

The Owatonna Public Utilities Commission met in regular session in the Morehouse Conference Room at the Owatonna Public Utilities. Present were Commissioners Zirngible, Doyal, Johnson and Vetter. Absent was Commissioner Rossi. Also present were General Manager Warehime; Director, Finance & Administration Olson; Director, Engineering & Field Operations Fenstermacher; Director, Information Technology & Metering; Manager, Human Resources Madson; Supervisor, Accounting Linders; Supervisor, Information Technology Trom; Energy Conservation & Key Account Officer Hendricks; and OPU employees, Ann Ringhofer, Lori Jerpbak, and Shanda Meier.

President Zirngible opened the meeting by leading the Pledge of Allegiance. He then asked for approval of the agenda and the consent agenda items minus the Minutes. The consent agenda items included the Minutes from the December 20, 2023 meeting, Contributed Services as of December 31, 2023; Distributed Generation Rules Annual Policy Review; and the Four Season's building utilities approval. Commissioner Doyal moved to approve the agenda and consent agenda items, minus the Minutes. Commissioner Johnson seconded the motion. All Commissioners voting Aye, the motion passed. Commissioner Doyal pointed out the Minutes were incorrect. Work orders were reported as being 70% underbudget. The correct number should be 7%. Commissioner Doyal moved to approve the minutes with the correction. Commissioner Johnson seconded the motion. All Commissioners voting Aye, the motion passed.

Committee Reports

Personnel Committee – The Personnel Committee did not meet. As of the date of the Commission meeting, 89 days had accumulated without an OSHA recordable.

Finance Committee – Commissioner Doyal reported the Finance Committee met, reviewed and approved vouchers totaling \$6,627,699.17. Twelve work orders were closed in December making a total of 44 closed for the year with 32 remaining open. Overall, closed work orders are 9% underbudget. Mr. Doyal reported one work order was changed to include additional expenses associated with the fiberglass on a truck being purchased.

City Administrator's Report

City Administrator Busse reported they are giving the State of the City presentations to organizations around town. It was a good strong year with lots of good news and good things happening and a lot on the horizon. A presentation will be given to the Commission in the upcoming months. At the last council meeting they reviewed the ongoing 2050 comprehensive plan including the vision, guiding values and goals. The plan touches on topics such as parks and trails, land use, transportation, housing, sustainability, and economic development. The goals were developed around those things. Currently, the city is in the review process, gathering input from the Planning Commission and City Council.

Acceptable Use Policy

Mobile Device Policy

Mobile Phone Stipend Policy

Commissioner Johnson moved to approve the Acceptable Use policy, the Mobile Device policy, and the Mobile Phone Stipend policy as presented. Commissioner Doyal seconded the motion. All Commissioners voting Aye, the motion passed.

General Manager/Staff Report

General Manager Warehime noted since distributed generation rules were in the consent agenda for the annual review, and we have to report the average retail rate, we thought it would be good to update the

Commission on a few solar customer statistics. Mr. Warehime turned the discussion over to Mr. Hendricks. Mr. Hendricks reported eight solar customers were added in 2023 bringing our total interconnected solar arrays up to 68. Of those 68, one is commercial, and one is multi-family. Mr. Hendricks further discussed the capacity and energy produced from solar arrays in Owatonna and discussed the affect different weather patterns have on the net export capacity. Commissioner Vetter asked how long it takes for customers to get connected once, they've requested it. Mr. Hendricks replied, if everything goes smoothly, just over a month from start to finish. Discussion ensued surrounding the renewable energy credits and who gets to claim them. Mr. Hendricks wrapped up by discussing the average retail rate.

General Manager Warehime presented an overview of the 2024 Strategic Plan to the Commission. He began by noting we have had this strategic plan for years and just continue to revamp it every year. He first showed the picture of the future, and noted the changes made this year. He next discussed the details of the four focus areas; One OPU is really about culture; the next one is Technology and we did not make any changes to that one this year; the third one is Proactive Growth Strategies and the last one is Reliability, Security and Resiliency. Each focus area is then assigned key initiatives which Mr. Warehime discussed in detail.

Commissioner Vetter inquired as to what takes so long with the service territory acquisition and is it worth it to us to take over those areas. General Manager Warehime noted the negotiation between the two parties is what takes the longest regarding service territory acquisitions, and the short answer is yes, it is worth it to us, as long as the terms of the agreement make sense. Discussion ensued around how service territories were set, who set them, how often they get changed and the process for acquiring territory.

General Manager Warehime reported about one half million dollars was saved over the Martin Luther King weekend in natural gas costs due to the strategy we developed back in 2021. He concluded by discussing the development of the history book, and asked if any Commissioners wanted to be involved as well as had a discussion regarding potentially moving the February Commission meeting. Mr. Warehime will get back to the Commission.

Director, Engineering & Field Services Fenstermacher discussed the outage at the Ascend project and noted 2200 customers were without power for about 2 hours. Since then, we held an after-action review and had some frank conversations with the general contractor, as well as the excavator contractor, regarding safety and how to mitigate risks going forward. We then sent them a follow-up letter.

Director, Information Technology & Metering Baum updated the Commission on the equipment upgrade for the Morehouse Conference Room. He noted they are looking for a three-day block to schedule the work in the room sometime in February.

Commission Roundtable

There was not anything further from the Commission.

Adjournment

There being no further business to come before the Commission, the meeting adjourned at 4:47 p.m.

Respectfully submitted,

Ann Ringhofer,
Customer Service Rep. on behalf of Executive, Communications and Administration Coordinator Schmoll