



Commission Members Present: Vanessa Cain, Jim Turpin, Sheila Williamson-Branch, Fred Shanks, Helm Dobbins, Earl Reynolds

Commission Members Absent: Michael Nicholas, Bill Donahue, Ken Larking

Staff Present: Ryan Dodson, Amy Chandler, Jason Grey, Janet Davis, Alan Johnson, Kelly Kinnett, Mike Spencer, Jennifer Holley, Michael Adkins, Carolyn Evans

Others Present: Jerry Shupe and Charles Overby, Inframark

Call to Order and Announcements

Mr. Turpin 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 May 7, 2018 Commission Meeting

Mr. Turpin asked for any corrections, deletions, or adjustments to the minutes from May 7, 2018.

Mr. Dobbins made a motion to approve the minutes. Ms. Cain seconded, all members voted in favor, and the motion carried unanimously.

Review of Utilities' Financial Statements

Ms. Chandler presented the April financial statements for each utility fund.

Mr. Shanks asked which contract was renegotiated. Ms. Chandler replied that the contract was for Lumos.

Mr. Turpin stated that following a discussion with Mr. Grey after the last meeting, he has an improved understanding of the PCA recovery. He recommended that the budget and PCA recovery worksheet reflect supply cost as two line items: one for the cost of supply that is covered in the PCA and the other for the cost of supply for high load factor customers.

Mr. Shanks thanked Mr. Turpin for the explanation and stated that, as he was unaware that part of the cost of supply is unrecovered.

Mr. Dobbins asked when we would see the updated information. Mr. Grey said the information will be in the packet for July.

FY18 Year End Forecast

Ms. Jennifer Holley, Division Director of Support Services, provided a year-end forecast on fiscal year 2018 budget.

Mr. Turpin asked if projects not completed in the previous fiscal year carry over to the next year. Ms. Holley replied that it does carry over for future projects.

Mr. Shanks asked where the line items for the two different purchases due to congestion on the spot market appear on the year end forecast. Mr. Grey replied that the line items could be found under purchased services.

Kentuck Solar Metering and Billing

Mr. Grey presented to the Utility Commission a proposal to allow American Municipal Power (AMP) to meter and bill for the power supplied by the Kentuck Solar generation facility and maintain the revenue grade meter/equipment and provide one power supply bill for all of the City's generation resources. AMP will charge \$0.00058/kWh or approximately \$500/month based on the generation provided at the Kentuck solar site.

Mr. Shanks asked if the cost is all inclusive of the equipment and labor. Mr. Grey replied that it is all inclusive.

Ms. Cain made a motion that the Danville Utility Commission recommend to City Council allowing American Municipal Power to provide metering and billing services for the Kentuck Solar generation facility. Mr. Dobbins seconded, all members voted in favor, and the motion carried unanimously.

Department Discussions

Ms. Cain asked how the church rate error occurred and how it would reflect in the budget.

Mr. Grey replied that his investigation determined that in 2008 several churches were allowed to move to the Medium General Electric Service rate because it was more advantageous at the time. While researching a customer inquiry regarding the Worship rate, we recognized that 30 churches were no longer on Rate 15. Further, he stated that all refunds should be processed within the next three weeks, and that as of mid-May, all churches were moved to Rate 15, the worship rate.

Mr. Dobbins inquired if the audit be changed to reflect the refunds. Mr. Grey said it may be an added footnote. Mr. Adkins stated that the amount will be noted, but is not material enough to require a restatement.

Mr. Grey presented Mr. Turpin with a plaque for his nine years of service on the Utility Commission. Mr. Turpin humorously replied that he enjoyed most of it and that he will miss participating.

There was no comment from City staff.

There was no comment from the public.

Adjournment

Mr. Turpin stated the next meeting is scheduled for July 23, 2018. There being no further business, Mr. Turpin adjourned the meeting at 4:45 p.m.

Submitted by Janet C. Davis
Secretary to the DUC

July 23, 2018
Date Approved

Chairman
Danville Utility Commission