

The Owatonna Public Utilities Commission met in regular session in the Main Building Break Room. Present were Commissioners Truelson, Schreiner, Noyce and Emanuelson. Absent was Commissioner Mayhew. Also present were General Manager Shurts; Director Finance, Information & Meter Services Bruno; Director Engineering & Fields Services Morgan; Director Marketing, Power & Energy Management Green; Supervisor SCADA & Energy Management Warehime; Accountant Teresa Hottman and Executive/HR Assistant Tammy Schmoll. Also present was Mayor Tom Kuntz.

Mayor Kuntz led the Pledge of Allegiance.

### **Minutes**

The Minutes from the regular Commission meeting of June 28, 2005 were presented to the Commission. Commissioner Schreiner moved to accept the Minutes as presented. Commissioner Emanuelson seconded the motion. All Commissioners voting Aye, the motion passed.

### **Committee Reports**

Finance Committee – Commission Noyce reported the Finance Committee met, reviewed and approved the Financial Statements, the balance sheet, income statement, vouchers, disbursements and cash flows.

Personnel Committee – Commissioner Schreiner reported the Personnel Committee met on July 19, 2005. The main agenda item was staffing updates. He noted Ron Nelson, the Gas/Water Supervisor will be retiring soon. The position has been posted and interviews of internal candidates will be conducted soon. General Manager Shurts noted the Department Heads titles changed from Managers to Directors; Larry Reese, the Production Supervisor, now reports to Joe Green, the Director of Marketing, Power & Energy Management and Roger Warehime, is now the supervisor of the SCADA department.

### **Contributed Services**

The Contributed Services report as of June 30, 2005 was presented to the Commission. The Commission signed the report.

### **General Manager/Staff Report**

General Manager Shurts reported Mayor Kuntz was present at the meeting to give an update on the Policy Maker's conference he attended. Mayor Kuntz thanked the Commission for allowing him to attend the Policy Maker's conference and discussed the Energy Bill that is currently in front of the legislature. Mayor Kuntz also reported on the transportation budget noting there is money in the State's budget for the Highway 14 project. Commissioner Emanuelson inquired if there are any discussions about deregulation any more. Mayor Kuntz replied, at this point, there are not any discussions. The Commission thanks Mayor Kuntz for attending the meeting. Mayor Kuntz left.

General Manager Shurts reported he and Ronnie Johnson will be meeting with an attorney regarding the Alliant service territory issue.

General Manager Shurts reported Roger Warehime put together some usage graphs. Mr. Warehime discussed the graphs explaining the graphs compared budget to actual consumption in all three utilities, as well as revenue, commodity expenses, non-commodity expenses and net income. Mr. Warehime also distributed a graph on outages for the first six months of the year. He noted there were

27 outages total with 12 of them being caused by squirrels. Our reliability for this time period was 99.996%, which is the same as last year for the same time period.

Mr. Warehime reported to the Commission about the Conservation Improvement Programs. He noted changes included no longer offering rebates for the 92% efficiency furnaces for new construction. He further noted we are under budget for the first six months of the year. Mr. Warehime also discussed the Energy Audit program. Commissioner Truelson inquired, how are out of town contractors brought up to date on energy management? General Manager Shurts replied, we will be sending them a letter.

Mr. Warehime reported to the Commission on the Economic Development budget item for the Owatonna Business Incubator (OBI). He recapped the distribution on the funds and reported OBI will be allocating some of that money for marketing efforts to fill the space vacated by Foam Craft.

Director Marketing, Power & Energy Management Green reported to the Commission on the Energy Management program. Mr. Green noted, to date, we have called 5 of the 9 energy management alerts. When we call the EM, about 2 megawatts gets shed. There is a \$85,000 savings for each megawatt shed. Mr. Green further noted, OPU does load management shedding and in July we shed between 7 & 10 megawatts. To date, our peak is 70.11 MW compared to 68.84 MW in 2004.

Mr. Green further reported a Request for Proposal was sent out for gas supply to about 16 vendors. He noted we have received 6 or 7 back and have seen some reduced pricing.

Executive/HR Assistant Tammy Schmoll reported on the building project. She noted, the bathrooms downstairs are completely operational. The bathrooms upstairs have been completely gutted and work is continuing in that area as well as in the entry way, and lobby area.

Director Finance, Information & Metering Services Bruno distributed a budget schedule to the Commission for the 2006 budget process.

Director Engineering & Field Services Morgan reported on a water main break and two electrical outages. He reported the water main break occurred on Sunday about 4:30 p.m. The two electrical outages consisted of 1) an employee mistake while working on some scheduled upgrades to Viracon which left the facility without power for about 1-1/2 hours and 2) a squirrel that got into a multiple feed transformer. That outage only lasted about 39 minutes.

### **Commission Roundtable**

Commissioner Emanuelson – Nothing.

Commissioner Schreiner – Nothing.

Commissioner Noyce – Nothing.

Commissioner Truelson – Nothing.

**Adjournment**

There being no further business to come before the Commission, Commissioner Schreiner moved to adjourn the meeting. Commissioner Emanuelson seconded the motion. All Commissioners voting Aye, the meeting adjourned at 5:17 p.m.

Respectfully submitted,

Tammy Schmoll  
Executive/HR Assistant