



**Danville Utility Commission**  
4:00 p.m. June 23, 2014 Meeting  
Council Conference Room, City Hall  
**Minutes**

**Commission Members Present:** Bill Donohue, Joe King, Michael Nicholas, Fred Shanks, Phillip Smith, Jim Turpin and Bob Vaughan

**Commission Members Absent:** Bob Schasse

**Staff Present:** Ken Ashworth, Carolyn Evans, Jason Grey, Jennifer Holley, Alan Johnson, Becky Meadows, Eric Walker and Clarke Whitfield

**Others Present:** Joey Caskey, Team Lead for BP

**Call to Order & Announcements**

Chairman Vaughan opened the meeting and asked that the attendance be recorded. As a quorum was present, the meeting was called to order.

**Discussion / Business Items**

Minutes of June 23, 2014 Commission Meeting: Chairman Vaughan asked for any corrections, deletions, or adjustments to the minutes of June 23, 2014. There were none. Mr. Nicholas made a motion to approve the minutes. Mr. Donohue seconded the motion. The motion was unanimously approved.

Review of Utilities' Financial Statements: Jennifer Holley reviewed the March 2014 financial statements.

Ms. Holley then answered additional questions from the Commissioners.

Natural Gas Supply Update: Joey Caskey, Team Lead for BP which is the City's Natural Gas Asset Manager, presented information on Danville's current natural gas supply and the effect of the harsh temperatures last winter. Mr. Caskey said that last winter was the coldest winter in 25 years and led to volatile gas prices. Danville's stored natural gas assets, however, allowed service to its customers without interruption.

Mr. Caskey said that Marcellus/Bakken growth could bring stability and lower prices to the natural gas market in the future as they develop methods that will bring the gas south.

### **Communications from City Manager**

Joe King thanked Mr. Vaughan for his service on the Commission. Mr. Vaughan said the time has been very rewarding.

Mr. King told the Commissioners that City Council has approved the electric rate increase.

### **Communications from Utility Staff**

Ken Ashworth answered Mr. Schasse's question about the impact of the hydro repairs on Danville Utilities. Mr. Ashworth said he estimates the impact was \$600,000 and could have been a \$1 million impact last January.

Eric Walker said that after reviewing the RFP's for the energy efficiency program administrators, Nexant was the lowest bid.

Jennifer Holley said that the bill to Duke Energy for the coal ash spill from February through May is \$34,406.

Alan Johnson said the wastewater treatment plant has returned to normal operations.

Mr. Johnson also described the Annual Water Quality Report's new format.

### **Communications from the Commissioners**

Mr. Smith thanked Mr. Vaughan for his service and commented that he was a fine Chairman.

Mr. Donohue voiced concerns that Danville's industrial electric rates are 30% higher than the surrounding areas' and could impact economic development.

Mr. Shanks said the Commission needs to find solutions.

Mr. Turpin said Danville should study the transmission contract and how peak days affect what we are charged.

### **Communications from the Director**

Jason Grey Thanked Mr. Vaughan for his service.

**Adjournment**

Chairman Vaughan stated the next meeting is scheduled for July 28, 2014. .  
There being no further business Chairman Vaughan adjourned the meeting at 5:00 p.m.

Submitted by Patti OKeefe  
Secretary to the DUC

**July 28, 2014**  
Date Approved

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Chairman  
Danville Utility Commission