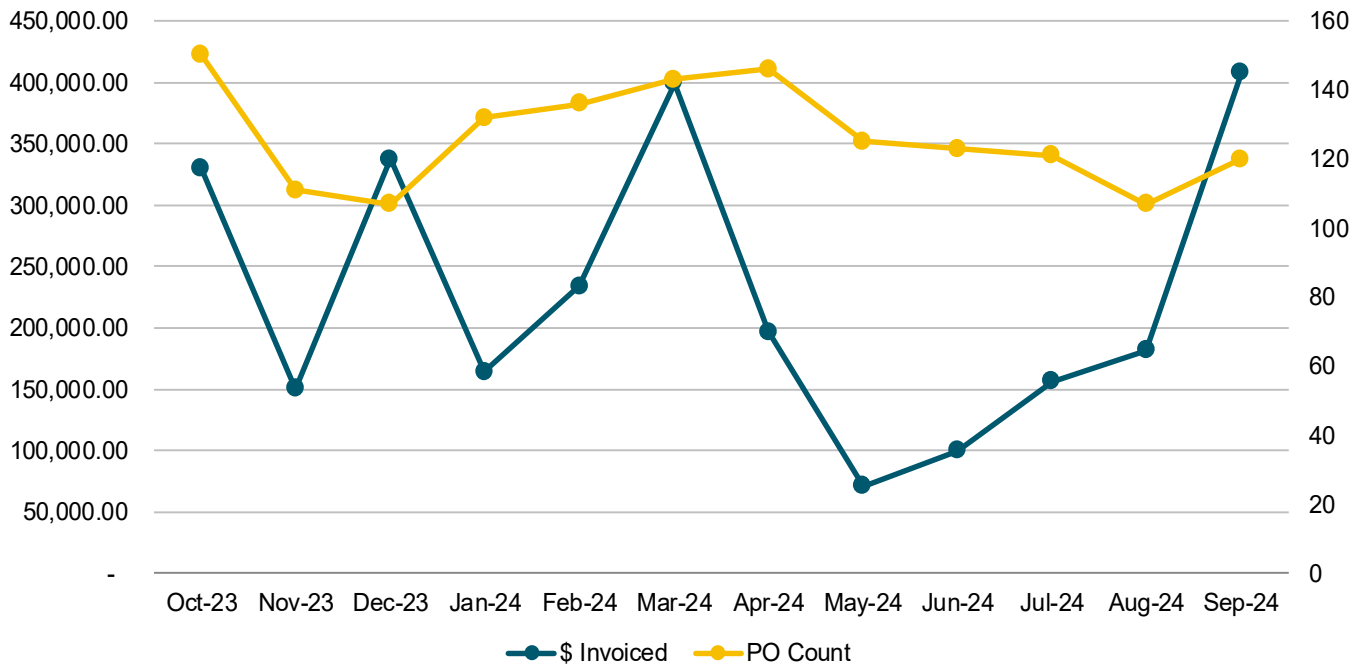


**PURCHASING AND MATERIALS MANAGEMENT:**

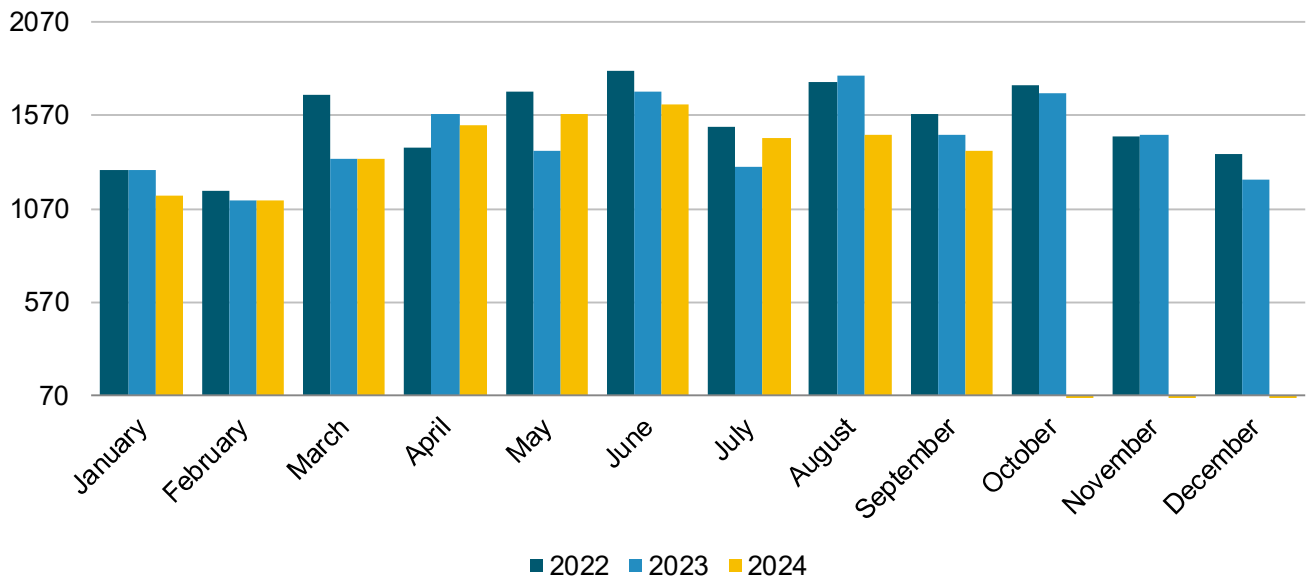
- Prepared safety supplies, P-cards, and fleet gas cards for the RPU team members participating in the MMUA's Mutual Aid in Kissimmee, Florida.
- Lump Sum Tree Trimming sealed bid is currently open.
- The Procurement Manager resigned in September. We are currently working to fill this position. Lani Towne, our accounting supervisor, is acting in the procurement manager capacity until we refill this position.

**CORPORATE SERVICES**

**Purchase Order Count and Dollars Invoiced**



**Warehouse Transactions Count  
All Plants**



**CORPORATE SERVICES**

**FINANCE AND ACCOUNTING:**

- The cold weather protection period started on October 1, 2024. The collections and customer care teams continue to reach out to customers and help them apply for energy assistance if they qualify.
- The accounting team is working with the Government Financial Officers Association (GFOA) team on identifying the requirements of our enterprise resource program (ERP). We currently use SAP and need to migrate to their current system or migrate to another system. We will be working with the City to issue an RFP in Q1 of 2025 to help identify our ERP solution.
- Fitch, one of our bond rating agencies, is in the process of conducting their annual review. We are not expecting any change in the current rating of AA (stable).

**INFORMATION SERVICES:**

- The IT team is starting a new project to support the state-mandated benchmarking requirement.
- Attended SAP for utilities conference. We are building networks, identifying new potential support partners and learning about the capabilities of the next generation of SAP ERP which is a potential solution for our planned 2026 transition.

**FINANCIAL RESULTS:**

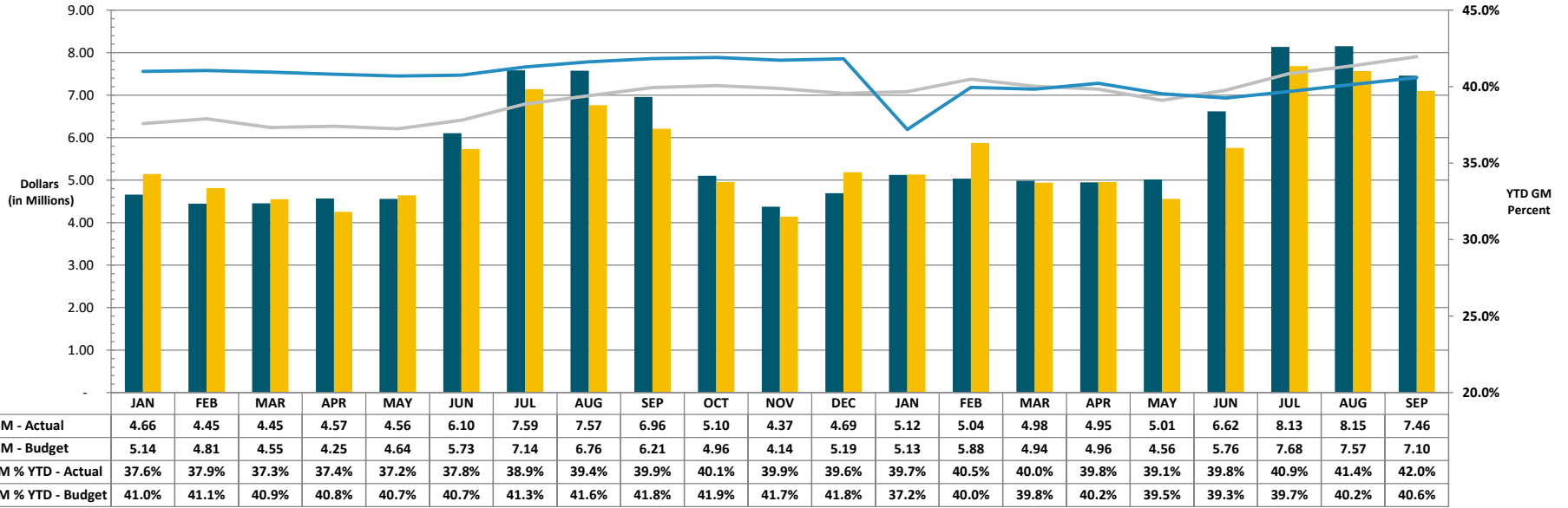
**Note:** Budget numbers are compared to the Board approved 2024 budget. The 2024 budget has been updated to reflect 2023 capital budget items that were not completed in 2023.

September 2024

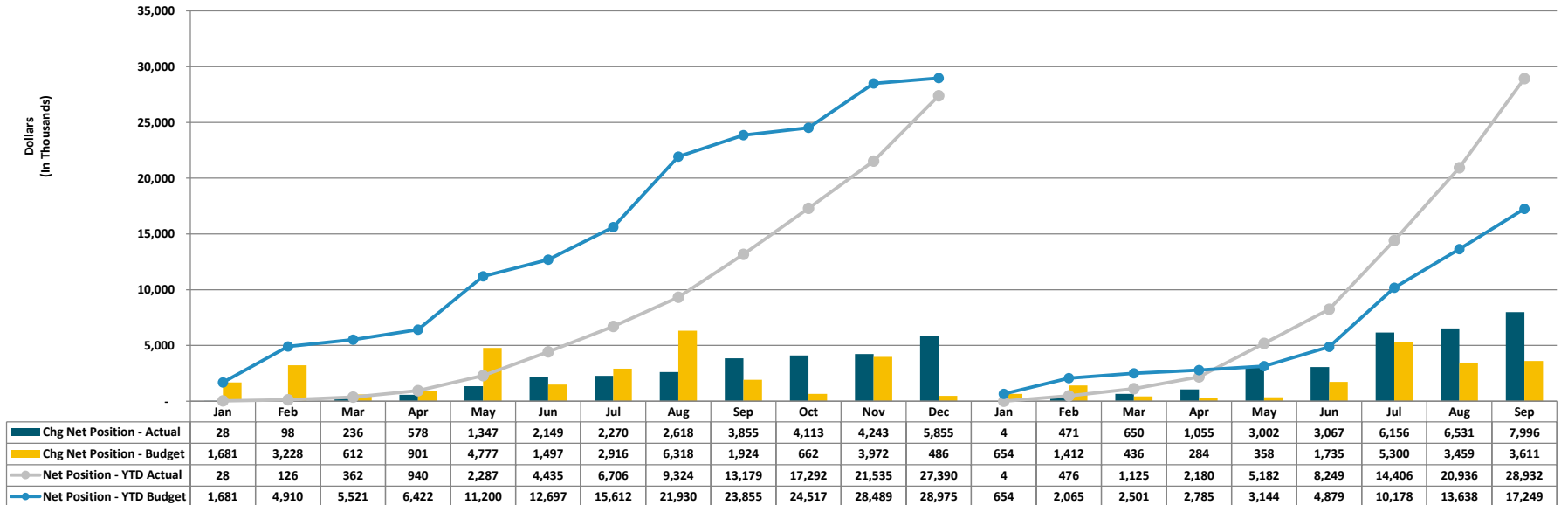
(In Thousands)	Current Month			Year to Date		
	Actual	Budget	Variance	Actual	Budget	Variance
Revenue - Electric	\$ 17,058	\$ 16,890	\$ 168	\$ 139,881	\$ 139,102	\$ 779
Revenue - Water	1,263	1,182	81	9,744	9,567	177
Change in Net Position - Electric	4,823	3,612	1,211	29,585	17,255	12,330
Change in Net Position - Water	516	271	245	2,697	2,106	591



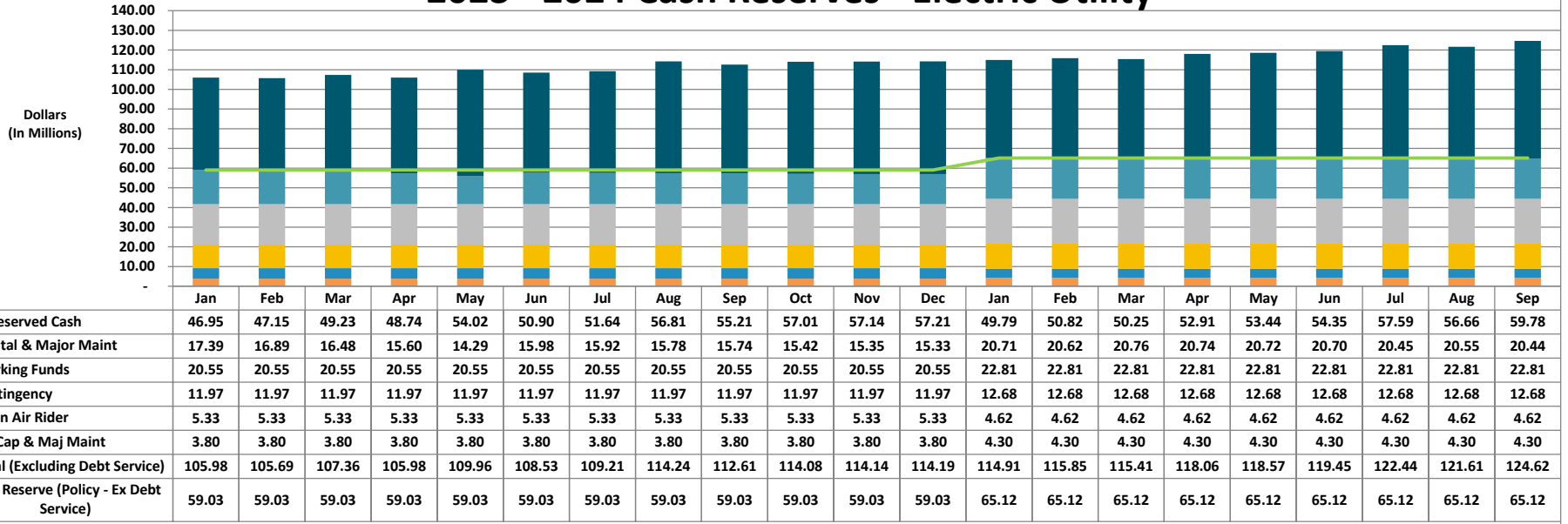
## 2023 - 2024 Retail Gross Margin - Electric Utility



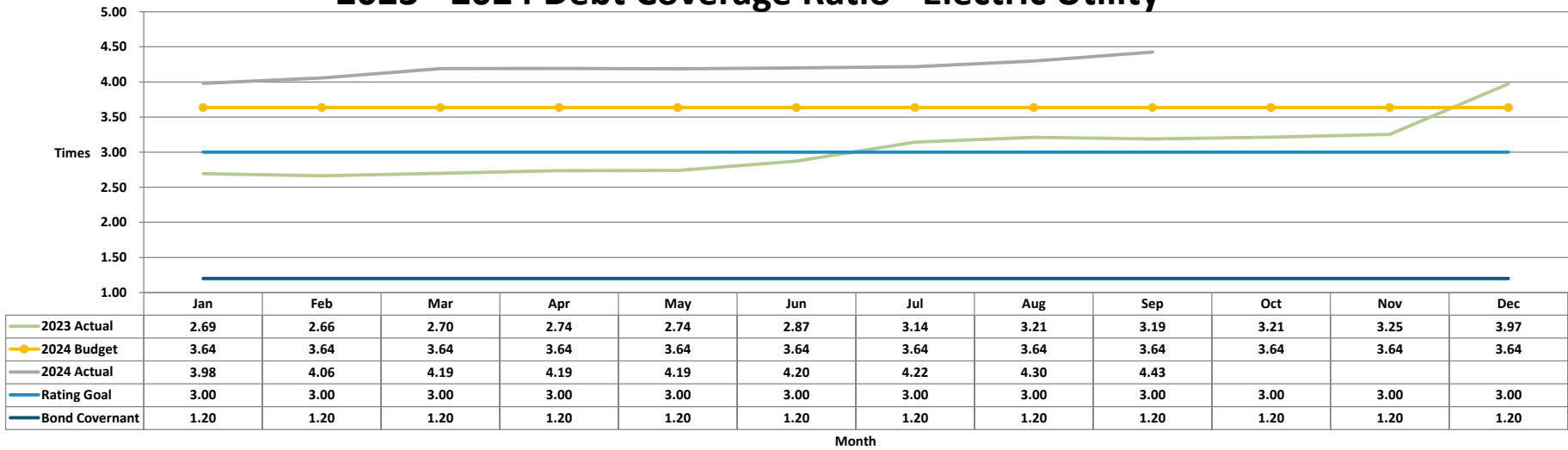
## 2023 - 2024 Change in Net Position - Electric Utility



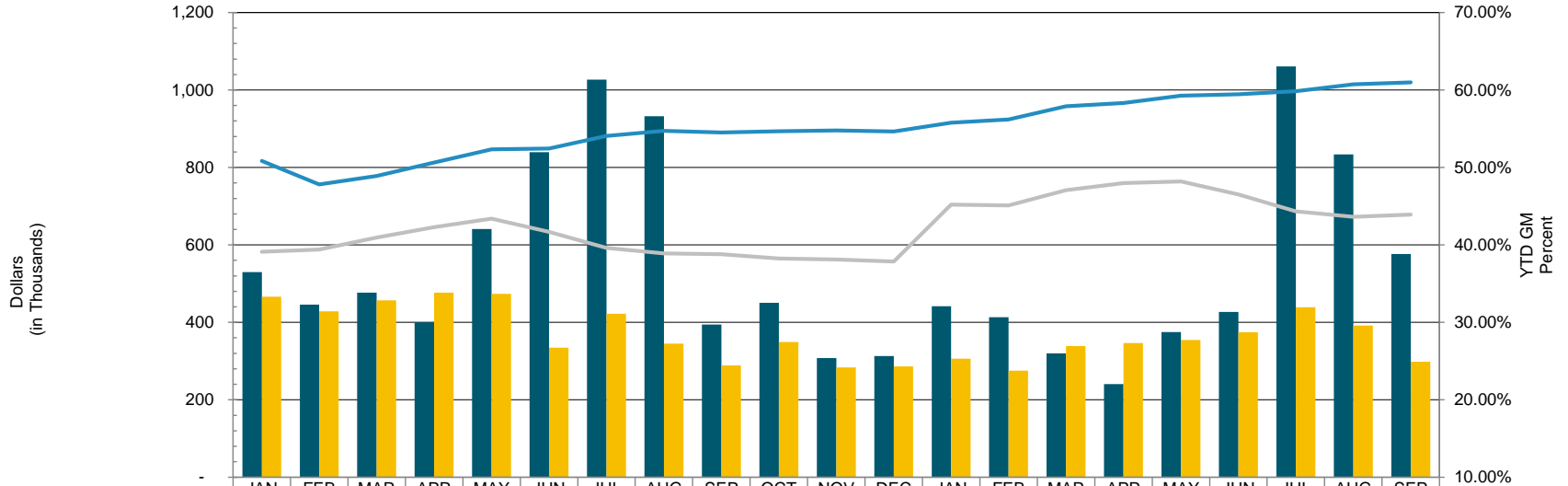
## 2023 - 2024 Cash Reserves - Electric Utility



## 2023 - 2024 Debt Coverage Ratio - Electric Utility

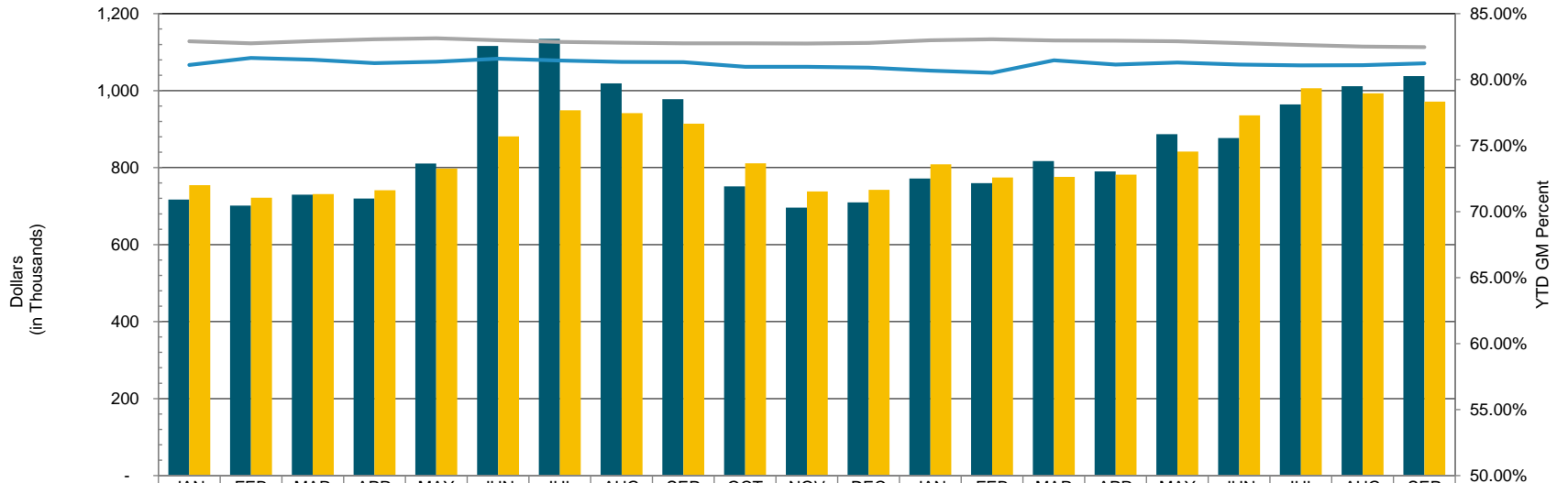


### 2023 - 2024 Gross Margin - Steam/Wholesale Electric



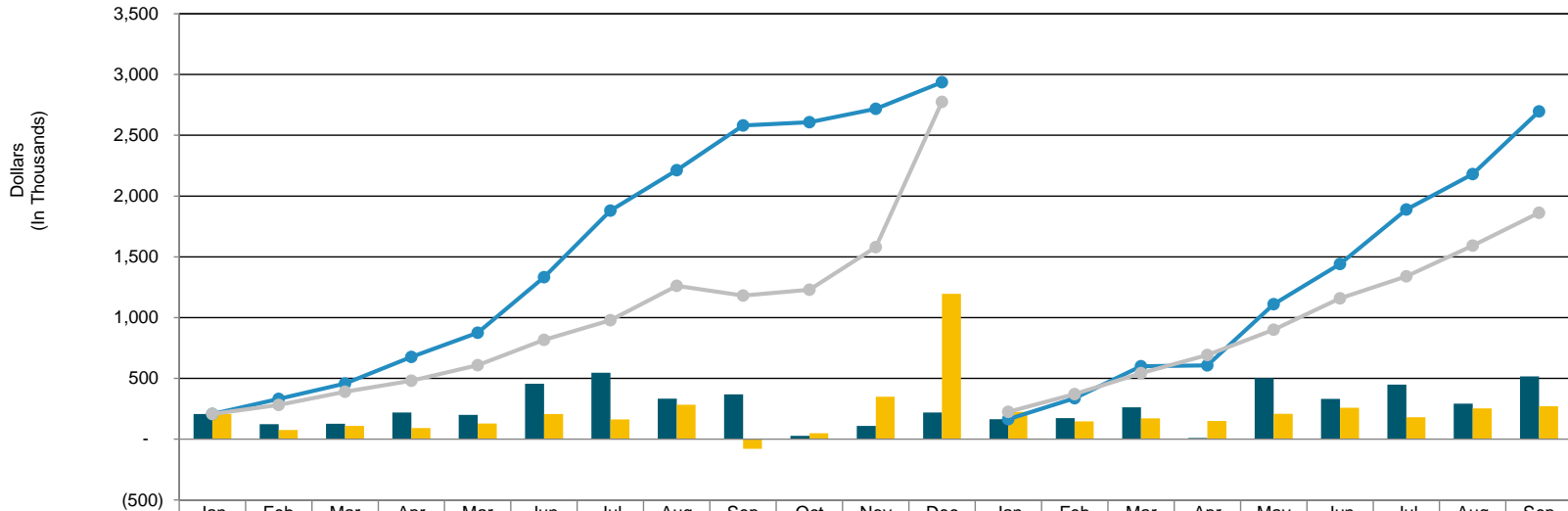
■ Gross Margin - Actual	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP
■ Gross Margin - Budget	530	446	477	400	641	839	1,027	932	394	451	308	313	442	413	320	240	375	427	1,061	834	576
— Gross Margin % YTD - Actual	50.84%	47.8%	48.9%	50.6%	52.4%	52.4%	54.1%	54.7%	54.5%	54.7%	54.8%	54.6%	55.8%	56.2%	57.9%	58.3%	59.3%	59.5%	59.8%	60.7%	61.0%
— Gross Margin % YTD - Budget	39.1%	39.4%	40.9%	42.3%	43.4%	41.7%	39.6%	38.9%	38.8%	38.2%	38.1%	37.9%	45.2%	45.1%	47.1%	48.0%	48.2%	46.5%	44.3%	43.6%	43.9%

### 2023 - 2024 Gross Margin - Water Utility



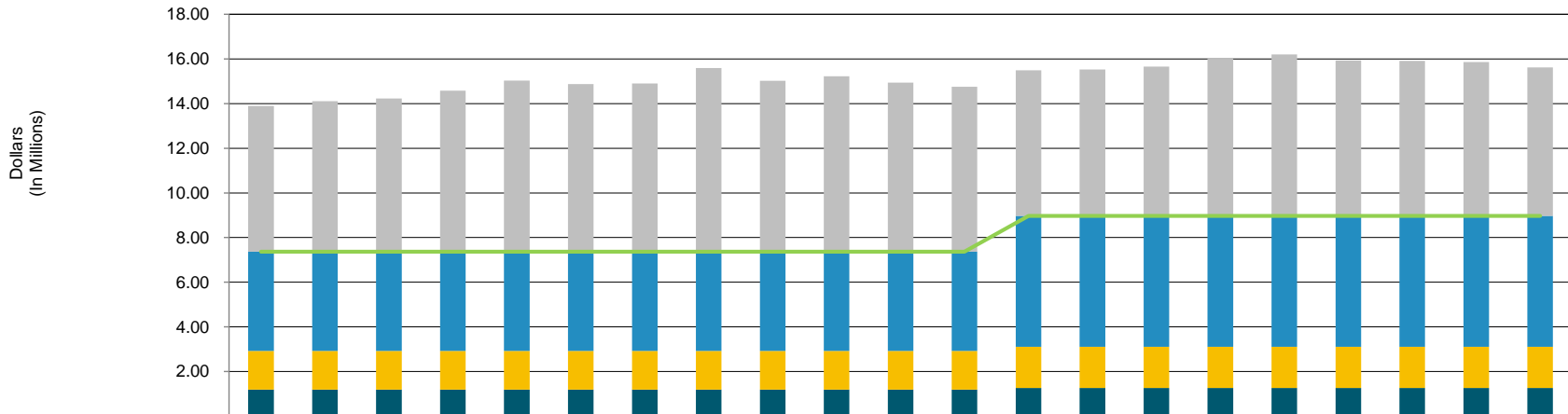
■ GM - Actual	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP
■ GM - Budget	717	701	730	720	811	1,116	1,134	1,019	978	751	696	709	771.50	759	817	790	887	877	964	1,012	1,038
— GM % YTD - Actual	81.11%	81.6%	81.5%	81.2%	81.4%	81.6%	81.4%	81.3%	81.3%	81.0%	81.0%	80.9%	80.7%	80.5%	81.5%	81.1%	81.3%	81.1%	81.1%	81.1%	81.2%
— GM % YTD - Budget	82.9%	82.7%	82.9%	83.1%	83.1%	83.0%	82.9%	82.8%	82.7%	82.8%	82.7%	82.8%	83.0%	83.1%	83.0%	83.0%	82.9%	82.8%	82.6%	82.5%	82.5%

## 2023 - 2024 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	207	124	126	220	199	457	547	333	369	26	109	219	164	172	262	9	502	330	449	293	516
Chg Net Position - Budget	207	75	108	91	128	207	162	282	(80)	49	349	1,196	225	146	171	150	208	259	180	253	271
Net Position - YTD Actual	207	331	457	677	876	1,333	1,880	2,213	2,581	2,608	2,717	2,936	164	337	599	608	1,110	1,440	1,889	2,181	2,697
Net Position - YTD Budget	207	282	390	481	609	816	978	1,261	1,181	1,230	1,579	2,775	225	371	542	692	900	1,159	1,339	1,592	1,863

## 2023 - 2024 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	6.53	6.74	6.86	7.21	7.66	7.50	7.53	8.23	7.66	7.86	7.58	7.39	6.52	6.56	6.68	7.04	7.23	6.96	6.94	6.89	6.65
Capital & MM	4.45	4.45	4.45	4.45	4.45	4.45	4.45	4.45	4.45	4.45	4.45	4.45	5.86	5.86	5.86	5.86	5.86	5.86	5.86	5.86	5.86
Contingency	1.73	1.73	1.73	1.73	1.73	1.73	1.73	1.73	1.73	1.73	1.73	1.73	1.85	1.85	1.85	1.85	1.85	1.85	1.85	1.85	1.85
Working Funds	1.19	1.19	1.19	1.19	1.19	1.19	1.19	1.19	1.19	1.19	1.19	1.19	1.26	1.26	1.26	1.26	1.26	1.26	1.26	1.26	1.26
Total	13.90	14.11	14.23	14.58	15.03	14.87	14.90	15.59	15.02	15.22	14.94	14.76	15.49	15.53	15.65	16.01	16.20	15.93	15.91	15.86	15.63
Min Reserver (Policy)	7.37	7.37	7.37	7.37	7.37	7.37	7.37	7.37	7.37	7.37	7.37	7.37	8.97	8.97	8.97	8.97	8.97	8.97	8.97	8.97	8.97



**TO:** Bill Bullock, Director of Power Resources  
**FROM:** Tina Livingston, Senior Financial Analyst  
**SUBJECT:** LOAD FORECAST SUMMARY FOR 2024

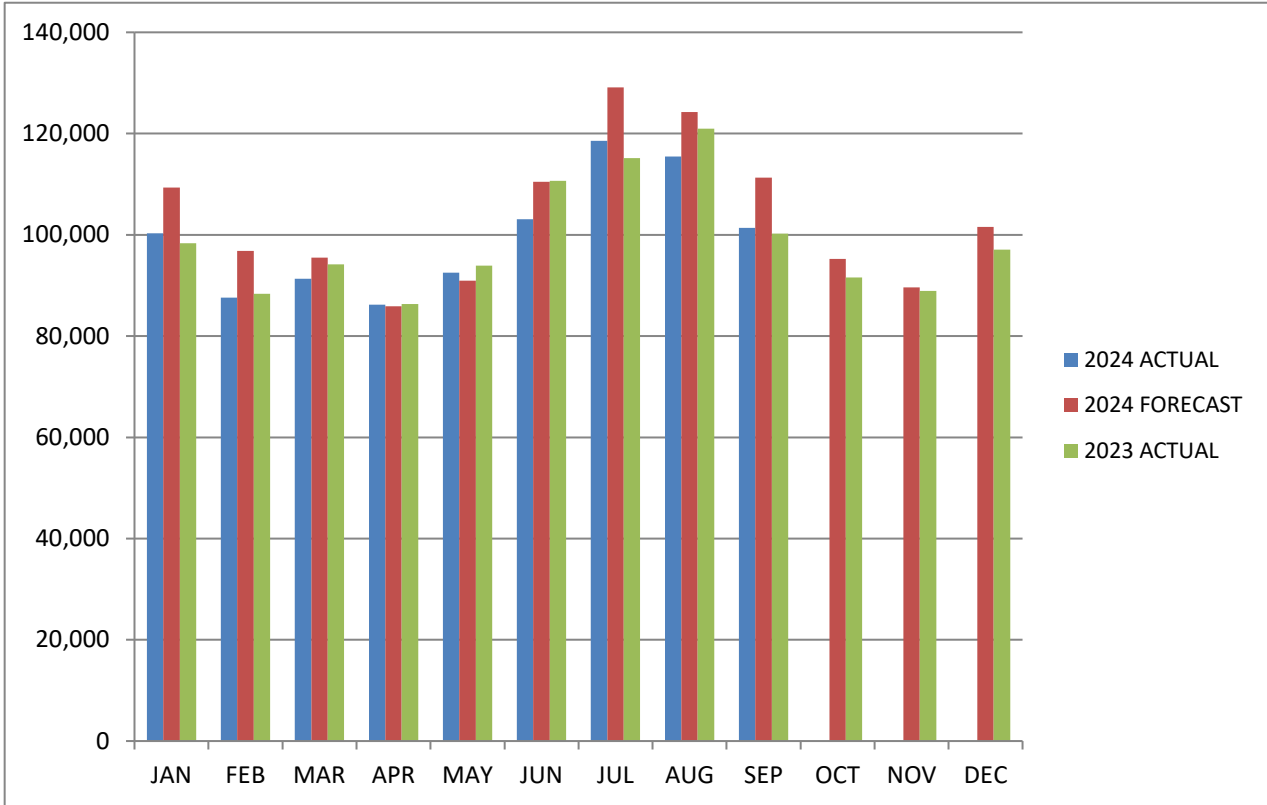
MONTH	SYSTEM ENERGY			PEAK SYSTEM DATA		
	ACTUAL MWH	FORECAST MWH	% DIFF	ACTUAL MW	FORECAST MW	% DIFF
JAN	100,306	109,357	-8.3%	173.9	187.9	-7.5%
FEB	87,566	96,804	-9.5%	152.2	180.0	-15.4%
MAR	91,320	95,511	-4.4%	152.1	161.0	-5.6%
APR	86,173	85,898	0.3%	144.9	153.0	-5.3%
MAY	92,531	90,923	1.8%	184.0	214.7	-14.3%
JUN	103,049	110,450	-6.7%	227.3	266.8	-14.8%
JUL	118,551	129,147	-8.2%	260.4	293.1	-11.2%
AUG	115,499	124,259	-7.1%	290.5	258.7	12.3%
SEP	101,366	111,269	-8.9%	230.2	263.6	-12.7%
OCT					174.5	
NOV					154.3	
DEC					175.3	
<b>YTD</b>	<b>896,359</b>	<b>953,618</b>	<b>-6.0</b>			

**HISTORICAL SYSTEM PEAK 294.8 MW 08/23/2023**

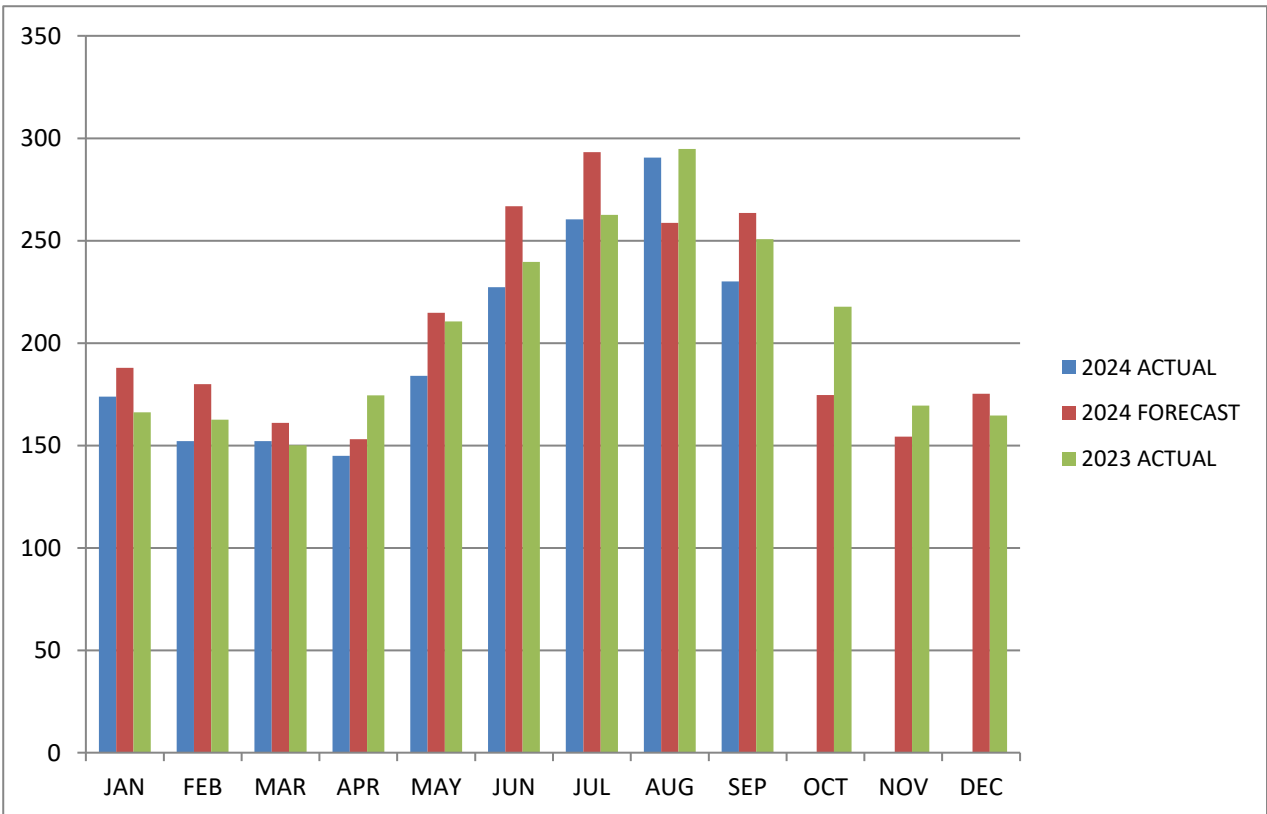
% DIFF = (ACTUAL / FORECAST X 100) - 100  
MWH = MEGAWATT HOUR = 1000 KILOWATT HOURS  
MW = MEGAWATT = 1000 KILOWATTS

## 2024 YTD SYSTEM REQUIREMENTS

### Energy Required for the Month (MWH)



### Peak Demand for the Month (MW)



# ROCHESTER PUBLIC UTILITIES

## INDEX

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

DATE: September 2024

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, 2024**

	September 2024	September 2023	Difference	% Diff.	August 2024
<b>ASSETS</b>					
<b>CURRENT ASSETS</b>					
CASH & INVESTMENTS					
Unreserved Cash & Investments	59,781,852	55,214,407	4,567,445	8.3	56,658,525
BOARD RESERVED CASH & INVESTMENTS					
Clean Air Rider Reserve	4,621,587	5,332,022	(710,435)	(13.3)	4,621,587
Working Funds Reserve	22,807,000	20,545,000	2,262,000	11.0	22,807,000
Special Capital & Major Maintnce Reserve	4,295,344	3,800,638	494,706	13.0	4,295,344
Contingency Reserve	12,680,000	11,970,000	710,000	5.9	12,680,000
General Capital & Major Maintnce Reserve	20,438,166	15,743,042	4,695,124	29.8	20,549,554
Total Reserved Cash & Investments	64,842,097	57,390,702	7,451,395	13.0	64,953,485
Total Cash & Investments	124,623,949	112,605,109	12,018,840	10.7	121,612,010
Receivables & Accrued Utility Revenues	37,005,464	36,640,584	364,879	1.0	39,881,258
Inventory	11,423,083	10,199,349	1,223,734	12.0	11,201,788
Other Current Assets	2,021,699	1,964,389	57,310	2.9	2,155,810
RESTRICTED ASSETS					
Restricted Cash and Equivalents	8,430,356	8,260,789	169,567	2.1	7,289,017
Total Current Assets	183,504,550	169,670,221	13,834,329	8.2	182,139,883
<b>NON-CURRENT ASSETS</b>					
RESTRICTED ASSETS					
RESTRICTED CASH & INVESTMENTS					
Debt Service Reserve	12,298,627	12,214,630	83,997	0.7	12,298,540
Funds Held in Trust	49	49	-	-	49
Total Restricted Cash & Investments	12,298,675	12,214,678	83,997	0.7	12,298,589
Total Restricted Assets	12,298,675	12,214,678	83,997	0.7	12,298,589
<b>CAPITAL ASSETS</b>					
<b>NON-DEPRECIABLE ASSETS</b>					
Land and Land Rights	11,351,222	11,351,222	-	-	11,351,222
Construction Work in Progress	55,098,833	39,375,216	15,723,617	39.9	52,697,688
Total Non-depreciable Assets	66,450,055	50,726,438	15,723,617	31.0	64,048,910
<b>DEPRECIABLE ASSETS</b>					
Utility Plant in Service, Net	237,688,531	239,002,905	(1,314,374)	(0.5)	238,173,012
Steam Assets, Net	368,197	662,754	(294,557)	(44.4)	392,743
Subscription-Based IT Arrangements, Net	2,122,336	-	2,122,336	-	2,176,429
Total Depreciable Assets	240,179,064	239,665,659	513,405	0.2	240,742,184
Net Capital Assets	306,629,119	290,392,097	16,237,022	5.6	304,791,094
Other Non-Current Assets	10,756,379	11,463,841	(707,462)	(6.2)	10,788,665
Total Non-Current Assets	329,684,173	314,070,616	15,613,557	5.0	327,878,347
<b>TOTAL ASSETS</b>	513,188,723	483,740,837	29,447,887	6.1	510,018,230
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
DEFERRED OUTFLOWS OF RESOURCES	2,904,073	5,663,546	(2,759,473)	(48.7)	3,109,203
<b>TOTAL ASSETS + DEFERRED OUTFLOW RESOURCE</b>	<b>516,092,796</b>	<b>489,404,383</b>	<b>26,688,414</b>	<b>5.5</b>	<b>513,127,434</b>
<b>LIABILITIES</b>					
<b>CURRENT LIABILITIES</b>					
Accounts Payable	13,937,848	15,301,577	(1,363,729)	(8.9)	15,641,532
Due to other funds	3,703,732	3,733,275	(29,542)	(0.8)	3,728,051
Customer Deposits	2,476,448	2,398,910	77,538	3.2	2,442,048
Compensated absences	2,275,395	2,117,221	158,174	7.5	2,307,819
Accrued Salaries & Wages	628,716	518,279	110,436	21.3	560,264
Interest Payable	1,988,689	2,098,289	(109,600)	(5.2)	1,491,517
Current Portion of Long Term Debt	7,730,000	7,395,000	335,000	4.5	7,730,000
Misc Other Current Liabilities	443,405	695	442,711	63,735.2	441,470
Total Current Liabilities	33,184,234	33,563,246	(379,012)	(1.1)	34,342,701
<b>NON-CURRENT LIABILITIES</b>					
Compensated absences	1,501,047	1,614,577	(113,531)	(7.0)	1,514,100
Other Non-Current Liabilities	13,148,567	19,020,462	(5,871,895)	(30.9)	13,148,567
Unearned Revenues	1,385,047	1,683,573	(298,526)	(17.7)	1,684,296
Long-Term Debt	148,803,360	157,689,498	(8,886,138)	(5.6)	148,898,015
Misc Other Non-Current Liabilities	1,045,647	-	1,045,647	-	1,041,619
Total Non-Current Liabilities	165,883,668	180,008,111	(14,124,443)	(7.8)	166,286,596
<b>TOTAL LIABILITIES</b>	199,067,902	213,571,357	(14,503,455)	(6.8)	200,629,297
<b>DEFERRED INFLOWS OF RESOURCES</b>					
DEFERRED INFLOWS OF RESOURCES	12,096,941	10,573,685	1,523,255	14	12,393,523
<b>NET POSITION</b>					
Net Investment in Capital Assets	160,196,702	136,893,088	23,303,614	17.0	158,782,623
Total Restricted Net Position	6,441,715	6,162,548	279,167	4.5	5,797,549
Unrestricted Net Position	138,289,537	122,203,704	16,085,833	13.2	135,524,442
<b>TOTAL NET POSITION</b>	<b>304,927,954</b>	<b>265,259,340</b>	<b>39,668,613</b>	<b>15.0</b>	<b>300,104,613</b>
<b>TOTAL LIAB, DEFERRED INFLOWS, NET POSITION</b>	<b>516,092,796</b>	<b>489,404,383</b>	<b>26,688,414</b>	<b>5.5</b>	<b>513,127,434</b>



**ROCHESTER PUBLIC UTILITIES**  
**Statement of Revenues, Expenses & Changes in Net Position**  
**ELECTRIC UTILITY**  
**September, 2024**  
**YEAR TO DATE**

	<u>Actual YTD</u>	<u>Original Budget YTD</u>	<u>Actual to Original Budget</u>	<u>% Var.</u>	<u>Last Yr Actual YTD</u>
<b>8 SALES REVENUE</b>					
9 Retail Revenue					
10 Electric - Residential Service	51,163,526	51,994,809	(831,283)	(1.6)	49,871,456
11 Electric - General & Industrial Service	75,944,122	75,140,966	803,156	1.1	72,493,978
12 Electric - Public Street & Highway Light	1,146,032	1,310,007	(163,975)	(12.5)	1,058,529
13 Electric - Rental Light Revenue	156,754	162,293	(5,539)	(3.4)	147,843
14 Electric - Interdepartmental Service	1,030,985	898,984	132,001	14.7	1,022,325
15 Electric - Power Cost Adjustment	1,200,148	813,881	386,266	47.5	1,267,500
16 Electric - Clean Air Rider	1,551,050	1,667,232	(116,182)	(7.0)	1,600,808
17 Electric - Total Retail Revenue	<u>132,192,618</u>	<u>131,988,172</u>	<u>204,446</u>	<u>0.2</u>	<u>127,462,439</u>
18 Wholesale Electric Revenue					
19 Energy & Fuel Reimbursement	3,398,626	2,381,302	1,017,325	42.7	4,710,809
20 Capacity & Demand	1,264,561	932,343	332,218	35.6	1,881,442
21 Total Wholesale Electric Revenue	<u>4,663,187</u>	<u>3,313,645</u>	<u>1,349,543</u>	<u>40.7</u>	<u>6,592,251</u>
22 Steam Sales Revenue	<u>3,024,953</u>	<u>3,800,391</u>	<u>(775,437)</u>	<u>(20.4)</u>	<u>3,837,711</u>
23 TOTAL SALES REVENUE	139,880,759	139,102,207	778,551	0.6	137,892,400
24 COST OF REVENUE					
25 Purchased Power	76,721,708	78,417,040	(1,695,332)	(2.2)	76,556,627
26 Generation Fuel, Chemicals & Utilities	2,999,615	3,989,893	(990,278)	(24.8)	4,744,015
27 TOTAL COST OF REVENUE	<u>79,721,323</u>	<u>82,406,933</u>	<u>(2,685,610)</u>	<u>(3.3)</u>	<u>81,300,642</u>
28 GROSS MARGIN					
29 Retail	55,470,909	53,571,132	1,899,777	3.5	50,905,811
30 Wholesale	4,688,526	3,124,142	1,564,384	50.1	5,685,947
31 TOTAL GROSS MARGIN	<u>60,159,436</u>	<u>56,695,274</u>	<u>3,464,161</u>	<u>6.1</u>	<u>56,591,758</u>
32 FIXED EXPENSES					
33 Utilities Expense	337,778	374,420	(36,642)	(9.8)	354,383
34 Depreciation & Amortization	11,844,361	11,895,246	(50,885)	(0.4)	11,585,474
35 Salaries & Benefits	18,796,563	18,255,266	541,297	3.0	19,167,318
36 Materials, Supplies & Services	7,984,771	10,754,706	(2,769,934)	(25.8)	9,102,422
37 Inter-Utility Allocations	(1,622,504)	(1,478,250)	(144,254)	(9.8)	(1,456,905)
38 TOTAL FIXED EXPENSES	<u>37,340,970</u>	<u>39,801,388</u>	<u>(2,460,419)</u>	<u>(6.2)</u>	<u>38,752,692</u>
39 Other Operating Revenue	7,690,365	8,164,475	(474,111)	(5.8)	8,133,266
40 NET OPERATING INCOME (LOSS)	<u>30,508,831</u>	<u>25,058,361</u>	<u>5,450,469</u>	<u>21.8</u>	<u>25,972,333</u>
41 NON-OPERATING REVENUE / (EXPENSE)					
42 Investment Income (Loss)	3,524,352	1,843,355	1,680,997	91.2	2,103,433
43 Interest Expense	(3,921,885)	(3,803,742)	(118,143)	(3.1)	(3,970,788)
44 Amortization of Debt Issue Costs	(70,723)	(70,723)	-	-	(75,069)
45 Miscellaneous - Net	(132,396)	(8,080)	(124,316)	(1,538.6)	(68,120)
46 TOTAL NON-OPERATING REV (EXP)	<u>(600,652)</u>	<u>(2,039,190)</u>	<u>1,438,538</u>	<u>70.5</u>	<u>(2,010,544)</u>
47 INCOME (LOSS) BEFORE TRANSFERS / CAPITAL CONTRIBUTIONS	<u>29,908,178</u>	<u>23,019,171</u>	<u>6,889,007</u>	<u>29.9</u>	<u>23,961,789</u>
48 Transfers Out	(8,318,582)	(8,274,047)	(44,535)	(0.5)	(7,397,727)
49 Capital Contributions	7,995,617	2,510,056	5,485,561	218.5	3,854,792
50 CHANGE IN NET POSITION	<u>29,585,214</u>	<u>17,255,181</u>	<u>12,330,033</u>	<u>71.5</u>	<u>20,418,854</u>
51 Net Position, Beginning	275,342,740				244,840,487
52 NET POSITION, ENDING	<u>304,927,954</u>				<u>265,259,340</u>
53					
54		Rolling 12 Months	Planned for Curr Year		
55 Debt Coverage Ratio		4.43	3.64		

**ROCHESTER PUBLIC UTILITIES**  
**STATEMENT OF CASH FLOWS**  
**ELECTRIC UTILITY**  
**FOR**  
**SEPTEMBER, 2024**  
**YEAR-TO-DATE**

		<u>Actual YTD</u>	<u>Last Yr Actual YTD</u>
7			
8	<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
9	Cash Received From Customers	142,377,478	136,304,556
10	Cash Received From Wholesale & Steam Customer	7,766,243	11,384,843
11	Cash Paid for:		
12	Purchased Power	(76,498,463)	(75,622,013)
13	Operations and Maintenance	(25,947,834)	(27,196,810)
14	Fuel	(2,837,052)	(4,824,255)
15	Payment in Lieu of Taxes	(7,510,927)	(7,319,418)
16	Net Cash Provided by(Used in) Utility		
17	Operating Activities	37,349,445	32,726,903
18	Sewer, Storm Water, Sales Tax & MN Water Fee Collections		
19	Receipts from Customers	36,150,294	35,909,891
20	Remittances to Government Agencies	(35,504,486)	(35,203,831)
21	Net Cash Provided by(Used in) Non-Utility		
22	Operating Activities	645,808	706,060
23	<b>NET CASH PROVIDED BY(USED IN)</b>		
24	<b>    OPERATING ACTIVITIES</b>	<b>37,995,253</b>	<b>33,432,963</b>
25	<b>CASH FLOWS FROM CAPITAL &amp; RELATED</b>		
26	<b>    FINANCING ACTIVITIES</b>		
27	Additions to Utility Plant & Other Assets	(23,083,474)	(15,572,502)
28	Payments related to Service Territory Acquisition	(126,782)	(125,622)
29	Payment on Long-Term Debt	-	-
30	Net Bond/Loan Receipts	-	-
31	Cash Paid for Interest & Commissions	(3,014,777)	(3,147,434)
32	<b>NET CASH PROVIDED BY(USED IN)</b>		
33	<b>    CAPITAL &amp; RELATED ACTIVITIES</b>	<b>(26,225,033)</b>	<b>(18,845,558)</b>
34	<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
35	Interest Earnings on Investments	2,708,213	1,425,023
36	Construction Fund (Deposits)Draws	-	-
37	Bond Reserve Account	(7,003,543)	(7,263,507)
38	Escrow/Trust Account Activity	-	-
39	<b>NET CASH PROVIDED BY(USED IN)</b>		
40	<b>    INVESTING ACTIVITIES</b>	<b>(4,295,330)</b>	<b>(5,838,484)</b>
41	Net Increase(Decrease) in Cash & Investments	7,474,890	8,748,921
42	Cash & Investments, Beginning of Period	117,149,059	103,856,182
43	<b>CASH &amp; INVESTMENTS, END OF PERIOD</b>	<b>124,623,949</b>	<b>112,605,103</b>
44	Externally Restricted Funds	20,729,031	20,475,468
45	<b>Grand Total</b>	<b>145,352,980</b>	<b>133,080,571</b>

1 **ROCHESTER PUBLIC UTILITIES**  
 2 **PRODUCTION & SALES STATISTICS**  
 3 **ELECTRIC UTILITY**

4 **September, 2024**  
 5 **YEAR-TO-DATE**

		<u>Actual YTD</u>	<u>Budget YTD</u>	<u>Variance</u>	<u>% Var.</u>	<u>Last Yr Actual YTD</u>	
9	<b>ENERGY SUPPLY (kWh)</b>	<i>(primarily calendar month)</i>					
10	Net Generation						
11	IBM Diesel Generators	18,266	-	18,266	-	22,838	
12	Lake Zumbro Hydro	9,625,826	8,935,171	690,655	7.7	8,878,484	
13	Cascade Creek Gas Turbine	24,013,716	15,845,000	8,168,716	51.6	36,903,192	
14	Westside Energy Station	31,485,450	28,087,000	3,398,450	12.1	39,490,350	
15	Total Net Generation	65,143,258	52,867,171	12,276,087	23.2	85,294,864	
16	Other Power Supply						
17	Firm Purchases	884,952,293	941,311,180	(56,358,887)	(6.0)	895,057,093	
18	Non-Firm Purchases	3,687,414	3,370,709	316,705	9.4	5,853,315	
19	LRP Received	-	-	-	-	-	
20	Total Other Power Supply	888,639,707	944,681,889	(56,042,182)	(5.9)	900,910,408	
21	<b>TOTAL ENERGY SUPPLY</b>	953,782,965	997,549,060	(43,766,095)	(4.4)	986,205,272	
22	<b>ENERGY USES (kWh)</b>	<i>(primarily billing period)</i>					
23	Retail Sales	<u># Custs</u>					
24	Electric - Residential Service	55,181	285,148,165	306,981,199	(21,833,034)	(7.1)	295,640,136
25	Electric - General Service & Industrial	5,187	572,982,331	609,619,437	(36,637,106)	(6.0)	575,692,686
26	Electric - Street & Highway Lighting	3	2,553,715	2,707,541	(153,826)	(5.7)	2,499,981
27	Electric - Rental Lights	n/a	530,422	546,458	(16,036)	(2.9)	546,728
28	Electric - Interdptmntl Service	1	6,207,855	6,385,600	(177,745)	(2.8)	7,351,899
29	Total Customers	<u>60,372</u>					
30	Total Retail Sales		867,422,488	926,240,235	(58,817,747)	(6.4)	881,731,430
31	Wholesale Sales		55,607,335	43,932,000	11,675,335	26.6	76,506,145
32	Company Use		4,400,443	4,117,872	282,571	6.9	4,561,007
33	<b>TOTAL ENERGY USES</b>		927,430,266	974,290,107	(46,859,841)	(4.8)	962,798,582
34	Lost & Unacctd For Last 12 Months		36,566,521	2.9%			
35	<b>STEAM SALES (mlbs)</b>	<i>(primarily billing period)</i>					
36	Steam Sales in Mlbs		311,682	327,600	(15,918)	(4.9)	323,059

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

4 **September, 2024**  
 5 **YEAR-TO-DATE**

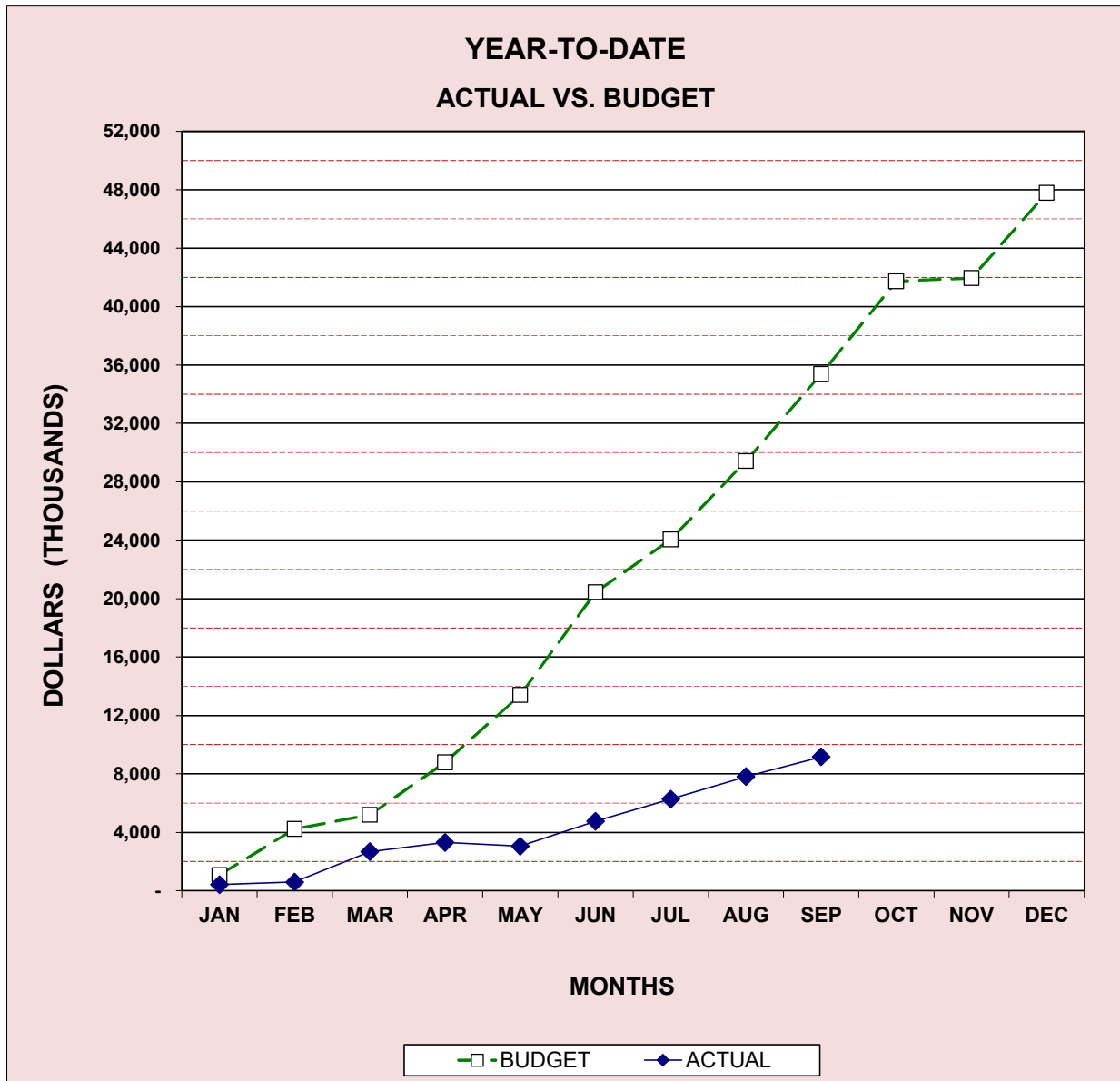
		<u>Actual YTD</u>		<u>Budget YTD</u>		<u>Variance</u>	<u>% Var.</u>		<u>Last Yr Actual YTD</u>
9	<b>FUEL USAGE</b>								
			<i>(calendar month)</i>						
10	<b>Gas Burned</b>								
11	SLP	1,042,948	MCF	475,020	MCF	567,928	119.6		432,586 MCF
12	Cascade	244,271	MCF	184,216	MCF	60,055	32.6		371,227 MCF
13	Westside	277,208	MCF	221,879	MCF	55,329	24.9		309,524 MCF
14	Total Gas Burned	1,564,427	MCF	881,115	MCF	683,312	77.6		1,113,337 MCF
15	<b>Oil Burned</b>								
16	Cascade	7,983	GAL	-	GAL	7,983	-		45,867 GAL
17	IBM	1,479	GAL	-	GAL	1,479	-		1,749 GAL
18	Total Oil Burned	9,462	GAL	-	GAL	9,462	-		47,616 GAL

**CAPITAL EXPENDITURES  
ELECTRIC**

**September, 2024**

<u>Current Year</u>	
ANNUAL BUDGET	47,781,947
ACTUAL YTD	9,164,705
% OF BUDGET	19.2

Prior Years Ending Dec 31st		
<u>2023</u>	<u>2022</u>	<u>2021</u>
38,932,416	24,799,405	15,246,736
13,858,241	10,976,457	7,041,030
35.6	44.3	46.2

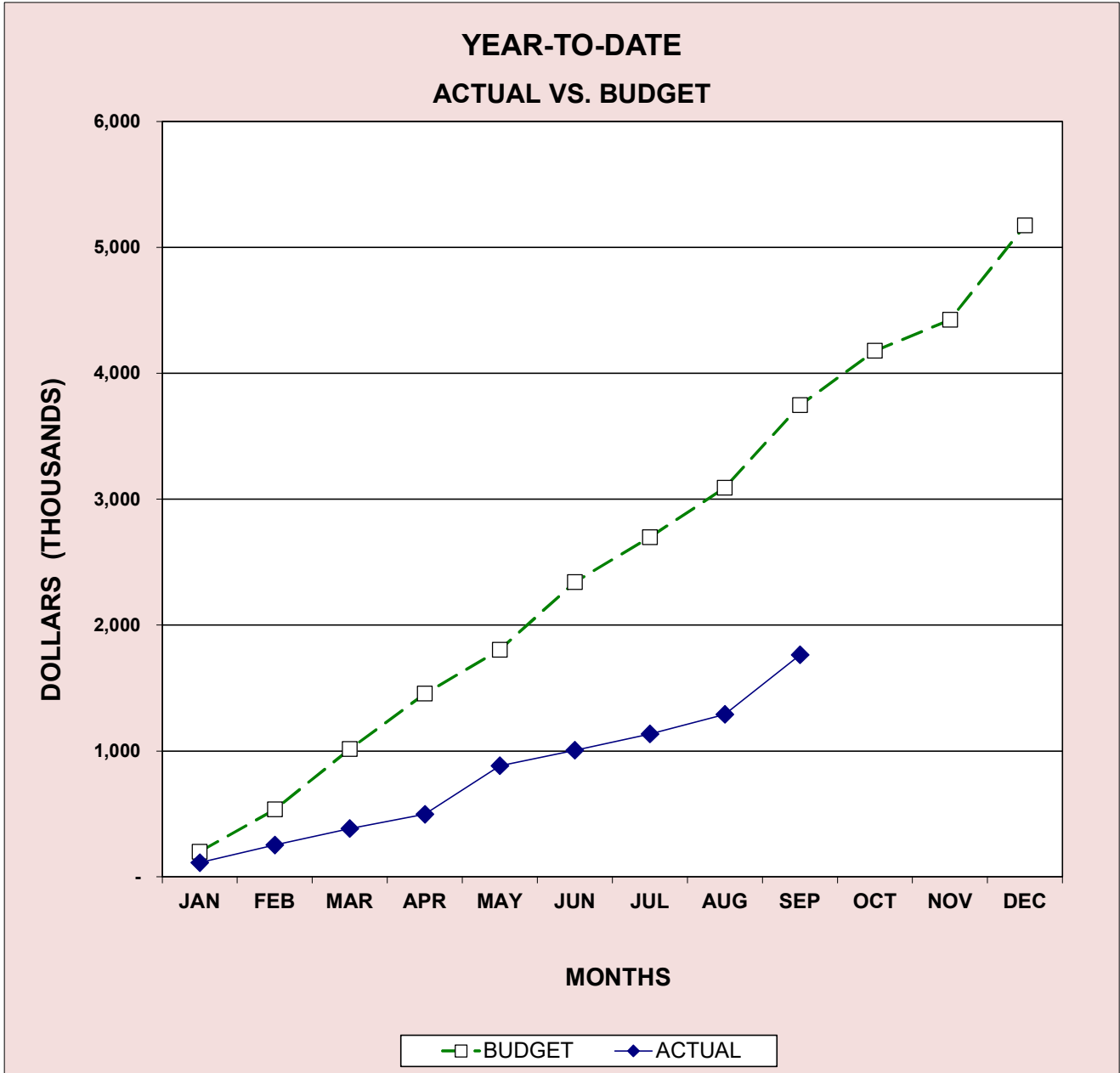


**MAJOR MAINTENANCE EXPENDITURES  
ELECTRIC**

**September, 2024**

<u>Current Year</u>	
ANNUAL BUDGET	5,173,960
ACTUAL YTD	1,762,569
% OF BUDGET	34.1

Prior Years Ending Dec 31st		
<u>2023</u>	<u>2022</u>	<u>2021</u>
4,855,403	8,589,452	3,815,243
3,807,729	6,479,286	3,680,535
78.4	75.4	96.5

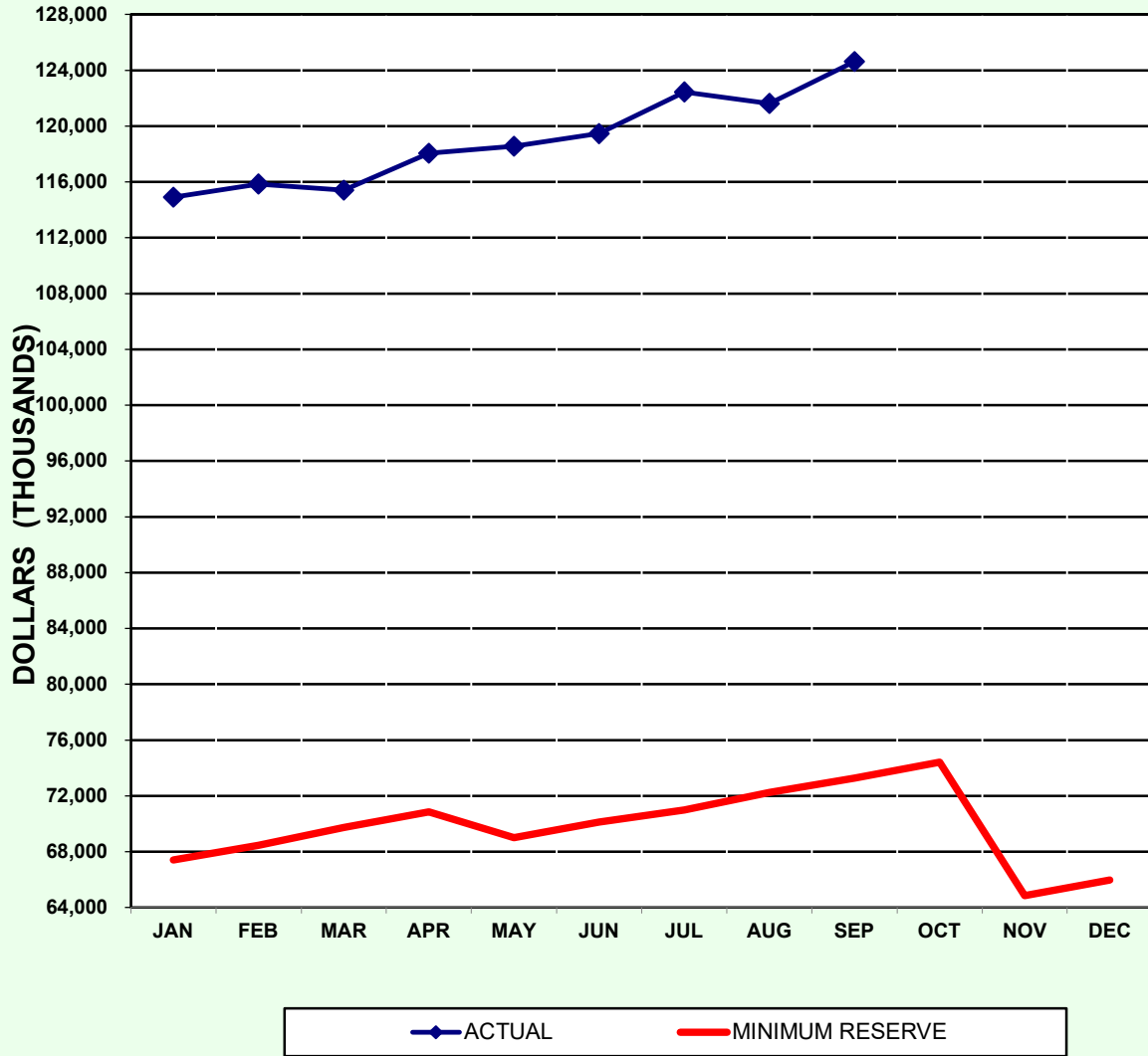


# CASH AND TEMPORARY INVESTMENTS ELECTRIC

September, 2024

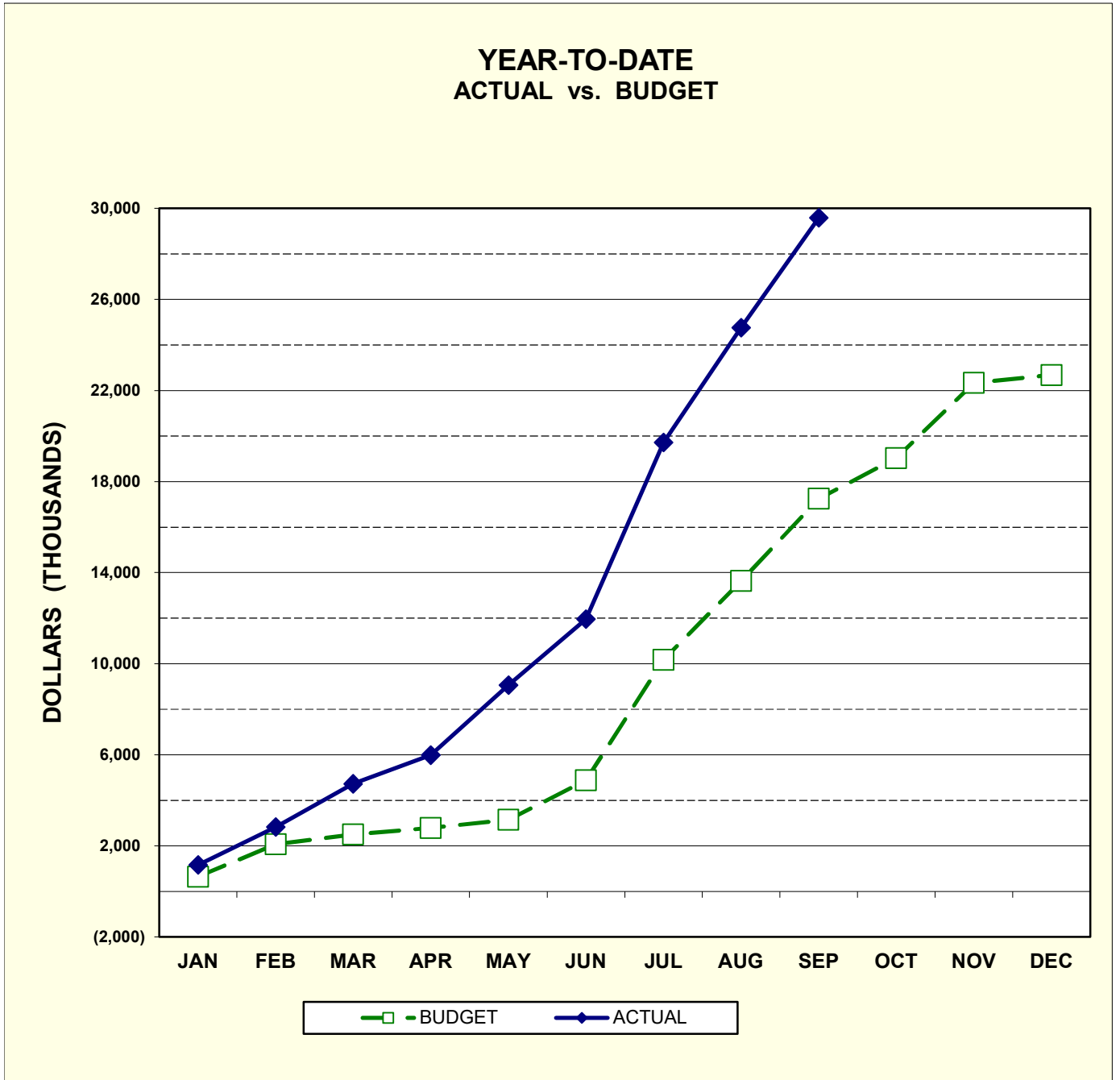
## YEAR-TO-DATE ACTUAL

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



# CHANGE IN NET POSITION ELECTRIC

September, 2024





### 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)

Principal & Interest (in thousands)



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

in thousands



**ROCHESTER PUBLIC UTILITIES**  
**STATEMENT OF NET POSITION**  
**WATER UTILITY**  
**September 30, 2024**

	<u>September 2024</u>	<u>September 2023</u>	<u>Difference</u>	<u>% Diff.</u>	<u>August 2024</u>
<b>ASSETS</b>					
<b>CURRENT ASSETS</b>					
CASH & INVESTMENTS					
Unreserved Cash & Investments	6,654,307	7,656,065	(1,001,758)	(13.1)	6,889,373
BOARD RESERVED CASH & INVESTMENTS					
Working Funds Reserve	1,263,000	1,190,000	73,000	6.1	1,263,000
Capital & Major Maintenance Reserve	5,859,000	4,445,000	1,414,000	31.8	5,859,000
Contingency Reserve	1,849,000	1,732,000	117,000	6.8	1,849,000
Total Reserved Cash & Investments	8,971,000	7,367,000	1,604,000	21.8	8,971,000
Total Cash & Investments	15,625,307	15,023,065	602,242	4.0	15,860,373
Receivables & Accrued Utility Revenues	1,182,411	1,235,291	(52,880)	(4.3)	1,032,121
Inventory	346,515	322,575	23,940	7.4	344,078
Other Current Assets	34,543	30,960	3,583	11.6	55,658
Total Current Assets	17,188,777	16,611,892	576,885	3.5	17,292,230
<b>CAPITAL ASSETS</b>					
<b>NON-DEPRECIABLE ASSETS</b>					
Land and Land Rights	742,667	742,667	-	-	742,667
Construction Work in Progress	11,161,063	7,868,697	3,292,367	41.8	11,124,752
Total Non-depreciable Assets	11,903,730	8,611,363	3,292,367	38.2	11,867,419
<b>DEPRECIABLE ASSETS</b>					
Utility Plant in Service, Net	101,072,265	99,659,547	1,412,717	1.4	101,131,082
Net Capital Assets	112,975,995	108,270,910	4,705,084	4.3	112,998,501
Other Non-Current Assets	18,630,871	19,534,381	(903,510)	(4.6)	18,630,871
Total Non-Current Assets	131,606,866	127,805,292	3,801,574	3.0	131,629,372
<b>TOTAL ASSETS</b>	148,795,643	144,417,184	4,378,459	3.0	148,921,601
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
DEFERRED OUTFLOWS OF RESOURCES	206,960	510,016	(303,056)	(59.4)	231,886
<b>TOTAL ASSETS + DEFERRED OUTFLOW RESOURCE</b>	<u>149,002,603</u>	<u>144,927,200</u>	<u>4,075,403</u>	<u>2.8</u>	<u>149,153,488</u>
<b>LIABILITIES</b>					
<b>CURRENT LIABILITIES</b>					
Accounts Payable	279,594	438,238	(158,644)	(36.2)	774,917
Due to Other Funds	-	-	-	-	-
Customer Deposits	160,925	131,016	29,909	22.8	161,874
Compensated Absences	268,146	287,364	(19,218)	(6.7)	278,828
Accrued Salaries & Wages	50,498	62,752	(12,254)	(19.5)	62,719
Total Current Liabilities	759,163	919,370	(160,208)	(17.4)	1,278,337
<b>NON-CURRENT LIABILITIES</b>					
Compensated Absences	91,818	161,040	(69,222)	(43.0)	110,538
Other Non-Current Liabilities	1,665,588	2,400,013	(734,425)	(30.6)	1,665,588
Total Non-Current Liabilities	1,757,406	2,561,053	(803,647)	(31.4)	1,776,126
<b>TOTAL LIABILITIES</b>	2,516,569	3,480,424	(963,854)	(27.7)	3,054,463
<b>DEFERRED INFLOWS OF RESOURCES</b>					
DEFERRED INFLOWS OF RESOURCES	17,842,369	18,885,357	(1,042,988)	(5.5)	17,971,117
<b>NET POSITION</b>					
Net Investment in Capital Assets	112,975,995	108,270,910	4,705,084	4.3	112,998,501
Unrestricted Net Assets (Deficit)	15,667,670	14,290,508	1,377,162	9.6	15,129,407
<b>TOTAL NET POSITION</b>	<u>128,643,665</u>	<u>122,561,419</u>	<u>6,082,246</u>	<u>5.0</u>	<u>128,127,908</u>
<b>TOTAL LIAB, DEFERRED INFLOWS, NET POSITION</b>	<u>149,002,603</u>	<u>144,927,200</u>	<u>4,075,403</u>	<u>2.8</u>	<u>149,153,488</u>

**ROCHESTER PUBLIC UTILITIES**  
**Statement of Revenues, Expenses & Changes in Net Position**  
**WATER UTILITY**  
**September, 2024**  
**YEAR TO DATE**

	<u>Actual YTD</u>	<u>Original Budget YTD</u>	<u>Actual to Original Budget</u>	<u>% Var.</u>	<u>Last Yr Actual YTD</u>
<b>8 RETAIL REVENUE</b>					
9 Water - Residential Service	5,862,615	5,580,914	281,701	5.0	5,830,690
10 Water - Commercial Service	2,845,614	2,920,345	(74,731)	(2.6)	2,875,226
11 Water - Industrial Service	520,532	498,183	22,349	4.5	550,016
12 Water - Public Fire Protection	491,235	546,555	(55,321)	(10.1)	461,883
13 Water - Interdepartmental Service	24,173	21,423	2,750	12.8	27,501
14 TOTAL RETAIL REVENUE	9,744,169	9,567,421	176,748	1.8	9,745,316
<b>15 COST OF REVENUE</b>					
16 Utilities Expense	1,048,792	874,320	174,471	20.0	1,043,360
17 Water Treatment Chemicals/Demin Water	188,371	209,557	(21,186)	(10.1)	200,253
18 Billing Fees	591,994	593,926	(1,932)	(0.3)	576,899
19 TOTAL COST OF REVENUE	1,829,157	1,677,803	151,353	9.0	1,820,512
20 GROSS MARGIN	7,915,013	7,889,617	25,395	0.3	7,924,805
<b>21 FIXED EXPENSES</b>					
22 Depreciation & Amortization	2,196,649	2,402,000	(205,351)	(8.5)	2,173,388
23 Salaries & Benefits	2,077,506	2,466,273	(388,767)	(15.8)	2,464,450
24 Materials, Supplies & Services	1,256,027	1,229,075	26,952	2.2	902,681
25 Inter-Utility Allocations	1,622,504	1,478,250	144,254	9.8	1,456,905
26 TOTAL FIXED EXPENSES	7,152,686	7,575,598	(422,912)	(5.6)	6,997,423
27 Other Operating Revenue	1,565,090	1,612,287	(47,197)	(2.9)	1,553,909
28 <b>NET OPERATING INCOME (LOSS)</b>	<b>2,327,417</b>	<b>1,926,306</b>	<b>401,111</b>	<b>20.8</b>	<b>2,481,291</b>
<b>29 NON-OPERATING REVENUE / (EXPENSE)</b>					
30 Investment Income (Loss)	631,363	560,102	71,261	12.7	549,118
31 Interest Expense	(3,639)	-	(3,639)	-	(1,899)
32 Miscellaneous - Net	(2,627)	-	(2,627)	-	(50,993)
33 TOTAL NON-OPERATING REV (EXP)	625,096	560,102	64,995	11.6	496,226
<b>34 INCOME (LOSS) BEFORE TRANSFERS / CAPITAL CONTRIBUTIONS</b>	<b>2,952,513</b>	<b>2,486,408</b>	<b>466,105</b>	<b>18.7</b>	<b>2,977,517</b>
35 Transfers Out	(358,532)	(380,230)	21,699	5.7	(396,062)
36 Capital Contributions	103,056	-	103,056	-	-
<b>37 CHANGE IN NET POSITION</b>	<b>2,697,038</b>	<b>2,106,177</b>	<b>590,860</b>	<b>28.1</b>	<b>2,581,455</b>
38 Net Position, Beginning	125,946,627				119,979,964
<b>39 NET POSITION, ENDING</b>	<b>128,643,665</b>				<b>122,561,419</b>

**ROCHESTER PUBLIC UTILITIES**  
**STATEMENT OF CASH FLOWS**  
**WATER UTILITY**  
**FOR**  
**SEPTEMBER, 2024**  
**YEAR-TO-DATE**

	<u>Actual YTD</u>	<u>Last Yr Actual YTD</u>
<b>8 CASH FLOWS FROM OPERATING ACTIVITIES</b>		
9 Cash Received From Customers	12,588,403	11,632,878
10 Cash Paid for:		
11     Operations and Maintenance	(7,750,473)	(7,556,525)
12     Payment in Lieu of Taxes	(335,785)	(373,429)
13 Net Cash Provided by(Used in) Utility		
14     Operating Activities	4,502,145	3,702,924
15 Sales Tax & MN Water Fee Collections		
16     Receipts from Customers	473,362	470,839
17     Remittances to Government Agencies	(466,858)	(465,254)
18 Net Cash Provided by(Used in) Non-Utility		
19     Operating Activities	6,504	5,585
20 <b>NET CASH PROVIDED BY(USED IN)</b>	<b>4,508,649</b>	<b>3,708,509</b>
21 <b>OPERATING ACTIVITIES</b>	<b>4,508,649</b>	<b>3,708,509</b>
<b>22 CASH FLOWS FROM CAPITAL &amp; RELATED</b>		
<b>23 FINANCING ACTIVITIES</b>		
24 Additions to Utility Plant & Other Assets	(4,284,819)	(3,379,910)
25 Payment on Long-Term Debt	-	-
26 Net Loan Receipts	-	-
27 Cash Paid for Interest & Commissions	-	-
28 <b>NET CASH PROVIDED BY(USED IN)</b>	<b>(4,284,819)</b>	<b>(3,379,910)</b>
29 <b>CAPITAL &amp; RELATED ACTIVITIES</b>	<b>(4,284,819)</b>	<b>(3,379,910)</b>
<b>30 CASH FLOWS FROM INVESTING ACTIVITIES</b>		
31 Interest Earnings on Investments	627,723	547,221
32 <b>NET CASH PROVIDED BY(USED IN)</b>	<b>627,723</b>	<b>547,221</b>
33 <b>INVESTING ACTIVITIES</b>	<b>627,723</b>	<b>547,221</b>
34 Net Increase(Decrease) in Cash & Investments	851,553	875,820
35 Cash & Investments, Beginning of Period	14,773,753	14,147,248
36 <b>CASH &amp; INVESTMENTS, END OF PERIOD</b>	<b>15,625,306</b>	<b>15,023,068</b>

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

**September, 2024**

**YEAR-TO-DATE**

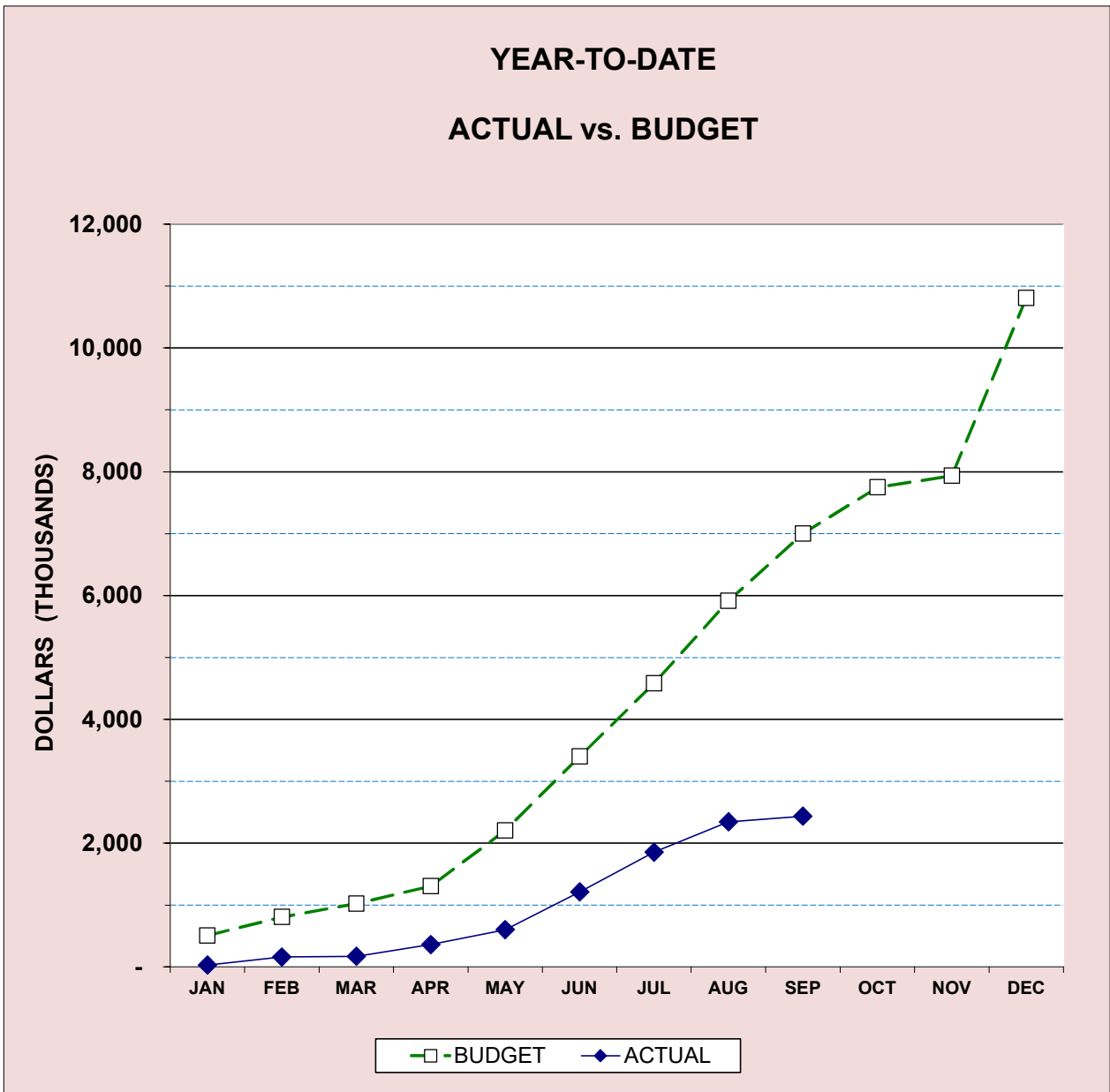
		<u>Actual YTD</u>	<u>Budget YTD</u>	<u>Variance</u>	<u>% Var.</u>	<u>Last Yr Actual YTD</u>	
		(ccf)	(ccf)	(ccf)			
9	<b>PUMPAGE</b>	<i>(primarily calendar month)</i>					
10	TOTAL PUMPAGE	4,652,092	4,616,810	35,282	0.8	5,333,755	
11	<b>RETAIL SALES</b>	<i>(primarily billing period)</i>					
		<u># Custs</u>					
12	Water - Residential Service	38,039	2,125,603	2,316,223	(190,620)	(8.2)	2,598,518
13	Water - Commercial Service	3,981	1,785,242	1,847,763	(62,521)	(3.4)	1,935,762
14	Water - Industrial Service	22	479,952	460,614	19,338	4.2	538,355
15	Water - Interdptmntl Service	1	18,102	15,476	2,626	17.0	22,716
16	Total Customers	<u>42,043</u>					
17	TOTAL RETAIL SALES	4,408,899	4,640,076	(231,177)	(5.0)	5,095,351	
18	Lost & Unacctd For Last 12 Months	317,867	5.3%				

## CAPITAL EXPENDITURES WATER

Current Year	
ANNUAL BUDGET	10,806,658
ACTUAL YTD	2,435,091
% OF BUDGET	22.5

September, 2024

Prior Years Ending Dec 31st		
2023	2022	2021
6,508,342	4,878,440	6,807,825
3,203,906	2,696,538	3,548,783
49.2	55.3	52.1

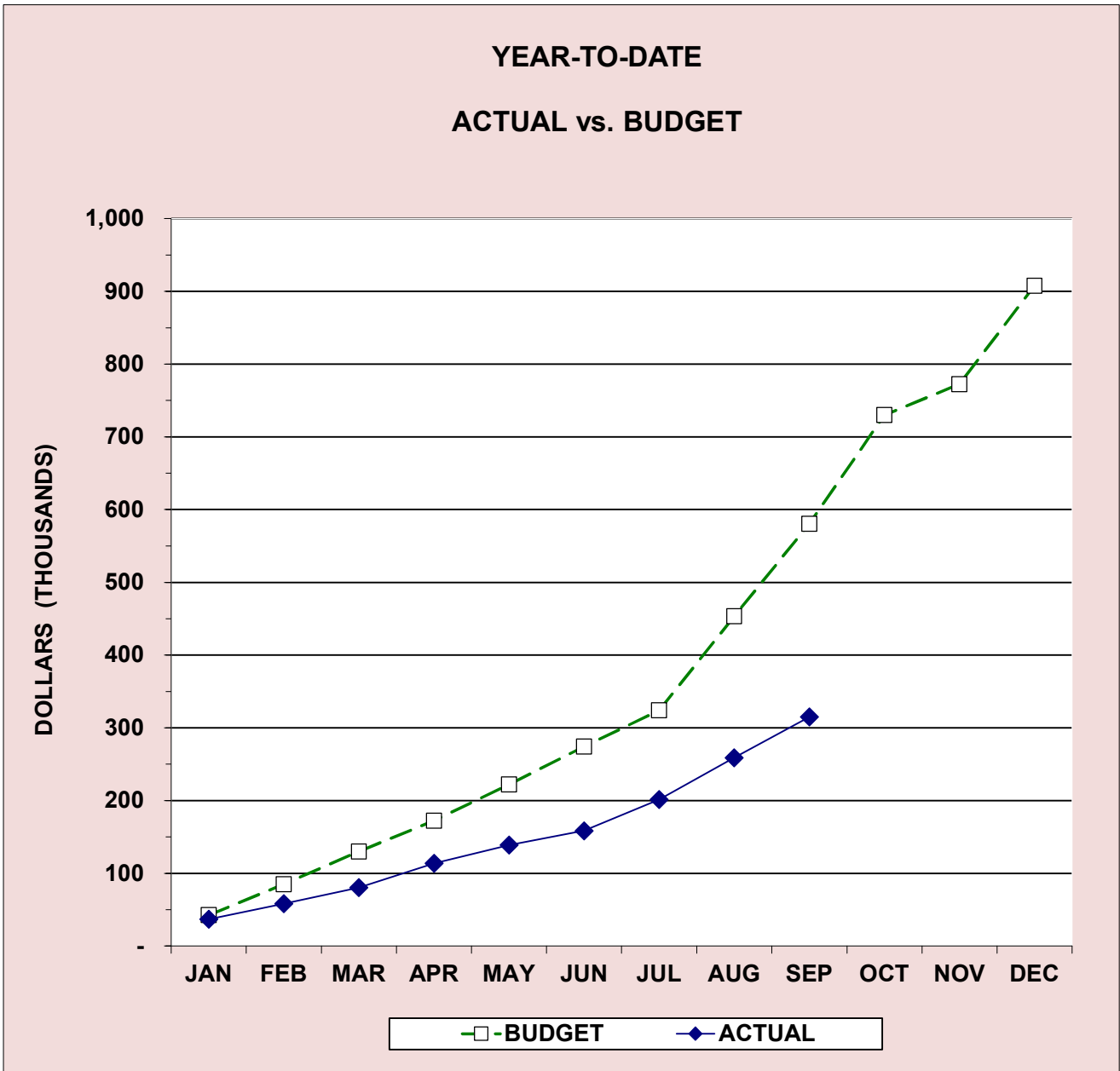


**MAJOR MAINTENANCE EXPENDITURES  
WATER**

**September, 2024**

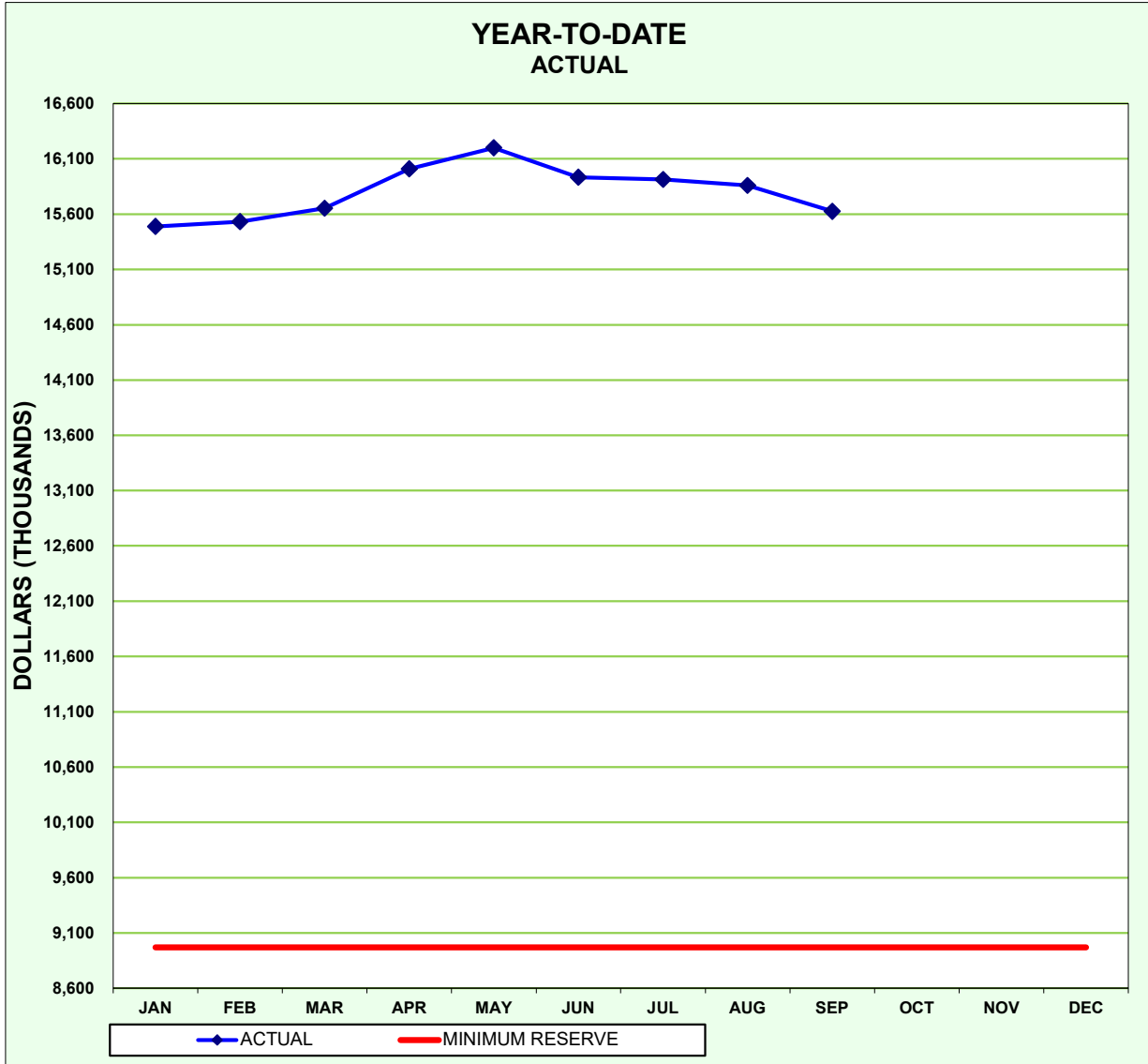
<u>Current Year</u>	
ANNUAL BUDGET	907,895
ACTUAL YTD	315,064
% OF BUDGET	34.7

<u>Prior Years Ending Dec 31st</u>		
<u>2023</u>	<u>2022</u>	<u>2021</u>
796,090	1,015,476	528,408
396,411	447,519	225,087
49.8	44.1	42.6



CASH AND TEMPORARY INVESTMENTS  
WATER

September, 2024





# CHANGE IN NET POSITION WATER

September, 2024

## YEAR-TO-DATE ACTUAL vs. BUDGET

