

Danville Utility Commission
4:00 p.m. August 28, 2017 Meeting
Council Chambers, City Hall
Minutes

Commission Members Present: Helms Dobbins, Bill Donohue, Ken Larking, Fred Shanks, Jim Turpin, and Sheila Williamson-Branch

Commission Members Absent: Vanessa Cain, Michael Nicholas

Staff Present: Michael Adkins, Amy Chandler, Greg Disher, Carolyn Evans, Jason Grey, Jenny Holley, Alan Johnson, Kelly Kinnett, Mike Spencer, and Clarke Whitfield

Others Present: Jerry Shupe and Charles Overby of Severn Trent; Jerry Lindsley with the Center for Research and Public Policy

Call to Order and Announcements

Chairman Donohue opened the meeting and asked that the attendance be recorded. As a quorum was present, the meeting was called to order. Mr. Donohue suggested that due to scheduling conflicts, that Commission consider combining the September and October meetings. Mr. Turpin made a motion to consolidate the two meetings into one to be held on October 23; Mr. Dobbins seconded, all members voted in favor, and the motion carried unanimously

Discussion/Business Items

Minutes of July 24, 2017 Commission Meeting

Chairman Donohue asked for any corrections, deletions, or adjustments to the minutes of July 24, 2017.

Mr. Dobbins made a motion to correct "August 2018" on page four of the minutes to "August 2017". All members voted in favor, and the motion carried unanimously.

Review of Utilities' Financial Statements

Ms. Chandler presented the utility financial statements for each utility fund and addressed questioned from the commissioners. Ms. Chandler emphasized that the

financial statements are pre-closing/unaudited and that the annual financial audit will begin in September.

Mr. Turpin asked whether we are adding to or subtracting from the fund balances. Staff will provide this information for each fund to the Commissioners. A discussion of the current PCA rate ensued. Mr. Turpin proposed reducing the current rate and extending the period of time for recovery. Mr. Grey recommended that the Utility maintain the plan to adjust the rate quarterly for the remainder of the fiscal year. Mr. Donohue commented that the Utility is a business and we made a business decision to apply sound PCA recovery principles and that he would be concerned to abandon the decision. Commissioners requested a review of the PCA adjustment before the increase is effective allowing them the ability to weigh in on the decision. Jason Grey is to provide an update of the PCA Recovery at the November 2017 meeting.

2017 Customer Satisfaction Survey

Mr. Jerry Lindsley with the Center for Research and Public Policy presented an overview of the customer satisfaction survey conducted May 15 – 23, 2017. The research was designed to collect views among commercial and residential customer on Danville Utilities service overall, on meeting expectations, company and personnel ratings, view on billing/accounting, reliability and communication. The research study included telephone survey responses from 400 residential and 150 commercial customers. The surveys were identical with two exceptions – quality of life and standard of living questions were not posed to the commercial respondents. Mr. Lindsley presented responses to all of survey questions while stating that meeting expectations is regarded to be the most important question on the survey. In this area, 75.6% of residential customers and 82.7% of commercial customers responded that Danville Utilities meets their service expectations all or most of the time.

Mr. Lindsley stated that many public and private sector organizations establish Customer Satisfaction Indexes "CSI's" enabling a measurement of satisfaction levels over time utilizing a single score. Most service organizations strive to attain and then maintain CSI scores in the high eighties. When averaging the overall scores for Danville Utilities, its office personnel and field representatives, residential customers provided a 2017 CSI score of 73.1% while commercial customers provided a CSI score of 76.0% for 2017. Mr. Lindsley answered questions from the commissioners and concluded by stating that incremental improvement goals for year-to-year measurement should be reasonable and attainable.

Department Discussions

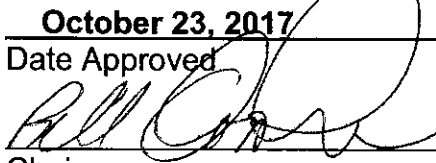
There was no further communication from staff or the public. Mr. Shanks thanked the staff for the positive results from the customer satisfaction survey. Further, he encouraged the public to review Danville Utilities' website for access to account information and bill paying. He was complimentary of the site's ease of navigation, and content.

Mr. Grey spoke about the graph of the summer peak that he distributed to Commission. Danville's peak of 190 mW occurred on July 12 while AEP's peak occurred on July 19. He reiterated that it is favorable that Danville's system peak was not concurrent with a transmission or capacity peak. Mr. Donohue suggested that the savings from this event can help us address the PCA in future months.

Adjournment

Chairman Donohue stated the next meeting is scheduled for October 23, 2017. There being no further business, Chairman Donohue adjourned the meeting at 5:44 p.m.

Submitted by Jennifer Holley
Acting Secretary to the DUC

October 23, 2017
Date Approved

Chairman
Danville Utility Commission