

A REGULAR MEETING OF THE PUBLIC UTILITIES COMMISSION OF THE CITY OF VIRGINIA, MINNESOTA WAS HELD AT THE OFFICE OF THE DEPARTMENT OF PUBLIC UTILITIES ON MONDAY, JULY 25, 2016 AT 3:30 P.M.

Commission President Raplinger called the meeting to order at 3:30 PM.

APPROVED

Present: Commissioners Johnson, Marks, Marwick and Raplinger
Absent: Commissioner Culbert
Also Present: Greg French – General Manager, Bill Hafdahl – Finance Director; Mary Johnson – Supervisor – Customer Relations; Representative – Virginia Public Access TV

Item 2 – A motion to approve the agenda by Marwick, supported by Johnson, motion carried.

Item 4 – Notice of LEA Meeting on October 25, 2016 at 4:30 pm, following the regular VPU Commission meeting.

Item 5 – (a) and (b) – A motion was made by Marwick and supported by Johnson that financial resolution No. 5229 – Authorizing the payroll dated July 7, 2016 in the amount of \$116,204.47 checks #48914 through #48922 and direct deposits #25276 through #25347; and the payroll dated July 21, 2016 in the amount of \$113,584.66 checks #48923 through #48930 and direct deposits #25348 through #25418; and the bills dated June 28, 2016 through July 25, 2016 in the amount of \$1,777,333.30, checks #96723 through #96937 and wire and electronic transfers in the amount of \$1,181,036.11 be adopted. The same motion approved the Regular Commission Meeting Minutes for the June 27, 2016 meeting. Motion carried.

Item 6 (a) – Mr. French stated there was one reported injury resulting in no restrictions or lost time.

Item 7 (a) – A motion was made by Johnson and supported by Marks to approve the VPUC Audit Report.

Item 8 (a) – A motion was made by Marks and supported by Johnson to approve the travel request for one staff member of the Electric Department to attend training; September 12-16, 2016; Duluth, MN.

Item 9 (a) – Mr. French reported that we have been running 15.5 megawatts off of #11 wood boiler with stabilizing gas and #9 coal boiler. He noted that we've continued to have great compliance with the addition of the gas burners. He stated that we've fallen behind on our year-to-date wood burning percentage, but should catch up as we are now running steady. He further mentioned that the lake temperatures have been getting a little close to our permit average, so we may need to take down # 5 turbine generator for a bit, but will strategically plan that around some minor maintenance projects that need to be done. Mr. French also discussed the major steam blowout in front of the Parkview School stating at this time the crew is troubleshooting the problem. He also mentioned that the Highway 53 project is moving along, that we have the contracts in hand as well as the reimbursement forms. He stated all is in place with the water, minor electric and gas work coming from Eveleth and that the new electric substation is fully completed and online.

Item 9 (b) – Mr. Hafdahl reviewed the 2015 CIP Report stating that we achieved a savings of 1.9% in comparison to the 1.5% requirement. He pointed out that 2/3 of the 2.2 million kwh deemed savings in electric was on commercial and industrial lighting projects. He stated that the residential program focuses on changing out appliances such as refrigerators, dehumidifiers and lights, but also takes measures to reduce heat loss. He further stated that we are able to convert btu savings to kwh savings and receive credit. Commissioner Raplinger asked about the status of the PACE Program which he explained is a program coordinated through the State in which monies are available to commercial customers for energy saving improvements. Mr. Hafdahl responded that the city approved the program and will be packaging it along with other saving programs which can then be presented to business owners.

Commissioner Raplinger called for a motion to adjourn at 4:02. A motion was made by Marks and supported by Johnson. Motion carried.

ATTEST:

APPROVED:

Bill Culbert, Secretary

Rob Raplinger, President