



City of Napoleon, Ohio

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Memorandum

To: Mayor and Members of City Council
From: Roxanne Dietrich, Executive Assistant to Appointing Authority/Clerk of Council
cc: Joel L. Mazur-City Manager, Billy D. Harmon-City Law Director, Kelly O'Boyle-City Finance Director
Date: February 10, 2020
Subject: General Information

CALENDAR

ELECTRIC COMMITTEE AND BOPA

1. **Approval of Minutes**
2. **Review/Approval of Power Supply Cost Adjustment Factor for February 2020**
 - a. The PSCAF reports for February 2020 are enclosed.
3. **Update on Substations**
4. **Review of Issues for the APPA Legislative Rally**

Joel has enclosed three articles from APPA:

 - a. Electric Transmission Policies
 - b. Federal Efforts to Address Climate Change
 - c. Sequestration of Build America Bond Credit Payments
5. **Electric Department Reports**

WATER, SEWER, REFUSE, RECYCLING AND LITTER COMMITTEE AND BOPA

1. **Approval of Minutes**
2. **Refuse Collection Rules (Tabled)**
 - a. Enclosed is a Memo from Joel along with a spreadsheet showing the details of the 560 Fund 6400 Refuse Account from 2015-2019
3. **Update on WWTP Phase I Improvements Project**
 - a. the following is in your packet from Joel: a Progress Report on the WWTP Project a Revised Priorities List, and a Site Plan.


MUNICIPAL PROPERTIES, BUILDING, LAND USE AND ECONOMIC DEVELOPMENT COMMITTEE

1. **Approval of Minutes**
2. **Murals within the City**
 - a. Included in your packet is an article on "Understanding the First Amendment Limitation on Gov't Regulation of Artwork".

MEETINGS CANCELED

1. Board of Zoning Appeals
2. Planning Commission
3. OML Legislative Bulletin/February 7, 2020
4. AMP Update/January 31, 2020

February 2020

| Sun | Mon | Tue | Wed | Thu | Fri | Sat |
|--|---|------------------------------------|---------------------------------------|-----------|-----------|--|
| | | | | | | 1 9:00 am – Special Civil Service Commission Meeting (Police Officer Physical Agility Test) @ St. Paul's Lutheran Church |
| 2 | 3 6:15 pm Technology Comm 7:00 pm City Council | 4 | 5 | 6 | 7 | 8 |
| 9  | 10 6:15 pm Electric Comm. BOPA 7:00 pm Water/Sewer Comm 7:30 pm Muni Prop/ED Comm | 11 | 12 | 13 | 14 | 15 |
| 16 | 17 6:00 pm Tree Commission 6:00 pm Parks & Rec Comm. 7:00 pm City Council | 18 | 19 | 20 | 21 | 22 |
| 23 | 24 6:30 pm Finance & Budget 7:30 pm Safety & Human Resources Comm. Mtg. w/Townships | 25 4:30 pm Civil Service | 26 6:30 pm Park & Rec Board | 27 | 28 | 29 |

City of Napoleon, Ohio

ELECTRIC COMMITTEE

Meeting Agenda

Monday, February 10, 2020 at 6:15 pm

LOCATION: Council Chambers, 255 West Riverview Avenue, Napoleon, Ohio

- 1) Approval of Minutes: January 13, 2020 (In the absence of any objections or corrections, the Minutes shall stand approved)
- 2) Review/Approval of the Power Supply Cost Adjustment Factor for February 2020: PSCA 3-month averaged factor \$0.01683; JV2 \$0.121125
- 3) Update on Substations
- 4) Review of Issues for the APPA Legislative Rally
- 5) Electric Department Reports
- 6) Any other matters to come before the Committee
- 7) Adjournment



Roxanne Dietrich

Executive Assistant to Appointing Authority/Clerk of Council

ELECTRIC COMMITTEE

Meeting Minutes

Monday, January 13, 2020 at 6:15 pm

PRESENT

Electric Comm Members
Board of Public Affairs
City Manager
City Staff

Lori Siclair-Chair, Ross Durham
Mike DeWit-Chair, Rory Prigge, Dr. David Cordes (arrived at 6:20 pm)
Joel Mazur
Dennie Clapp-Electric Distribution Superintendent, Todd Wachtman-Substation Specialist
Roxanne Dietrich

Executive Assistant to Appointing
Authority/Clerk of Council
Others

ABSENT

Electric Comm. Member

Joseph D. Bialorucki

Call to Order

Chair Siclair called the Electric Committee meeting to order at 6:15 pm.

Approval of Minutes

Hearing no corrections or objections, the minutes from the December 9, 2019 Electric Committee meeting stand approved as presented.

Motion to Approve the BOPA Recommendation to Approve the PSCAF for January 2020

Motion: Durham Second: Siclair
to approve the Board of Public Affairs' recommendation to approve the Power Supply Cost Adjustment Factor (PSCAF) for January 2020 as PSCA 3-month averaged factor \$0.01695 and JV2 \$0.062811.

Passed

Yea-2

Nay-0

Roll call vote on the above motion:
Yea-Siclair, Durham
Nay-

Dr. Cordes Arrived

Dr. Cordes arrived at 6:20 pm.

Update on Condition of Substations

DeWit asked how old are the substations? Mazur replied they are pushing 40 years old. DeWit noted a lot of stuff you read says the average life of a substation is ten years. I can't imagine that is anywhere close to being realistic. Wachtman explained ten years might be more of an industrial setting. DeWit asked why would they be different? Mazur said think of it like a water meter. The bigger meters have more water going through them so they wear out quicker. You either have to replace them or have the guts changed out or at least tested annually or once every two years. Now the smaller residential meters you only have to test once every five years. Wachtman continued they like to low dose to get their dollar at the utility scale. We are going to factor in to allow for 50% or 30% oversized so we don't build these and wear them down. They know they can run at 100% capacity and it's only lasting ten years but it only cost so much to replace it. DeWit said when we built the substations ours were double ended substations fed in the middle and you could feed out of both sides. That way if one side went down we could switch to the other side. I've never heard of substations getting changed. Maybe they got changed I only built the plants; but I usually knew about things that needed consistent

maintenance. Mazur-it is a major cost. DeWit-a million-dollar cost is not a low dollar cost. Mazur-these are high dollar, even for Owens Corning, they are high dollar substations. DeWit they are expensive pieces but they don't change them out every ten years. I've never heard of rebuilding a substation. You can't rebuild, you can't take one of ours away and send it to a substation guru to check things out and change things. Wachtman-Yes you can. DeWit-why don't we do that?

Wachtman-it's called rewinding the transformer. They take the core out of it, set it on a truck and ship it to Virginia or California, they rewind it in their plant and ship it back and recommission it. All that extra manpower adds cost, the field service work to bring it back to a new transformer costs. A plant like Tenneco or Owens Corning could have it rewound by a thousand different facilities in the US. We are at 15-25 MBA the number of facilities that can rewind these is limited to twenty. The bigger you go the fewer people can work on it. One caveat with rewinding, if it is an aluminum winding on the core they will tell you it's worth its price in scrap. If it is copper winding, then they will talk to you. I know two out of the three substations are aluminum. So we have two transformers that are worth their weight in scrap. I'm not certain about the Industrial Substation.

DeWit-the article I read said you need to know how much risk we are at of going down, in other words, what is the chances of it dying? If it does die, what is the risk? The risk on the big one is major because you lose all your industry. Now if you lose your substation on Industrial can I still feed the transformer through the switch gear from the other two?

Wachtman-No. You would have to put the load onto the other two. We wouldn't use anything at Industrial anymore it would be coming from the feeders out of Glenwood and the south side.

DeWit-they are redundantly fed so we have feeders that are fed the same thing out of both of these. So, we don't need to feed the switch gear that's in Industrial.

Wachtman replied correct. DeWit-are these multi-switch gear or is it one big switch that is put on the main line?

Wachtman-there are three feeders with a breaker out of each station. There is only one breaker coming from the transformers.

DeWit-we can carry the load on the two smaller ones for how long?

Wachtman-what is your risk level, you can put the load there indefinitely. Now what is your exposure

DeWit-we would not do that indefinitely. Industrial has the biggest load, if we drop the capacity of that load 100% we can still pick up the load for the whole entire facility? It would probably depend on whether it is hot out, our load will vary.

Clapp-the scenario we have is, as we grow and get more businesses we may not be able to carry that load for very long. If you overload one, then you are down to one transformer and two-thirds of the City is out.

DeWit-I'm not saying we would not do anything. I want to understand the total risk we are looking at to determine what kind of necessity you have to go into action right away. If it looks like we can build one big one and then get the other ones online as we go. If we can pick up Industrial, we sure can pick up the south end substation, that is the one with the least load. Basically the one you feel has the highest risk is Industrial Substation and that is the one you wanted to push first.

Wachtman-correct. DeWit-it has the biggest capacity? Wachtman-Yes and No, it has the most going on because of the generation we pump through there. DeWit-what is the capacity rating? Are they all rated the same?

Wachtman in capacity they are all rated the same, it's how we load them. Ours are all 15 MBA. DeWit-ours are all rated 15 MBA capacity. Are we going to stay with all 15's or are you going to 20 MBA on Industrial?

Wachtman said that was discussed. We are comfortable with 15 MBA, there is an option to go up to 18 or 20 MBA. The recommendation is to stay at 15 even based on future growth. Mazur-growth used to be projected at 5% a year. Now growth is projected at .5% a year, if even that. We are seeing more of a decrease.

DeWit-the only thing that becomes critical is if you get a heavy load in and you may or may not be able to feed it very quickly. Delivery for substation transformers is usually 52 weeks at best. Clapp-that's why we want to get started on a ten-year plan.

Dr. Cordes-what is the age of the three transformers? Wachtman-they are all forty years plus. Dr. Cordes-if we were to get new transformers today would you go with copper or aluminum? Wachtman-it would be copper. They are only aluminum because we got them in the 70's.

Sicclair-it's probably too late to make this decision now since they are already forty years old but, wouldn't it have been a better idea to stagger them?

Wachtman-back in the 70's there was some benefit to bringing them both on at the same time but somebody had to have asked do we need to put both in today? To stagger them, even constructing them, if we could push them five years apart. They definitely didn't do us any favors back then. Even though we are trying to stagger them over ten years, it would be nice to get into the Industrial Project and maybe see if we can re-evaluate and possibly we can push it out twelve years or so to where we can have a little bit more stagger to help us out down the road.

Mazur-the Northside substation is up. In that respect it is staggered. Northside is the big substation on the north side and then you have the three little ones staggered evenly apart. Dr. Cordes-we are taking more risk now because all three substations are all the same age. If we had at least one that was new with better switches and everything was upgraded, then we wouldn't be in as precarious a situation because if one of the other two go down we have the newer substation. So we'd have time to stagger the others. Wachtman-that is why Northside is in this conversation because it is a twenty-year old substation. Mazur-ten years old. Wachtman-it was built in 1999 it's almost twenty, part of it was in 2008.

DeWit-what happens to the old transformer? If it's not being rebuilt what happens to the old transformer? Does it still work? Wachtman-Yes. DeWit - why would we scrap the old transformer until the last of the transformers is changed? It can become an operating spare while we are waiting to do numbers two and three.

Wachtman-you couldn't swamp them station-to-station. You can, if you had to, Mazur-I see what you are saying, to have a functional one set aside. Don't scrap it right away.

Dr. Cordes-do these degrade if you don't have energy running through them? Is it something that can sit there without being affected? Wachtman-if it sits it will collect moisture. Dr. Cordes so if it collects moisture is there any benefit? Is there any way you can seal it to keep the moisture out? Wachtman- no.

DeWit-I just thought it would make sense to keep it around until you do the third one. Wachtman-there is no advantage it's the scrap market. You can set on it for a year if you think the scrap prices are going to go up. There's no harm to keep it or scrap it.

Prigge asked did I miss something? We were talking about turning everything over to AMP, now we are discussing rebuilding. DeWit-there will still be the question if we use our money or use other people's money and pay them for using their money

and/or we get it for free. Prigge—here we are making decisions on what we want to do. If we turn it over to them they are going to do what they want to do, correct? We lose all control. Dr. Cordes—we can have it in the contract about what we want. Mazur—we have a say in which product we would prefer, they are not going to cheap us, there is no incentive for them to cheap out. We are going to do the maintenance and they will pay us for maintenance. It has minimal impact. DeWit—it will still be charged to our customers.

Prigge asked how does that affect our bond rating if we give everything away? They own it. Are we turning distribution over to them? Pretty soon we are a City with just parks. Mazur—I would say it affects our bond rating more by taking on more debt if we are going to do the project ourselves. We will always have the option to buy it back whenever we want and the right of first refusal. Dr. Cordes—so if you have that buy back clause, we can say we want to buy it and they would have to sell it back. Mazur—that's why it has to be in the contract. That's the way we should want it to be, to have that option available at any time we want to buy it back for net book value. If they are going to take the time, spend the money and do all the repairs, maintenance and upgrade to the facilities to the standard we want them to, a lot of that cost will get paid back to them through the rates, which we need to go through again and we have a meeting being scheduled coming around.

DeWit – we don't have it scheduled yet, we have a three-day window.

Mazur—the beauty of this is buying it back at book value. Let's say we go through AMP Transmission and five years from now we decide we want to buy it back because of regulation changes. Now we get five years of depreciation and we did not have to put together any of the staff and maintenance cost and all that goes into running a project. That was all paid for out of the ATSI zone rates so that's another cost avoided plus five years of depreciation we get to buy back the product at the depreciated value. How does it affect our bond rating? I think taking on the debt would have more of a negative impact on our bond rating than owning old assets.

DeWit—the question would be for the accounting side of the function, why we did not set up a reserve for it. If you can tell me the life of this is 30 years, I can build that into the rates and at the end of thirty years I have enough money to buy a new one.

Mazur—In hindsight, that would have been sound planning. DeWit—I can't believe we didn't do that; but no one in the whole industry is doing it? Prigge— that is what is happening right now in the water. Now the water plants have to have an asset management plan reserving money for replacements. It's coming in a few years to wastewater. They wanted to spend money in other places, now the EPA is forcing

Mazur interjected they wanted to keep rates lower. They didn't want to sock away money and raise rates. Dr. Cordes—Now stuff is getting so expensive they have to start planning. DeWit—we have robbed electrical a whole bunch of times. How much is in our reserve now, \$4 million? Mazur—there is an operating reserve and then there's the development fund. I think the combination is probably in the DeWit commented it should be four or five million dollars, right. Mazur—I think it's around the six-million- dollar range. After we close the year out we will have a better number. DeWit—we wanted enough money in case of a sudden/catastrophic event we wanted to have enough money on hand. Mazur—personally I think we should be in the eight-million- dollar range in both of those funds. DeWit—we were at four million when we started a long, long time ago. We have lent out millions of dollars out of that fund. Whenever we had a new toy or a development we needed to develop, it was the electrical fund that paid for it because they figured it would bring new customers. Then we managed to put back in what we took out. Mazur—let me get back to you when we have the actual numbers we have in reserves in those two

accounts. I know we did take a hit in the previous year because of the purchased power cost. When the hydros kicked on our cost of purchasing power went way up and we did not account for that big of a swing. So we were down plus we did pay off the solar field debt with that funding. That was almost 1.9 million dollars of debt we paid off. We did that to reduce rates, it was marginal, but it was something. I will get a firm answer on what we have in the reserve and can ask bond counsel what affect this will have on our bond rating. My guess is taking on debt will affect our bond rating more than not having them.

Durham-is it fair that AMP may say the clauses that you want are too sweet for the pot and we don't have any interest in picking you guys up? Mazur no, we are an AMP member. I brought it up to Ed that we want a buy back clause. To say we can buy it back if we ever want to buy it back for book value. He did not seem to think that would be an issue. When I say we are a member community, AMP will always say this is the way it is. We work for you guys you tell us. They are not trying to bamboozle us here. We are all on the same team.

Wachtman-If there's going to be a hurdle, it would be at PJM, getting back to the RTO map, especially with the buyback clause. I know you are talking about five years from now, but there is a very real possibility to get this project done in the PJM territory five years would actually be fast track. There are already 1,200 projects ahead of Napoleon, depending on how they are categorized. To meet short term criteria there would have to be a liability factor. PJM has to want you to do this upgrade for a very good reason. If we are in the supplemental range for doing upgrades, it's a minimum five year wait because they want to build those projects in the rates. Say we are asking for 3.6 million for one, they are going to want to feather that in.

DeWit-is PJM or AMP going to own these transformers? Wachtman- AMPT would be the transmission owner. DeWit-does AMP or PJM write the check? Mazur-AMP would just like they did with Northside. DeWit-AMP is going to write the check if PJM tells them to. Mazur-No, AMP is going to write the check. The get a third party that says this is the net book value, they submit that to PJM and PJM says yep.

Wachtman-Once AMP buys it, they cut the check they are now the transmission owner. As the transmission owner, they go to PJM and say I have a good project in Napoleon, I'd like 3.6 million dollars to upgrade the Industrial Substation. Here's my application let's get this ball rolling. PJM is going to say great you are in our territory, you are a transmission owner, take it at 12:01. You are evaluated based on your application. DeWit-What's the impact to PJM. Mazur-they do like a baseline analysis. They have baseline projects and supplemental projects. Supplemental projects are meant to be more on an emergency basis. That's the kind of stuff we are fighting.

DeWit-we might get pushed ahead of the line if we say there is nothing on the south side of the river with lights on. Mazur-They are turning out projects. There's a certain time period where they have to approve of these. DeWit-how did they get 1,200 back up if they are turning them around. Wachtman-they are submitted from all over the PJM territory. This is not the same how we sold the north side and right away there was this rate recovery. From day one AMP was making money, with this as a supplemental project, there's an application and waiting period. Mazur-but they will be recovering money. Wachtman-No. Mazur-Yes, because when they buy it they have it submitted in their rate. Wachtman-AMP does but to get this project in as a supplemental in the PJM rate it's a five year wait. Mazur-well I'm not trying to sound contradictory here, but AMP has been loaning AMP Transmission money to get these projects going to purchase assets and to build projects. Knowing that when

its built into the rates, so there won't be that pause so to speak. Because they are going to be borrowing money from AMP to start these projects. They are borrowing money from AMP to buy them and then assigning them as integrated transmission and then getting the rate recovery for when they purchase them. It's not like PJM is paying them 3.6 million dollars to go rebuild a substation. Wachtman-if you were to get the free money, that is the scenario. PJM would, like they did at Northside, it's rate recovery right now and this would not do that. If it's not our debt, it is going to be AMP's debt until they can get it back on PJM's plate. DeWit-If and when PJM says yes. Wachtman-right. There's a lot bigger hurdle with PJM. When AMP takes this to PJM DeWit said it takes five years to build it or we can build it tomorrow do we worry how we get AMP paid, do we have five years to worry about that or does AMP start charging us right away? I'm thinking AMP is going to want their money back. Mazur-they are not. It is going to go back to the rate recovery. We are not paying AMP Transmission anything. They are going to pay us for the assets and they will pay us to maintain those assets. DeWit-they will charge us an increased rate for transmission. Mazur said they are not going to charge us anything. AMPT will not charge the City of Napoleon anything. DeWit-can we have them sign something like that? Mazur-I know, it sounds too good to be true, they did it with the Northside substation. Are they charging us anymore? No, but they paid us a million dollars and they are paying us to maintain the equipment. In the ATSI zone everybody is paying for any improvements and purchases of transmission equipment that a transmission owner makes. It is rolled into the rates. Remember all the metal poles that were replaced on Road 11. That was a transmission project and everyone in the ATSI zone is paying for that. It's socialized.

DeWit-nobody paid for our transmission line that came from high voltage gym. We paid for that ourselves. Mazur-that's correct because we own it. Wachtman from Northside into Napoleon, that would be a different voltage level. At 69kV that would not be on the radar for transmission. When they say transmission, it's above 100kV. First Energy submitted Road 11 as a supplemental project. So they just had to prove to PJM, it was not transmission. That's the big difference between Northside and Industrial. Northside is straight up transmission, we are connected at 138kV. We cleared all sorts of hurdles by being that high of voltage. By being at 69kV that is what makes it supplemental. There are longer recovery periods and different procedures. DeWit-when was Northside built? Clapp-in 1999 then the second transformer was added after that. Wachtman-there is only so much that relates between Northside and here so just be very careful how many parallels you draw between the two. Mazur- that is a federally regulated transmission line. The question is, why are they allowed to consider the 69kV substations as transmission? It's because they are interconnected. Another point I want to make sure we are all clear on, we are talking about starting with Industrial Substation. That one is actually connected to the First Energy 69kV transmission line. So they can consider that integrated transmission even though it's not federally under the NERC regulatory umbrella where they have to do the reporting, there is no compliance piece to it other than normal distribution compliance we have to do now. In order to move on the other ones, they would have to integrate, own those other 69kV lines to the other substations. That's why going through this process it's important to remember that there are different options here. We can do it all at once, we can do it one substation at a time as needed as they get rebuilt. Just know the transmission line, the 69kV lines in-between would need to go with it to be integrated. DeWit-now they are going to own the three substations. We own the line going between it. Wachtman- if you do not own a station you cannot own a

line. DeWit-so the lines between won't be ours either. Mazur-there's a connection from Industrial that is still connected to that transmission line heading out. Wachtman-that 69kV we already paid to build, you can't own the middle points without selling in-between. DeWit-so all three of the substations they are going to own all three pieces and they are going to buy back the wires that run between the three? Wachtman-they would have to buy the 69kV system that includes the wire. DeWit-they pay us for that too? Mazur-yes, that is integrated transmission is rate recoverable. DeWit-who determines how much of that needs replaced, if any? Mazur-I don't think anything needs replaced, they need to value it at netbook value. They pay for it and that cost is spread out. Since the Industrial Substation is tied to the First Energy line, they would be able to own and tie to the substation, right. First Energy has their own substation and line coming in? Clapp-there's no transformer there, it's a tie point into the 69kV line that feeds Campbell Soup. Mazur-we will get clarification. We can piecemeal, transfer one substation and see how it goes and then move on. DeWit-if you do that who owns the 69kV feed then? They are basically buying the 69kV. Mazur-only what they need to consider it integrated. The Industrial Substation is connected to the 69kV feed that comes in from First Energy. Clapp-that was our original feed before we built the 138kV at Northside. DeWit-you mean the old one with steel poles and we tore down the poles. We haven't pulled from that since we built the Northside. Mazur-we haven't but if they are a transmission owner that electricity still comes through there. That 69kv feed, I know we are getting into the weeds here. DeWit-no we aren't getting into the weeds, we were told that they would not give electric backup electricity from that line. Wachtman-they still won't, you can't run the City off of that. DeWit-and they told us flat out that we should not use that as backup because they were not going to supply us and consider that a backup. We hadn't bought any power from them on that line for twenty years now. Wachtman-it shows the connection on paper but what they can't see is the loadability of the line but on paper it's the interconnection. DeWit-but it is connected? Wachtman-yes. Clapp-it's an open breaker it could give you power if you wanted it. DeWit-it's a connection but it's not connected. I have another question, if they own the substation then who owns the backup to the substation? We are buying generators we've got diesel generators. Mazur-those are part of our JV units. The JVs were there before they were actual AMP projects. AMP owns the solar field but the members own the units. There are two gas combustion turbines on Commerce, there are three diesel generators on the back of the building and there were three generators off of Riverview that have been removed. DeWit-we have the ability to turn them on if the lights go off. Mazur-we would hope they would come in and do black start. DeWit-that was part of an agreement when they were put in there. You have full confidence they would come do and do it? Wachtman-yea. Mazur suggested having a conversation with them. DeWit-AMP is slowly working into this, we are second. Mazur said we are the first. Bowling Green has a construction contract, there are 22 other communities looking to get into this. The list is growing. They do not have enough people to evaluate all the projects. Dr. Cordes-if we do it we are going to want to do it sooner than later. DeWit-that's what everyone wants. Mazur-that's what they do want and that's what they are doing right now. You are talking about socializing the cost over a large footprint. DeWit-and everyone wants to use OPM. You are paying a percentage and it's such a tiny percentage we don't care. So in essence if we can get all three, I would agree if it works. Mazur-and they are going to pay us to do the maintenance. DeWit-eventually our distribution costs will go so high, it will save on generation costs. Mazur-that's what we have been fighting in Washington. We are getting into

CITY OF NAPOLEON, OHIO - PSCAF
POWER SUPPLY COST ADJUSTMENT FACTOR (PSCAF) - COMPUTATION OF MONTHLY PSCAF
 COMPUTATIONS WITH CORRECTED DATA FROM JULY, 2015, THROUGH MARCH, 2017

| AMP Billed Usage Month | PSCAF City Billing Month | AMP - kWh Delivered As Listed on AMP Invoices | Purchased Power Supply Costs (*=Net of Known) (+ OR - Other Cr's) | Rolling 3-Month Totals Current + Prior 2 Months | | Rolling 3 Month Average Cost | Less: Fixed Base Power Supply Cost | PSCA Dollar Difference + or (-) | PSCA-Corrted. 3 MONTH AVG.FACTOR + Line Loss |
|------------------------|--------------------------|---|---|---|-----------------|------------------------------|------------------------------------|---------------------------------|--|
| (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) | (i) | (j) |
| | | Actual Billed | Actual Billed w/Cr's | c + prior 2 Mo | d + prior 2 Mo | f / e | \$0.07194 Fixed | g + h | i X 1.075 |
| Dec'17 | Feb'18 | 13,391,143 | \$ 1,149,912.68 | 38,558,994 | \$ 3,302,867.39 | \$ 0.08566 | \$ (0.07194) | \$ 0.01372 | \$ 0.01475 |
| Jan'18 | Mar'18 | 13,957,533 | \$ 1,336,329.96 | 39,772,751 | \$ 3,574,775.94 | \$ 0.08988 | \$ (0.07194) | \$ 0.01794 | \$ 0.01929 |
| Feb'18 | Apr'18 | 12,213,852 | *\$ 914,897.80 | 39,562,528 | \$ 3,401,140.44 | \$ 0.08597 | \$ (0.07194) | \$ 0.01403 | \$ 0.01508 |
| Mar'18 | May'18 | 12,894,285 | *\$ 1,115,898.14 | 39,065,670 | \$ 3,367,125.90 | \$ 0.08619 | \$ (0.07194) | \$ 0.01425 | \$ 0.01532 |
| Apr'18 | June'18 | 11,995,837 | \$ 1,154,645.74 | 37,103,974 | \$ 3,185,441.68 | \$ 0.08585 | \$ (0.07194) | \$ 0.01391 | \$ 0.01495 |
| May'18 | July'18 | 12,812,421 | \$ 1,184,249.00 | 37,702,543 | \$ 3,454,792.88 | \$ 0.09163 | \$ (0.07194) | \$ 0.01969 | \$ 0.02117 |
| June'18 | Aug'18 | 13,813,277 | \$ 1,230,516.92 | 38,621,535 | \$ 3,569,411.66 | \$ 0.09242 | \$ (0.07194) | \$ 0.02048 | \$ 0.02202 |
| July'18 | Sep'18 | 15,234,049 | \$ 1,312,135.13 | 41,859,747 | \$ 3,726,901.05 | \$ 0.08903 | \$ (0.07194) | \$ 0.01709 | \$ 0.01837 |
| Aug'18 | Oct'18 | 15,634,242 | \$ 1,275,023.19 | 44,681,568 | \$ 3,817,675.24 | \$ 0.08544 | \$ (0.07194) | \$ 0.01350 | \$ 0.01451 |
| Sep'18 | Nov'18 | 13,195,770 | \$ 1,197,316.71 | 44,064,061 | \$ 3,784,475.03 | \$ 0.08589 | \$ (0.07194) | \$ 0.01395 | \$ 0.01500 |
| Oct'18 | Dec'18 | 12,827,093 | \$ 1,201,860.98 | 41,657,105 | \$ 3,674,200.88 | \$ 0.08820 | \$ (0.07194) | \$ 0.01626 | \$ 0.01748 |
| Nov'18 | Jan'19 | 12,694,035 | \$ 1,177,330.24 | 38,716,898 | \$ 3,576,507.93 | \$ 0.09238 | \$ (0.07194) | \$ 0.02044 | \$ 0.02197 |
| Dec'18 | Feb'19 | 12,936,598 | \$ 1,175,315.11 | 38,457,726 | \$ 3,554,506.33 | \$ 0.09243 | \$ (0.07194) | \$ 0.02049 | \$ 0.02203 |
| Jan'19 | Mar'19 | 13,516,644 | \$ 1,157,412.90 | 39,147,277 | \$ 3,510,058.25 | \$ 0.08966 | \$ (0.07194) | \$ 0.01772 | \$ 0.01905 |
| Feb'19 | Apr'19 | 12,112,198 | \$ 1,076,627.71 | 38,565,440 | \$ 3,409,355.72 | \$ 0.08840 | \$ (0.07194) | \$ 0.01646 | \$ 0.01769 |
| Mar'19 | May'19 | 12,476,648 | \$ 1,111,471.41 | 38,105,490 | \$ 3,345,512.02 | \$ 0.08780 | \$ (0.07194) | \$ 0.01586 | \$ 0.01705 |
| Apr'19 | June'19 | 10,913,916 | \$ 1,043,515.66 | 35,502,762 | \$ 3,231,614.78 | \$ 0.09102 | \$ (0.07194) | \$ 0.01908 | \$ 0.02051 |
| May'19 | July'19 | 11,554,553 | \$ 1,074,988.04 | 34,945,117 | \$ 3,229,975.11 | \$ 0.09243 | \$ (0.07194) | \$ 0.02049 | \$ 0.02203 |
| June'19 | Aug'19 | 12,448,976 | \$ 1,059,406.09 | 34,917,445 | \$ 3,177,909.79 | \$ 0.09101 | \$ (0.07194) | \$ 0.01907 | \$ 0.02050 |
| July'19 | Sep'19 | 15,467,755 | \$ 1,165,669.13 | 39,471,284 | \$ 3,300,063.26 | \$ 0.08361 | \$ (0.07194) | \$ 0.01167 | \$ 0.01255 |
| Aug'19 | Oct'19 | 14,297,705 | \$ 1,123,690.94 | 42,214,436 | \$ 3,348,766.16 | \$ 0.07933 | \$ (0.07194) | \$ 0.00739 | \$ 0.00794 |
| Sep'19 | Nov'19 | 12,810,364 | \$ 1,102,711.16 | 42,575,824 | \$ 3,392,071.23 | \$ 0.07967 | \$ (0.07194) | \$ 0.00773 | \$ 0.00831 |
| Oct'19 | Dec'19 | 12,026,480 | \$ 1,080,410.22 | 39,134,549 | \$ 3,306,812.32 | \$ 0.08450 | \$ (0.07194) | \$ 0.01256 | \$ 0.01350 |
| Nov'19 | Jan'20 | 12,466,183 | \$ 1,088,822.82 | 37,303,027 | \$ 3,271,944.20 | \$ 0.08771 | \$ (0.07194) | \$ 0.01577 | \$ 0.01695 |
| Dec'19 | Feb'20 | 12,809,184 | \$ 1,098,513.89 | 37,301,847 | \$ 3,267,746.93 | \$ 0.08760 | \$ (0.07194) | \$ 0.01566 | \$ 0.01683 |

* Total Includes Other (-) Credits / (+) Debits in Purchased Power Costs. Not Listed on AMP Billings:

PSCAF - Preparers Signature:

Name - Lori A. Rausch, Utility Billing Administrator



1/22/2020

Signature

Date

PSCAF - Reviewers Signature:

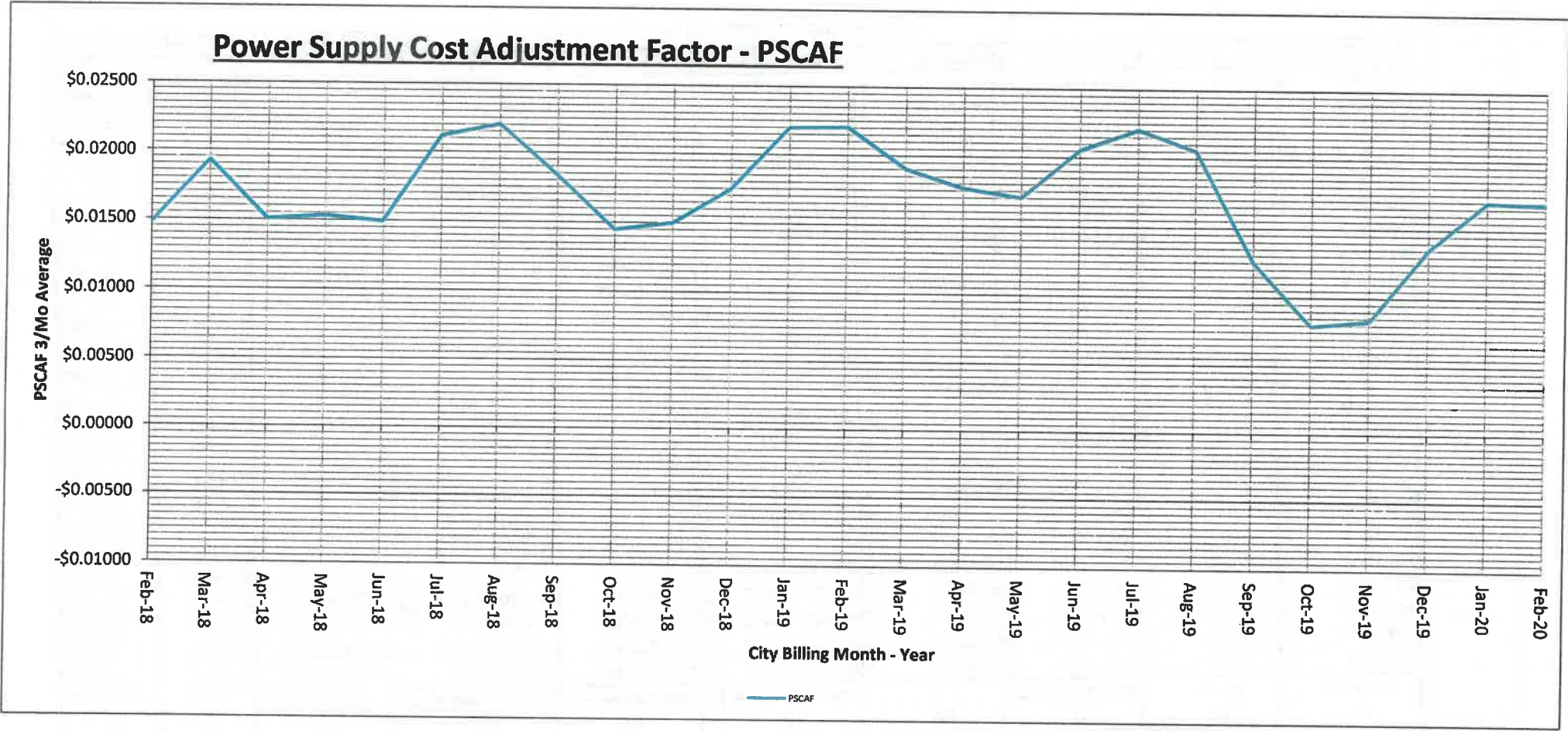
Name - Kelly O'Boyle, Finance Director



1/22/2020

Signature

Date



BILLING SUMMARY AND CONSUMPTION for BILLING CYCLE - FEBRUARY, 2020

2020 - FEBRUARY BILLING WITH DECEMBER 2019 AMP BILLING PERIOD AND JANUARY 2020 CITY CONSUMPTION AND BILLING DATA

PREVIOUS MONTH'S POWER BILLS - PURCHASED POWER KWH AND COST ALLOCATIONS BY DEMAND & ENERGY:

| DATA PERIOD | MONTH / YR | DAYS IN MONTH | MUNICIPAL PEAK | | | | | | |
|---|----------------|-----------------|-----------------------------|------------------------------|----------------|---------------|---------------|------------------------|------------------------|
| AMP-Ohio Bill Month | DECEMBER, 2019 | 31 | 23.170 | | | | | | |
| City-System Data Month | JANUARY, 2020 | 31 | | | | | | | |
| City-Monthly Billing Cycle | FEBRUARY, 2020 | 29 | | | | | | | |
| =====CONTRACTED AND OPEN MARKET POWER===== | | | | | | | | | |
| =====PEAKING===== | | | | | | | | | |
| =====HYDRO POWER===== | | | | | | | | | |
| PURCHASED POWER-RESOURCES -> (| AMP CT | FREEMONT ENERGY | PRAIRIE STATE SCHED. @ PJMC | MORGAN STNLY REPLMNT.2015-20 | NORTHERN POWER | JV-2 PEAKING | AMP-HYDRO CSW | MELDAHL-HYDRO SCHED. @ | GREENUP HYDRO SCHED. @ |
| | SCHED. @ ATSI | SCHEDULED | REPLMT@ PJMC | 7x24 @ AD | POOL | SCHED. @ ATSI | SCHED. @ PJMC | MELDAHL BUS | GREENUP BUS |
| Delivered kWh (On Peak) -> | 2,861 | 1,569,847 | 3,630,729 | 2,827,200 | 1,203,583 | 19 | 1,156,764 | 224,052 | 101,220 |
| Delivered kWh (Off Peak) -> | | | | | 393,461 | | | | |
| Delivered kWh (Replacement/Losses/Offset) -> | | | | | | | | | |
| Delivered kWh/Sale (Credits) -> | | | | | -1,458,049 | | | | |
| Net Total Delivered kWh as Billed -> | 2,861 | 1,569,847 | 3,630,729 | 2,827,200 | 138,995 | 19 | 1,156,764 | 224,052 | 101,220 |
| Percent % of Total Power Purchased-> | 0.0223% | 12.2558% | 28.3447% | 22.0717% | 1.0851% | 0.0001% | 9.0307% | 1.7492% | 0.7902% |
| COST OF PURCHASED POWER: | | | | | | | | | |
| DEMAND CHARGES (+Debits) | | | | | | | | | |
| Demand Charges | \$33,212.27 | \$38,054.14 | \$56,969.08 | | | \$655.57 | \$174,025.50 | \$13,338.52 | \$7,776.92 |
| Debt Services (Principal & Interest) | | \$43,488.86 | \$112,073.04 | | | | | | |
| DEMAND CHARGES (-Credits) | | | | | | | | | |
| Transmission Charges (Demand-Credits) | -\$43,529.85 | | | | | -\$823.90 | | | |
| Capacity Credit | -\$32,957.19 | -\$21,097.29 | -\$11,239.22 | | | -\$818.35 | -\$2,516.32 | -\$1,249.92 | -\$659.41 |
| Sub-Total Demand Charges | -\$43,274.77 | \$60,445.71 | \$157,802.90 | \$0.00 | \$0.00 | -\$986.68 | \$171,509.18 | \$12,088.60 | \$7,117.51 |
| ENERGY CHARGES (+Debits): | | | | | | | | | |
| Energy Charges - (On Peak) | \$259.06 | \$50,152.48 | \$31,170.44 | \$177,972.24 | \$35,552.53 | | \$41,643.52 | \$8,065.87 | \$910.98 |
| Energy Charges - (Replacement/Off Peak) | | | | | \$9,658.27 | | | | |
| Net Congestion, Losses, FTR | | \$532.71 | \$7,531.29 | \$516.59 | | | \$2,487.91 | \$54.66 | \$17.51 |
| Transmission Charges (Energy-Debits) | | | \$13,941.68 | | | | | | |
| ESPP Charges | | | | | | | | | |
| Bill Adjustments (General & Rate Levelization) | | -\$76.33 | | | | \$3.10 | | | |
| ENERGY CHARGES (-Credits or Adjustments): | | | | | | | | | |
| Energy Charges - On Peak (Sale or Rate Stabilization) | | | | | -\$28,375.05 | | | | |
| Net Congestion, Losses, FTR | | | | | \$2,934.23 | | | | |
| Bill Adjustments (General & Rate Levelization) | | | -\$19,242.86 | | | | -\$6,940.59 | -\$1,344.31 | -\$607.32 |
| Sub-Total Energy Charges | \$259.06 | \$50,608.86 | \$33,400.55 | \$178,488.83 | \$19,769.98 | \$3.10 | \$37,190.84 | \$6,776.22 | \$321.17 |
| TRANSMISSION & SERVICE CHARGES, MISC.: | | | | | | | | | |
| RPM / PJM Charges Capacity - (+Debit) | | | | | | | | | |
| RPM / PJM Charges Capacity - (-Credit) | | | | | | | | | |
| Service Fees AMP-Dispatch Center - (+Debit/-Credit) | | | | | | | | | |
| Service Fees AMP-Part A - (+Debit/-Credit) | | | | | | | | | |
| Service Fees AMP-Part B - (+Debit/-Credit) | | | | | | | | | |
| Other Charges & Bill Adjustments - (+Debit/-Credit) | | | | | | | | | |
| Sub-Total Service Fees & Other Charges | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| TOTAL NET COST OF PURCHASED POWER | -\$43,015.71 | \$111,054.57 | \$191,203.45 | \$178,488.83 | \$19,769.98 | -\$983.58 | \$208,700.02 | \$18,864.82 | \$7,438.68 |
| Percent % of Total Power Cost-> | -3.9158% | 10.1095% | 17.4056% | 16.2482% | 1.7997% | -0.0895% | 18.9984% | 1.7173% | 0.6772% |
| Purchased Power Resources - Cost per kWh-> | -\$15.035201 | \$0.070742 | \$0.052663 | \$0.063133 | \$0.142235 | -\$51.767368 | \$0.180417 | \$0.084198 | \$0.073490 |

BILLING SUMMARY AND CONS

2020 - FEBRUARY BILLING WITH DECEMBER 2

PREVIOUS MONTH'S POWER BILLS - PU**DATA PERIOD**

AMP-Ohio Bill Month
 City-System Data Month
 City-Monthly Billing Cycle

| | ===== | | ===WIND=== | ===SOLAR=== | ===TRANSMISSION, SERVICE FEES & MISC. CONTRACTS=== | | | | TOTAL - |
|---|--------------------|---------------------|-------------------|--------------------|--|---------------------|--------------------|-----------------------|-----------------------|
| | NYPH | JV-5 | JV-6 | AMP SOLAR | EFFNCY.SMART | TRANSMISSION | SERVICE FEES | MISCELLANEOUS | ALL |
| PURCHASED POWER-RESOURCES -> | HYDRO | HYDRO | WIND | PHASE 1 | POWER PLANT | CHARGES | DISPATCH, A & B | CHARGES & | RESOURCES |
| | SCHED. @ NYIS | 7x24 @ ATSI | SCHED. @ ATSI | SCHED. @ ATSI | 2017 - 2020 | Other Charges | Other Charges | LEVELIZATION | |
| Delivered kWh (On Peak) -> | 709,198 | 2,297,472 | 54,362 | 62,899 | 0 | 0 | 0 | 0 | 13,840,206 |
| Delivered kWh (Off Peak) -> | | | | | | | | | 393,461 |
| Delivered kWh (Replacement/Losses/Offset) -> | | 33,566 | | | | | | | 33,566 |
| Delivered kWh/Sale (Credits) -> | | | | | | | | | -1,458,049 |
| Net Total Delivered kWh as Billed -> | 709,198 | 2,331,038 | 54,362 | 62,899 | 0 | 0 | 0 | 0 | 12,809,184 |
| Percent % of Total Power Purchased-> | 5.5366% | 18.1982% | 0.4244% | 0.4910% | 0.0000% | 0.0000% | 0.0000% | 0.0000% | 100.0000% |
| COST OF PURCHASED POWER: | | | | | | | | Verification Total -> | 100.0000% |
| DEMAND CHARGES (+Debits) | | | | | | | | | |
| Demand Charges | \$6,697.66 | \$31,085.29 | \$682.37 | | | \$151,483.30 | | | \$513,980.62 |
| Debt Services (Principal & Interest) | | \$55,367.84 | | | | | | | \$210,929.74 |
| DEMAND CHARGES (-Credits) | | | | | | | | | |
| Transmission Charges (Demand-Credits) | | -\$15,353.17 | -\$136.05 | -\$2,890.30 | | | | | -\$62,733.27 |
| Capacity Credit | -\$2,851.75 | -\$9,237.08 | -\$234.83 | -\$1,689.27 | | | | | -\$84,550.63 |
| Sub-Total Demand Charges | \$3,845.91 | \$61,862.88 | \$311.49 | -\$4,579.57 | \$0.00 | \$151,483.30 | \$0.00 | \$0.00 | \$577,626.46 |
| ENERGY CHARGES (+Debits): | | | | | | | | | |
| Energy Charges - (On Peak) | \$7,559.29 | \$40,968.29 | | \$2,409.05 | | \$3,597.84 | | | \$400,261.59 |
| Energy Charges - (Replacement/Off Peak) | | | | | | | | | \$9,658.27 |
| Net Congestion, Losses, FTR | \$334.75 | | | | | | | | \$11,475.42 |
| Transmission Charges (Energy-Debits) | | | | | | | | | \$13,941.68 |
| ESPP Charges | | | | | \$16,959.16 | | | | \$16,959.16 |
| Bill Adjustments (General & Rate Levelization) | | | | | | | | | -\$73.23 |
| ENERGY CHARGES (-Credits or Adjustments): | | | | | | | | | |
| Energy Charges - On Peak (Sale or Rate Stabilization) | | | | | | | | | -\$28,375.05 |
| Net Congestion, Losses, FTR | | | | | | | | | \$2,934.23 |
| Bill Adjustments (General & Rate Levelization) | \$613.03 | | | | | | | | -\$27,522.05 |
| Sub-Total Energy Charges | \$8,507.07 | \$40,968.29 | \$0.00 | \$2,409.05 | \$16,959.16 | \$3,597.84 | \$0.00 | \$0.00 | \$399,260.02 |
| TRANSMISSION & SERVICE CHARGES, MISC.: | | | | | | | | | |
| RPM / PJM Charges Capacity - (+Debit) | | | | | | \$112,127.02 | | | \$112,127.02 |
| RPM / PJM Charges Capacity - (-Credit) | | | | | | | | -\$818.31 | -\$818.31 |
| Service Fees AMP-Dispatch Center - (+Debit/-Credit) | | | | | | | \$0.00 | | \$0.00 |
| Service Fees AMP-Part A - (+Debit/-Credit) | | | | | | | \$2,867.34 | | \$2,867.34 |
| Service Fees AMP-Part B - (+Debit/-Credit) | | | | | | | \$7,447.61 | | \$7,447.61 |
| Other Charges & Bill Adjustments - (+Debit/-Credit) | | | | | | | | \$3.75 | \$3.75 |
| Sub-Total Service Fees & Other Charges | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$112,127.02 | \$10,314.95 | -\$814.56 | \$121,627.41 |
| TOTAL NET COST OF PURCHASED POWER | \$12,352.98 | \$102,831.17 | \$311.49 | -\$2,170.52 | \$16,959.16 | \$267,208.16 | \$10,314.95 | -\$814.56 | \$1,098,513.89 |
| Percent % of Total Power Cost-> | 1.1245% | 9.3609% | 0.0284% | -0.1976% | 1.5438% | 24.3245% | 0.9390% | -0.0742% | 100.0000% |
| Purchased Power Resources - Cost per kWh-> | \$0.017418 | \$0.044114 | \$0.005730 | -\$0.034508 | \$0.000000 | \$0.000000 | \$0.000000 | \$0.000000 | \$0.085760 |
| (Northern Pool Power - On-Peak + Off-Peak - Energy Charge/kWh) = JV2 Electric Service Rate -> | | | | | | | | | \$0.121125 |
| (Northern Pool Power - On-Peak + Off-Peak - Energy Charge/kWh) = JV5 Electric Service Rate -> | | | | | | | | | \$0.121125 |



AMERICAN MUNICIPAL POWER, INC.

1111 Schrock Rd, Suite 100

COLUMBUS, OHIO 43229

PHONE: (614) 540-1111

FAX: (614) 540-1078

City of Napoleon

Attn: Finance Director

255 W. Riverview Ave., P.O. Box 151

Napoleon, Ohio 43545-0151

INVOICE NUMBER: 208198

INVOICE DATE: 1/17/2020

DUE DATE: 2/3/2020

TOTAL AMOUNT DUE: \$1,098,513.89

CUSTOMER NUMBER: 5020

CUSTOMER P.O. #: RG10046

PLEASE WRITE INVOICE NUMBER ON
REMITTANCE. MAKE CHECK PAYABLE TO AMP

Northern Power Pool Billing - December, 2019

MUNICIPAL PEAK: 23,170 kW
TOTAL METERED ENERGY: 12,840,712 kWh

| | |
|---|--------------|
| Total Power Charges: | \$821,805.34 |
| Transmission / Capacity / Ancillary Services: | \$267,208.16 |
| Total Other Charges: | \$10,314.95 |
| Total Miscellaneous Charges: | -\$814.56 |

| | |
|-----------------------------------|-----------------------|
| GRAND TOTAL POWER INVOICE: | \$1,098,513.89 |
|-----------------------------------|-----------------------|

The total charges on this invoice may include a credit paid to the Municipal for power supply.

DETAIL INFORMATION OF POWER CHARGES December, 2019
Napoleon

FOR THE MONTH OF:

December, 2019

Total Metered Load kWh: 12,840,712
 Transmission Losses kWh: -31,528
 Distribution Losses kWh: 0
 Total Energy Req. kWh: 12,809,184

TIME OF FENTS PEAK: 12/19/2019 @ H.E. 11:00
 TIME OF MUNICIPAL PEAK: 12/19/2019 @ H.E. 13:00
 TRANSMISSION PEAK: September 5, 2018 15:00

COINCIDENT PEAK kW: 22,364
 MUNICIPAL PEAK kW: 23,170
 TRANSMISSION PEAK kW: 30,468
 PJM Capacity Requirement kW: 30,052

Napoleon Resources

AMP CT - Sched @ ATSI

| | | | | |
|----------------------|------------|---------|--------------------|---------------------|
| Demand Charge: | \$2.678409 | / kW * | 12,400 kW = | \$33,212.27 |
| Energy Charge: | \$0.090549 | / kWh * | 2,861 kWh = | \$259.06 |
| Transmission Credit: | \$3.510472 | / kW * | -12,400 kW = | -\$43,529.85 |
| Capacity Credit: | \$2.657838 | / kW * | -12,400 kW = | -\$32,957.19 |
| Subtotal | | | 2,861 kWh = | -\$43,015.71 |

Fremont - sched @ Fremont

| | | | | |
|------------------------------|------------|---------|------------------------|---------------------|
| Demand Charge: | \$4.340567 | / kW * | 8,767 kW = | \$38,054.14 |
| Energy Charge: | \$0.031947 | / kWh * | 1,569,847 kWh = | \$50,152.48 |
| Net Congestion, Losses, FTR: | \$0.000339 | / kWh * | | \$532.71 |
| Capacity Credit: | \$2.406419 | / kW * | -8,767 kW = | -\$21,097.29 |
| Debt Service | \$4.960467 | / kW | 8,767 kW | \$43,488.86 |
| Adjustment for prior month: | | | | -\$76.33 |
| Subtotal | | | 1,569,847 kWh = | \$111,054.57 |

AMP Hydro CSW - Sched @ PJMC

| | | | | |
|------------------------------|-------------|---------|------------------------|---------------------|
| Demand Charge: | \$49.750000 | / kW * | 3,498 kW = | \$174,025.50 |
| Energy Charge: | \$0.036000 | / kWh * | 1,156,764 kWh = | \$41,643.52 |
| Net Congestion, Losses, FTR: | \$0.002151 | / kWh * | | \$2,487.91 |
| Capacity Credit: | \$0.719360 | / kW * | -3,498 kW = | -\$2,516.32 |
| REC Credit (Estimate) | -\$0.006000 | / kWh | 1,156,764 kWh | -\$6,940.59 |
| Subtotal | | | 1,156,764 kWh = | \$208,700.02 |

Meldahl Hydro - Sched @ Meldahl Bus

| | | | | |
|------------------------------|-------------|---------|----------------------|--------------------|
| Demand Charge: | \$26.465317 | / kW * | 504 kW = | \$13,338.52 |
| Energy Charge: | \$0.036000 | / kWh * | 224,052 kWh = | \$8,065.87 |
| Net Congestion, Losses, FTR: | \$0.000244 | / kWh * | | \$54.66 |
| Capacity Credit: | \$2.480000 | / kW * | -504 kW = | -\$1,249.92 |
| REC Credit (Estimate) | -\$0.006000 | / kWh * | 224,052 kWh = | -\$1,344.31 |
| Subtotal | | | 224,052 kWh = | \$18,864.82 |

JV6 - Sched @ ATSI

| | | | | |
|----------------------|------------|--------|---------------------|-----------------|
| Demand Charge: | \$2.274567 | / kW * | 300 kW = | \$682.37 |
| Energy Charge: | | | 54,362 kWh | |
| Transmission Credit: | \$0.453500 | / kW * | -300 kW = | -\$136.05 |
| Capacity Credit: | \$0.782767 | / kW * | -300 kW = | -\$234.83 |
| Subtotal | | | 54,362 kWh = | \$311.49 |

Greenup Hydro - Sched @ Greenup Bus

| | | | | |
|------------------------------|-------------|---------|----------------------|-------------------|
| Demand Charge: | \$23.566424 | / kW * | 330 kW = | \$7,776.92 |
| Energy Charge: | \$0.009000 | / kWh * | 101,220 kWh = | \$910.98 |
| Net Congestion, Losses, FTR: | \$0.000173 | / kWh * | | \$17.51 |
| Capacity Credit: | \$1.998212 | / kW * | -330 kW = | -\$659.41 |
| REC Credit (Estimate) | -\$0.006000 | / kWh * | 101,220 kWh = | -\$607.32 |
| Subtotal | | | 101,220 kWh = | \$7,438.68 |

Prairie State - Sched @ PJMC

| | | | | |
|--|-------------|---------|------------------------|---------------------|
| Demand Charge: | \$11.448770 | / kW * | 4,976 kW = | \$56,969.08 |
| Energy Charge: | \$0.008585 | / kWh * | 3,630,729 kWh = | \$31,170.44 |
| Net Congestion, Losses, FTR: | \$0.002074 | / kWh * | | \$7,531.29 |
| Capacity Credit: | \$2.258686 | / kW * | -4,976 kW = | -\$11,239.22 |
| Debt Service | \$22.522717 | / kW | 4,976 kW | \$112,073.04 |
| Transmission from PSEC to PJM/MISO, including non-Prairie State variable charges/credits | \$0.003840 | / kWh | 3,630,729 kWh | \$13,941.68 |
| Board Approved Rate Levelization | | | | -\$19,242.86 |
| Subtotal | | | 3,630,729 kWh = | \$191,203.45 |

NYPA - Sched @ NYIS

| | | | | |
|------------------------------|------------|---------|----------------------|--------------------|
| Demand Charge: | \$7.125170 | / kW * | 940 kW = | \$6,697.66 |
| Energy Charge: | \$0.010859 | / kWh * | 709,198 kWh = | \$7,559.29 |
| Net Congestion, Losses, FTR: | \$0.000472 | / kWh * | | \$334.75 |
| Capacity Credit: | \$3.050000 | / kW * | -935 kW = | -\$2,851.75 |
| Adjustment for prior month: | | | | \$613.03 |
| Subtotal | | | 709,198 kWh = | \$12,352.98 |

JV5 - 7X24 @ ATSI

| | | | | |
|------------------------------|-------------|---------|------------------------|---------------------|
| Demand Charge: | \$10.066480 | / kW * | 3,088 kW = | \$31,085.29 |
| Energy Charge: | \$0.017832 | / kWh * | 2,297,472 kWh = | \$40,968.29 |
| Transmission Credit: | \$4.971881 | / kW * | -3,088 kW = | -\$15,353.17 |
| Capacity Credit: | \$2.991282 | / kW * | -3,088 kW = | -\$9,237.08 |
| Debt Service (current month) | \$17.930000 | / kW | 3,088 kW | \$55,367.84 |
| Subtotal | | | 2,297,472 kWh = | \$102,831.17 |

JV5 Losses - Sched @ ATSI

| | | | | |
|-----------------|--|--|---------------------|---------------|
| Energy Charge: | | | 33,566 kWh | |
| Subtotal | | | 33,566 kWh = | \$0.00 |

JV2 - Sched @ ATSI

| | | | | |
|----------------------|------------|--------|-----------|-----------|
| Demand Charge: | \$2.483220 | / kW * | 264 kW = | \$655.57 |
| Energy Charge: | | | 19 kWh | |
| Transmission Credit: | \$3.120833 | / kW * | -264 kW = | -\$823.90 |

DETAIL INFORMATION OF POWER CHARGES December , 2019
Napoleon

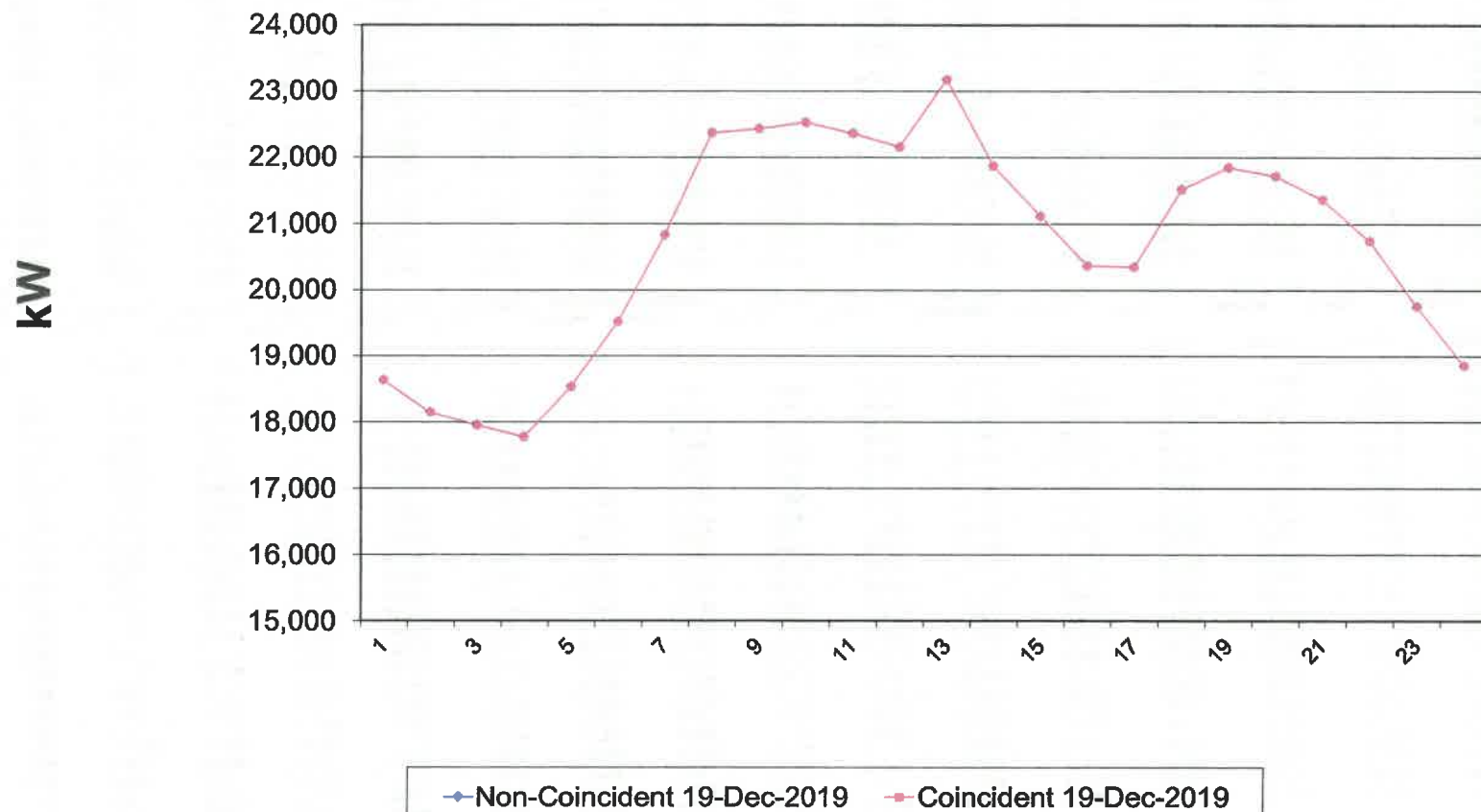
| | | | | |
|---|------------|---------|------------------------|-----------------------|
| Capacity Credit: | | | | |
| JV2 Project Fuel Costs not recovered through Energy Sales to Market | \$3.099811 | / kW * | -264 kW = | -\$818.35 |
| <i>Subtotal</i> | | | 19 kWh = | \$3.10 |
| AMP Solar Phase I - Sched @ ATSI | | | | -\$983.58 |
| Demand Charge: | | | | |
| Energy Charge: | \$0.038300 | / kWh * | 1,040 kW | \$2,409.05 |
| Transmission Credit: | | | 62,899 kWh = | -\$2,890.30 |
| Capacity Credit: | | | | -\$1,689.27 |
| <i>Subtotal</i> | \$1.624298 | / kW * | -1,040 kW = | -\$2,170.52 |
| Morgan Stanley 2015-2020 - 7x24 @ AD | | | | |
| Demand Charge: | | | | |
| Energy Charge: | \$0.062950 | / kWh * | 3,800 kW | \$177,972.24 |
| Net Congestion, Losses, FTR: | \$0.000183 | / kWh * | 2,827,200 kWh = | \$516.59 |
| <i>Subtotal</i> | | | 2,827,200 kWh = | \$178,488.83 |
| Efficiency Smart Power Plant 2017-2020 | | | | |
| ESPP 2017-2020 obligation @ \$1.400 /MWh x 145,364.3 MWh / 12 | | | | \$16,959.16 |
| <i>Subtotal</i> | | | 0 kWh = | \$16,959.16 |
| Northern Power Pool: | | | | |
| On Peak Energy Charge: (M-F HE 08-23 EDT) | \$0.029539 | / kWh * | 1,203,582 kWh = | \$35,552.53 |
| Off Peak Energy Charge: | \$0.024547 | / kWh * | 393,461 kWh = | \$9,658.27 |
| Sale of Excess Non-Pool Resources to Pool | \$0.019461 | / kWh * | -1,458,049 kWh = | -\$28,375.05 |
| Pool Congestion Hedge | | | | \$2,934.23 |
| <i>Subtotal</i> | \$0.142236 | / kWh * | 138,994 kWh = | \$19,769.98 |
| Total Demand Charges: | | | | \$426,146.26 |
| Total Energy Charges: | | | | \$395,659.08 |
| Total Power Charges: | | | 12,809,184 kWh | \$821,805.34 |
| TRANSMISSION / CAPACITY / ANCILLARY SERVICES: | | | | |
| Demand Charge: | \$4.971882 | / kW * | 30,468 kW = | \$151,483.30 |
| Energy Charge: | \$0.000342 | / kWh * | 10,511,712 kWh = | \$3,597.84 |
| RPM (Capacity) Charges: | \$3.731100 | / kW * | 30,052 kW = | \$112,127.02 |
| TRANSMISSION / CAPACITY / ANCILLARY SERVICES: | \$0.025420 | / kWh * | 10,511,712 kWh = | \$267,208.16 |
| Service Fee Part A, | | | | |
| Based on Annual Municipal Sales | \$0.000229 | / kWh * | 150,253,707 kWh 1/12 = | \$2,867.34 |
| Service Fee Part B, | | | | |
| Energy Purchases | \$0.000580 | / kWh * | 12,840,712 kWh = | \$7,447.61 |
| TOTAL OTHER CHARGES: | | | | \$10,314.95 |
| MISCELLANEOUS CHARGES: | | | | |
| Prior month adjustment | | | | \$3.75 |
| Credit for PJM capacity revenues generated by Efficiency Smart projects | | | | -\$818.31 |
| TOTAL MISCELLANEOUS CHARGES: | | | | -\$814.56 |
| GRAND TOTAL POWER INVOICE: | | | | \$1,096,513.89 |

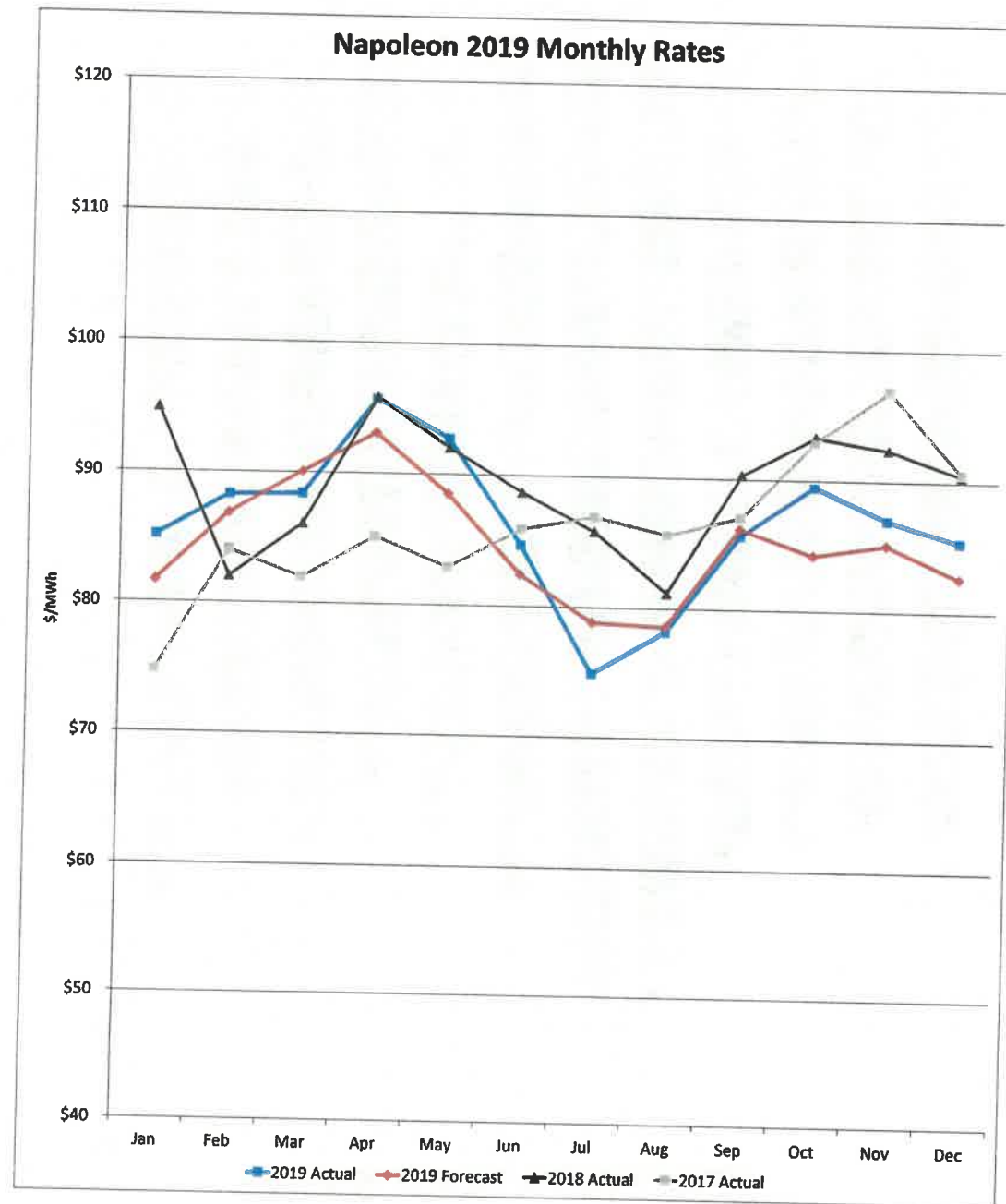
NAPOLEON

| Date Hour | Sunday 12/1/2019 | Monday 12/2/2019 | Tuesday 12/3/2019 | Wednesday 12/4/2019 | Thursday 12/5/2019 | Friday 12/6/2019 | Saturday 12/7/2019 | Sunday 12/8/2019 | Monday 12/9/2019 | Tuesday 12/10/2019 | Wednesday 12/11/2019 | Thursday 12/12/2019 | Friday 12/13/2019 | Saturday 12/14/2019 | Sunday 12/15/2019 |
|--------------|---------------------|---------------------|----------------------|------------------------|-----------------------|---------------------|-----------------------|---------------------|---------------------|-----------------------|-------------------------|------------------------|----------------------|------------------------|----------------------|
| 100 | 13,110 | 15,200 | 16,821 | 16,794 | 16,886 | 16,562 | 15,224 | 14,885 | 14,845 | 16,294 | 18,625 | 18,710 | 17,006 | 14,466 | 14,611 |
| 200 | 12,912 | 14,690 | 16,235 | 16,270 | 16,169 | 15,988 | 14,868 | 14,182 | 14,277 | 16,038 | 17,991 | 18,494 | 16,708 | 14,371 | 14,249 |
| 300 | 12,692 | 14,647 | 16,160 | 16,064 | 15,992 | 15,763 | 14,821 | 14,063 | 14,811 | 16,483 | 18,235 | 18,719 | 16,669 | 14,580 | 14,272 |
| 400 | 12,371 | 14,668 | 16,093 | 15,830 | 15,633 | 15,544 | 14,698 | 13,855 | 13,553 | 15,688 | 17,220 | 17,801 | 16,467 | 13,796 | 13,810 |
| 500 | 12,443 | 15,220 | 16,442 | 16,335 | 16,014 | 15,969 | 14,935 | 14,034 | 14,691 | 16,285 | 18,040 | 18,420 | 16,884 | 14,138 | 13,600 |
| 600 | 12,518 | 16,495 | 17,607 | 17,336 | 16,998 | 17,025 | 15,424 | 14,174 | 16,045 | 17,596 | 19,059 | 19,392 | 18,021 | 14,636 | 14,148 |
| 700 | 12,820 | 18,252 | 18,740 | 18,662 | 18,444 | 18,186 | 16,156 | 14,729 | 17,534 | 18,994 | 20,527 | 20,972 | 18,684 | 15,075 | 14,777 |
| 800 | 13,528 | 19,802 | 20,271 | 20,192 | 20,019 | 19,626 | 17,036 | 15,367 | 19,286 | 20,697 | 22,073 | 22,607 | 20,715 | 16,186 | 15,569 |
| 900 | 14,100 | 17,784 | 20,494 | 20,339 | 19,919 | 19,760 | 17,419 | 15,942 | 19,657 | 21,197 | 22,487 | 22,157 | 20,825 | 16,931 | 16,099 |
| 1000 | 14,339 | 20,379 | 20,686 | 20,495 | 20,181 | 20,123 | 17,420 | 16,055 | 19,854 | 21,740 | 22,422 | 22,089 | 20,918 | 17,272 | 16,484 |
| 1100 | 14,612 | 20,387 | 20,787 | 20,626 | 20,009 | 20,148 | 17,300 | 16,324 | 20,240 | 21,855 | 22,033 | 21,323 | 21,019 | 17,117 | 16,761 |
| 1200 | 14,742 | 20,593 | 21,052 | 20,642 | 19,494 | 19,844 | 17,107 | 16,276 | 20,317 | 21,783 | 22,278 | 21,682 | 20,979 | 16,784 | 16,987 |
| 1300 | 14,857 | 20,774 | 20,992 | 20,666 | 19,635 | 19,969 | 16,876 | 16,155 | 20,295 | 21,605 | 22,142 | 21,333 | 20,832 | 16,531 | 17,148 |
| 1400 | 15,207 | 20,664 | 20,982 | 20,508 | 19,456 | 19,806 | 16,495 | 16,178 | 20,077 | 21,436 | 21,740 | 21,161 | 20,738 | 16,173 | 16,883 |
| 1500 | 15,349 | 20,532 | 20,736 | 20,415 | 19,243 | 19,536 | 15,824 | 15,878 | 20,025 | 21,289 | 21,732 | 20,755 | 20,276 | 15,823 | 16,579 |
| 1600 | 15,629 | 20,079 | 20,086 | 20,032 | 18,993 | 18,920 | 15,822 | 15,581 | 19,582 | 21,206 | 21,614 | 20,078 | 19,384 | 15,603 | 16,682 |
| 1700 | 15,965 | 20,332 | 20,054 | 20,585 | 18,947 | 18,357 | 16,047 | 16,023 | 19,302 | 21,368 | 21,655 | 21,063 | 19,249 | 15,580 | 16,981 |
| 1800 | 16,970 | 20,778 | 20,635 | 20,877 | 19,803 | 19,663 | 17,069 | 17,004 | 19,397 | 21,697 | 22,367 | 20,997 | 19,956 | 16,526 | 18,212 |
| 1900 | 16,973 | 20,820 | 20,646 | 20,816 | 19,976 | 19,830 | 17,216 | 17,452 | 19,721 | 21,978 | 22,755 | 20,985 | 19,972 | 16,675 | 18,610 |
| 2000 | 16,888 | 20,471 | 20,375 | 20,163 | 19,746 | 19,571 | 16,811 | 17,110 | 19,399 | 21,680 | 22,216 | 20,549 | 19,304 | 16,458 | 18,406 |
| 2100 | 16,556 | 19,990 | 19,990 | 20,105 | 19,580 | 19,251 | 16,651 | 16,847 | 19,019 | 21,501 | 22,017 | 20,374 | 19,177 | 16,416 | 18,461 |
| 2200 | 15,803 | 19,333 | 19,384 | 19,641 | 19,041 | 18,905 | 16,304 | 16,255 | 18,359 | 20,984 | 21,198 | 19,730 | 18,620 | 16,178 | 17,720 |
| 2300 | 15,107 | 18,210 | 18,251 | 18,279 | 17,910 | 17,728 | 15,834 | 15,364 | 17,214 | 19,815 | 20,242 | 18,607 | 17,140 | 15,680 | 16,857 |
| 2400 | 15,177 | 17,500 | 17,326 | 17,458 | 17,178 | 16,217 | 15,477 | 15,068 | 16,558 | 18,924 | 19,310 | 17,716 | 15,558 | 14,834 | 16,332 |
| Total | 350,648 | 447,600 | 460,855 | 459,110 | 445,266 | 442,291 | 388,834 | 374,801 | 434,058 | 478,113 | 499,978 | 485,694 | 455,111 | 377,829 | 390,238 |

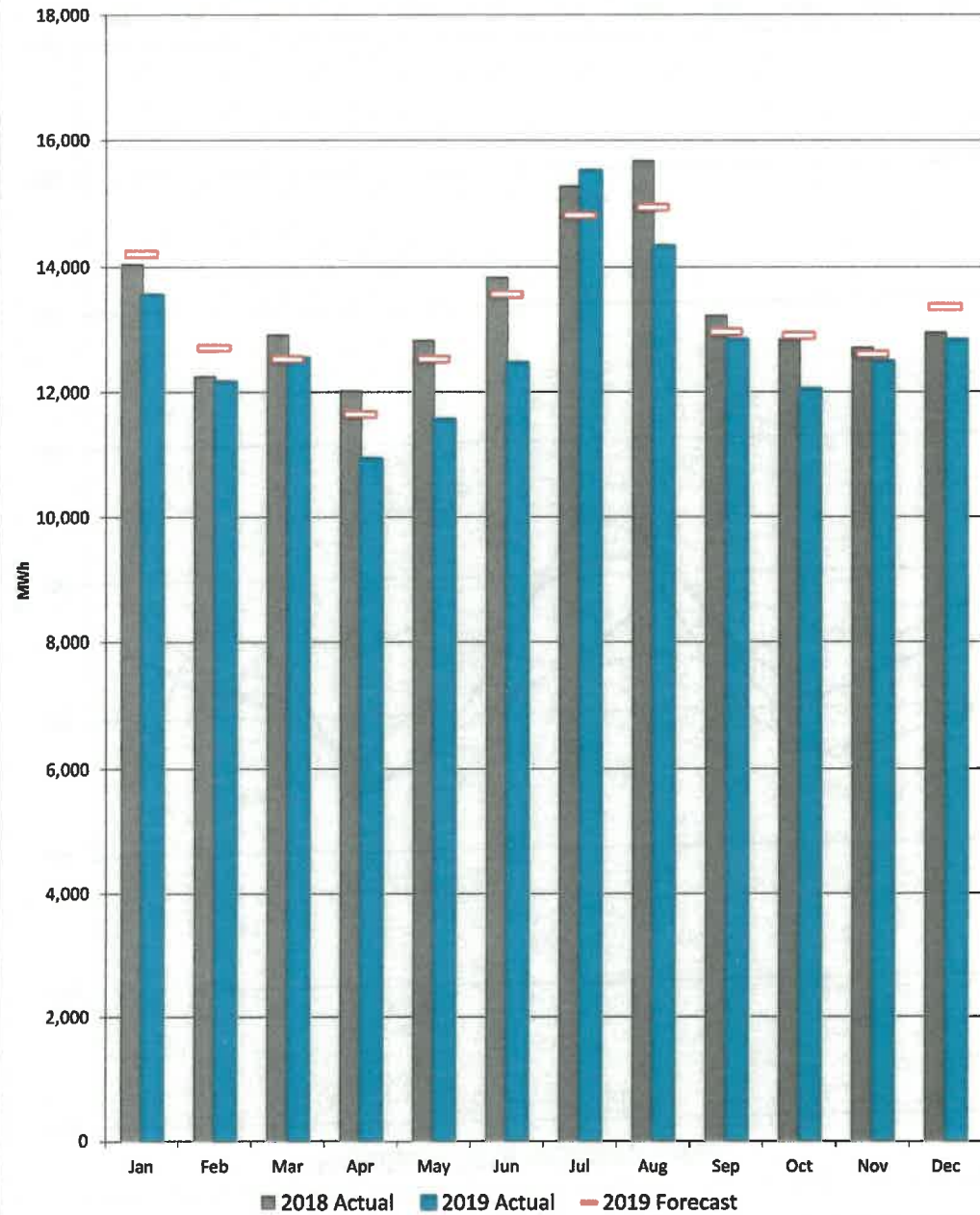
| Date Hour | Monday 12/16/2019 | Tuesday 12/17/2019 | Wednesday 12/18/2019 | Thursday 12/19/2019 | Friday 12/20/2019 | Saturday 12/21/2019 | Sunday 12/22/2019 | Monday 12/23/2019 | Tuesday 12/24/2019 | Wednesday 12/25/2019 | Thursday 12/26/2019 | Friday 12/27/2019 | Saturday 12/28/2019 | Sunday 12/29/2019 | Monday 12/30/2019 | Tuesday 12/31/2019 |
|--------------|----------------------|-----------------------|-------------------------|------------------------|----------------------|------------------------|----------------------|----------------------|-----------------------|-------------------------|------------------------|----------------------|------------------------|----------------------|----------------------|-----------------------|
| 100 | 16,179 | 17,525 | 17,713 | 18,643 | 18,189 | 15,049 | 13,840 | 15,154 | 14,281 | 12,757 | 11,887 | 13,232 | 13,003 | 12,702 | 12,340 | 14,753 |
| 200 | 15,895 | 17,015 | 17,331 | 18,159 | 17,875 | 14,804 | 13,503 | 14,880 | 13,856 | 12,451 | 11,534 | 12,711 | 12,579 | 12,178 | 11,951 | 14,321 |
| 300 | 16,482 | 16,959 | 17,131 | 17,964 | 17,705 | 14,319 | 13,359 | 14,661 | 13,650 | 12,289 | 11,644 | 12,426 | 12,312 | 11,756 | 11,901 | 14,350 |
| 400 | 15,210 | 16,937 | 17,030 | 17,785 | 17,577 | 14,184 | 13,250 | 14,616 | 13,555 | 11,710 | 11,090 | 12,132 | 12,282 | 11,521 | 11,813 | 13,421 |
| 500 | 15,513 | 17,192 | 17,474 | 18,543 | 17,771 | 14,357 | 13,269 | 15,145 | 13,809 | 12,019 | 11,399 | 12,284 | 12,439 | 11,574 | 12,077 | 13,903 |
| 600 | 17,134 | 18,435 | 18,512 | 19,527 | 18,958 | 14,729 | 13,511 | 16,123 | 14,034 | 12,221 | 12,345 | 13,089 | 12,676 | 11,621 | 12,966 | 14,774 |
| 700 | 18,628 | 19,907 | 20,227 | 20,845 | 20,145 | 15,167 | 14,076 | 17,333 | 14,492 | 12,828 | 13,778 | 14,212 | 13,014 | 11,933 | 14,579 | 15,616 |
| 800 | 20,767 | 21,232 | 21,463 | 22,371 | 21,933 | 15,888 | 14,758 | 18,498 | 14,866 | 13,570 | 15,114 | 15,322 | 13,951 | 12,801 | 15,864 | 16,542 |
| 900 | 20,730 | 21,352 | 21,989 | 22,435 | 21,999 | 16,618 | 15,254 | 19,268 | 15,492 | 13,962 | 16,023 | 16,127 | 14,412 | 13,439 | 16,454 | 17,060 |
| 1000 | 20,381 | 21,425 | 21,956 | 22,524 | 21,916 | 17,009 | 15,384 | 18,692 | 15,959 | 14,276 | 16,355 | 16,619 | 15,144 | 13,498 | 17,086 | 17,963 |
| 1100 | 20,816 | 21,307 | 21,911 | 22,364 | 21,615 | 16,753 | 15,443 | 18,998 | 16,390 | 14,346 | 16,526 | 16,972 | 15,271 | 13,635 | 17,226 | 18,298 |
| 1200 | 20,809 | 21,273 | 21,770 | 22,158 | 21,294 | 16,475 | 15,627 | 18,873 | 16,338 | 14,104 | 16,774 | 17,341 | 15,421 | 14,123 | 17,780 | 18,394 |
| 1300 | 21,536 | 20,868 | 21,894 | 23,170 | 21,088 | 15,946 | 15,387 | 18,656 | 15,877 | 13,553 | 16,740 | 17,497 | 15,003 | 13,883 | 17,976 | 18,082 |
| 1400 | 20,656 | 20,725 | 21,136 | 21,873 | 20,562 | 15,557 | 14,989 | 18,369 | 15,595 | 12,851 | 16,663 | 17,434 | 14,461 | 13,866 | 17,858 | 18,021 |
| 1500 | 20,428 | 20,539 | 21,544 | 21,127 | 20,348 | 15,194 | 14,645 | 18,026 | 15,283 | 12,221 | 16,491 | 17,085 | 14,055 | 13,627 | 17,917 | 17,839 |
| 1600 | 20,209 | 20,356 | 21,041 | 20,383 | 19,597 | 14,988 | 14,605 | 17,721 | 15,082 | 11,898 | 16,086 | 16,550 | 13,777 | 13,356 | 17,992 | 17,384 |
| 1700 | 20,503 | 20,097 | 20,942 | 20,358 | 19,519 | 14,999 | 14,936 | 17,718 | 14,896 | 11,937 | 15,917 | 16,114 | 13,840 | 13,684 | 17,818 | 17,363 |
| 1800 | 21,146 | 20,762 | 21,768 | 21,525 | 20,219 | 15,954 | 15,971 | 18,527 | 15,244 | 12,882 | 16,485 | 16,466 | 14,539 | 14,550 | 17,880 | 17,618 |
| 1900 | 21,318 | 20,960 | 22,552 | 21,852 | 20,159 | 16,269 | 16,503 | 18,532 | 15,008 | 13,391 | 16,523 | 16,393 | 14,619 | 14,787 | 17,955 | 17,654 |
| 2000 | 20,880 | 20,832 | 22,226 | 21,724 | 18,698 | 16,248 | 17,919 | 17,919 | 14,612 | 13,517 | 16,090 | 16,264 | 14,671 | 14,534 | 17,492 | 17,090 |
| 2100 | 20,299 | 20,645 | 21,863 | 21,372 | 19,555 | 16,268 | 16,324 | 17,976 | 14,450 | 13,689 | 15,705 | 16,052 | 14,438 | 14,329 | 17,405 | 16,535 |
| 2200 | 19,741 | 20,309 | 21,368 | 20,750 | 19,042 | 15,936 | 15,903 | 17,563 | 14,454 | 13,555 | 15,408 | 15,578 | 14,085 | 13,915 | 16,716 | 16,183 |
| 2300 | 18,750 | 19,535 | 20,142 | 19,762 | 17,959 | 15,420 | 15,586 | 16,460 | 14,060 | 13,061 | 14,837 | 14,453 | 13,766 | 13,236 | 15,990 | 15,413 |
| 2400 | 18,084 | 18,261 | 19,439 | 18,865 | 16,246 | 14,480 | 15,373 | 15,228 | 13,312 | 12,438 | 13,861 | 13,553 | 13,323 | 12,712 | 15,480 | 14,437 |
| Total | 462,094 | 456,187 | 490,422 | 496,079 | 470,969 | 372,421 | 357,744 | 414,936 | 354,595 | 311,526 | 355,275 | 365,906 | 333,081 | 317,260 | 380,516 | 393,014 |
| | | | | | | | | | | | Maximum | 23,170 | Minimum | 11,090 | Grand Total | 12,840,712 |

Napoleon Peak Day Load Curve





Napoleon 2019 Monthly Energy Usage



RATE REVIEW COMPARISONS - Current to Prior Month and Prior Year

2020 FEBRUARY BILLING - ELECTRIC PSCAF - BILLING COMPARISONS TO PRIOR PERIODS

Rate Comparisons to Prior Month and Prior Year for Same Period

| Customer Type | Service Usage | Service Units | Current February 2020 Rate | Prior Month January 2020 Rate | Prior Year February 2019 Rate | Service Usage | Service Units | Current February 2020 Rate | Prior Month January 2020 Rate | Prior Year February 2019 Rate |
|-------------------------------------|---------------|---------------|--|-------------------------------|-------------------------------|--|---------------|----------------------------|-------------------------------|-------------------------------|
| Customer Type -> | | | RESIDENTIAL USER - (w/Gas Heat) | | | RESIDENTIAL USER - (All Electric) | | | | |
| Customer Charge | | | \$6.00 | \$6.00 | \$6.00 | | | \$6.00 | \$6.00 | \$6.00 |
| Distribution Energy Charge | | | \$20.93 | \$20.93 | \$20.93 | | | \$33.39 | \$33.39 | \$33.39 |
| Distribution Demand Charge | | | | | | | | | | |
| Power Supply Energy Charge | 978 | kWh | \$71.20 | \$71.20 | \$71.20 | 1,976 | kWh | \$143.85 | \$143.85 | \$143.85 |
| Power Supply Demand Charge | | | | | | | | | | |
| PSCAF - Monthly Factor | 978 | kWh | \$16.46 | \$16.58 | \$21.55 | 1,976 | kWh | \$33.26 | \$33.49 | \$43.53 |
| kWh Tax- Level 1 | 978 | kWh | \$4.55 | \$4.55 | \$4.55 | 1,976 | kWh | \$9.19 | \$9.19 | \$9.19 |
| kWh Tax- Level 2 | | | | | | | | | | |
| kWh Tax- Level 3 | | | | | | | | | | |
| Total Electric | | | \$119.14 | \$119.26 | \$124.23 | | | \$225.69 | \$225.92 | \$235.96 |
| Water | 6 | CCF | \$55.35 | \$55.35 | \$50.55 | 11 | CCF | \$91.89 | \$91.89 | \$83.14 |
| Sewer (w/Stm.Sew. & Lat.) | 6 | CCF | \$74.13 | \$74.13 | \$70.89 | 11 | CCF | \$104.83 | \$104.83 | \$98.89 |
| Storm Water (Rate/ERU) | | | \$9.50 | \$9.50 | \$9.50 | | | \$9.50 | \$9.50 | \$9.50 |
| Refuse (Rate/Service) | | | \$18.00 | \$18.00 | \$18.00 | | | \$18.00 | \$18.00 | \$18.00 |
| Sub-Other Services | | | \$156.98 | \$156.98 | \$148.94 | | | \$224.22 | \$224.22 | \$209.53 |
| Total Billing - All Services | | | \$276.12 | \$276.24 | \$273.17 | | | \$449.91 | \$450.14 | \$445.49 |
| Verification Totals-> | | | \$276.12 | \$276.24 | \$273.17 | | | \$449.91 | \$450.14 | \$445.49 |
| Dollar Chg.to Prior Periods | | | | <u>Cr.Mo to Pr.Mo</u> | <u>Cr.Yr to Pr.Yr</u> | | | | <u>Cr.Mo to Pr.Mo</u> | <u>Cr.Yr to Pr.Yr</u> |
| % Inc/Dec(-) to Prior Periods | | | | -0.12 | \$2.95 | | | | -0.23 | \$4.42 |
| | | | | -0.04% | 1.08% | | | | -0.05% | 0.99% |
| ===== | ===== | ===== | ===== | ===== | ===== | ===== | ===== | ===== | ===== | ===== |
| Cost/kWh - Electric | 978 | kWh | \$0.12182 | \$0.12194 | \$0.12702 | 1,976 | kWh | \$0.11422 | \$0.11433 | \$0.11941 |
| % Inc/Dec(-) to Prior Periods | | | | -0.10% | -4.09% | | | | -0.10% | -4.35% |
| Cost/CCF - Water | 6 | CCF | \$9.22500 | \$9.22500 | \$8.42500 | 11 | CCF | \$8.35364 | \$8.35364 | \$7.55818 |
| Cost/GALLONS - Water | 4,488 | GAL | \$0.01233 | \$0.01233 | \$0.01126 | 8,229 | GAL | \$0.01117 | \$0.01117 | \$0.01010 |
| % Inc/Dec(-) to Prior Periods | | | | 0.00% | 9.50% | | | | 0.00% | 10.52% |
| Cost/CCF - Sewer | 6 | CCF | \$12.35500 | \$12.35500 | \$11.81500 | 11 | CCF | \$9.53000 | \$9.53000 | \$8.99000 |
| Cost/GALLON - Sewer | 4,488 | GAL | \$0.01652 | \$0.01652 | \$0.01580 | 8,229 | GAL | \$0.01274 | \$0.01274 | \$0.01202 |
| % Inc/Dec(-) to Prior Periods | | | | 0.00% | 4.57% | | | | 0.00% | 6.01% |

(Listed Accounts Assume SAME USAGE for kWh and Water (CCF) for All Billing Periods)
(One "1" Unit CCF of Water = "Hundred Cubic Foot" = 748.05 Gallons)

RATE REVIEW COMPARISONS - Current to Prior Month and Prior Year

2020 FEBRUARY BILLING - E/

Rate Comparisons to Prior Month a

| | | | Current | Prior Month | Prior Year | | | | Current | Prior Month | Prior Year |
|---|---|----------------|-------------------|-----------------------|-----------------------|---------|---|----------------|--------------------|-----------------------|-----------------------|
| | Service | Service | February | January | February | | Service | Service | February | January | February |
| Customer Type | Usage | Units | 2020 Rate | 2020 Rate | 2019 Rate | | Usage | Units | 2020 Rate | 2020 Rate | 2019 Rate |
| Customer Type -> | COMMERCIAL USER - (3 Phase w/Demand) | | | | | | INDUSTRIAL USER - (3 Phase w/Demand) | | | | |
| Customer Charge | | | \$18.00 | \$18.00 | \$18.00 | | | | \$100.00 | \$100.00 | \$100.00 |
| Distribution Energy Charge | 7,040 | kWh | \$38.02 | \$38.02 | \$38.02 | 98,748 | Reactive | | \$2,303.85 | \$2,303.85 | \$2,303.85 |
| Distribution Demand Charge | 20.32 | kW/Dmd | \$92.86 | \$92.86 | \$92.86 | 1510.1 | kW/Dmd | | \$8,215.30 | \$8,215.30 | \$8,215.30 |
| Power Supply Energy Charge | 7,040 | kWh | \$623.04 | \$623.04 | \$623.04 | 866,108 | kWh | | \$39,165.42 | \$39,165.42 | \$39,165.42 |
| Power Supply Demand Charge | | | | | | | | | \$15,296.55 | \$15,296.55 | \$15,296.55 |
| PSCAF - Monthly Factor | 7,040 | kWh | \$118.48 | \$119.33 | \$155.09 | | | | \$13,847.77 | \$13,946.51 | \$18,126.35 |
| kWh Tax- Level 1 | | | \$9.66 | \$9.66 | \$9.66 | | | | \$9.66 | \$9.66 | \$9.66 |
| kWh Tax- Level 2 | | | \$20.80 | \$20.80 | \$20.80 | | | | \$56.24 | \$56.24 | \$56.24 |
| kWh Tax- Level 3 | | | | | | | | | \$3,087.71 | \$3,087.71 | \$3,087.71 |
| Total Electric | | | \$920.86 | \$921.71 | \$957.47 | | | | \$82,082.50 | \$82,181.24 | \$86,361.08 |
| Water | 25 | CCF | \$190.17 | \$190.17 | \$170.92 | 300 | CCF | | \$2,152.61 | \$2,152.61 | \$1,936.11 |
| Sewer (w/Strm.Sew. & Lat.) | 25 | CCF | \$192.19 | \$192.19 | \$177.29 | 300 | CCF | | \$1,880.69 | \$1,880.69 | \$1,717.29 |
| Storm Water (Rate/ERU) | | | \$9.50 | \$9.50 | \$9.50 | | | | \$330.00 | \$330.00 | \$330.00 |
| Refuse (Rate/Service) | | | \$5.00 | \$5.00 | \$5.00 | | | | \$5.00 | \$5.00 | \$5.00 |
| Sub-Other Services | | | \$396.86 | \$396.86 | \$362.71 | | | | \$4,368.30 | \$4,368.30 | \$3,988.40 |
| Total Billing - All Services | | | \$1,317.72 | \$1,318.57 | \$1,320.18 | | | | \$86,450.80 | \$86,549.54 | \$90,349.48 |
| Verification Totals-> | | | \$1,317.72 | \$1,318.57 | \$1,320.18 | | | | \$86,450.80 | \$86,549.54 | \$90,349.48 |
| | | | | <i>Cr.Mo to Pr.Mo</i> | <i>Cr.Yr to Pr.Yr</i> | | | | | <i>Cr.Mo to Pr.Mo</i> | <i>Cr.Yr to Pr.Yr</i> |
| Dollar Chg.to Prior Periods | | | | -\$0.85 | -\$2.46 | | | | | -\$98.74 | -\$3,898.68 |
| % Inc/Dec(-) to Prior Periods | | | | -0.06% | -0.19% | | | | | -0.11% | -4.32% |
| ===== | ===== | ===== | ===== | ===== | ===== | ===== | ===== | ===== | ===== | ===== | ===== |
| Cost/kWh - Electric | 7,040 | kWh | \$0.13080 | \$0.13092 | \$0.13600 | 866,108 | kWh | | \$0.09477 | \$0.09489 | \$0.09971 |
| % Inc/Dec(-) to Prior Periods | | | | -0.09% | -3.82% | | | | | -0.13% | -4.95% |
| Cost/CCF - Water | 25 | CCF | \$7.60680 | \$7.60680 | \$6.83680 | 300 | CCF | | \$7.17537 | \$7.17537 | \$6.45370 |
| Cost/GALLONS - Water | 18,701 | GAL | \$0.01017 | \$0.01017 | \$0.00914 | 224,415 | GAL | | \$0.00959 | \$0.00959 | \$0.00863 |
| % Inc/Dec(-) to Prior Periods | | | | 0.00% | 11.26% | | | | | 0.00% | 11.18% |
| Cost/CCF - Sewer | 25 | CCF | \$7.68760 | \$7.68760 | \$7.09160 | 300 | CCF | | \$6.26897 | \$6.26897 | \$5.72430 |
| Cost/GALLON - Sewer | 18,701 | GAL | \$0.01028 | \$0.01028 | \$0.00948 | 224,415 | GAL | | \$0.00838 | \$0.00838 | \$0.00765 |
| % Inc/Dec(-) to Prior Periods | | | | 0.00% | 8.40% | | | | | 0.00% | 9.52% |
| <i>(Listed Accounts Assume SAME USA</i> | | | | | | | | | | | |
| <i>(One "1" Unit CCF of Water = "Hundre</i> | | | | | | | | | | | |

| BILLING SUMMARY AND CONSUMPTION for BILLING CYCLE - FEBRUARY, 2020 | | | | | | | | | | | | | | | |
|---|-----------|-------------------|--------------------|-----------------------|----------------------|----------------------|--------------------------------|-------------------|--------------------|-----------------------|----------------------|-------------------|--------------------|-----------------------|----------------------|
| DECEMBER, 2019 | | | | | | | | | | | | | | | |
| 2020 - FEBRUARY BILLING WITH DECEMBER 2019 AMP BILLING PERIOD AND JANUARY 2020 CITY CONSUMPTION AND BILLING DATA | | | | | | | | | | | | | | | |
| Class and/or Schedule | Rate Code | Jan-20 # of Bills | Jan-20 (kWh Usage) | Jan-20 Billed | Billed kVa of Demand | Cost / kWh For Month | Cost / kWh Prior 12 Mo Average | Feb-19 # of Bills | Feb-19 (kWh Usage) | Feb-19 Billed | Cost / kWh For Month | Mar-19 # of Bills | Mar-19 (kWh Usage) | Mar-19 Billed | Cost / kWh For Month |
| Residential (Dom-In) | E1 | 3,349 | 2,102,112 | \$263,509.39 | 0 | \$0.1254 | \$0.1240 | 3,340 | 2,274,677 | \$294,991.21 | \$0.1297 | 3,333 | 2,465,436 | \$310,648.89 | \$0.1260 |
| Residential (Dom-In) w/Ecosmart | E1E | 6 | 2,754 | \$354.93 | 0 | \$0.1289 | \$0.1271 | 8 | 3,681 | \$492.96 | \$0.1339 | 8 | 3,762 | \$491.53 | \$0.1307 |
| Residential (Dom-In - All Electric) | E2 | 634 | 630,624 | \$76,820.23 | 0 | \$0.1218 | \$0.1229 | 610 | 676,299 | \$85,395.38 | \$0.1263 | 610 | 833,025 | \$101,831.08 | \$0.1222 |
| Res. (Dom-In - All Elec.) w/Ecosmart | E2E | 1 | 490 | \$62.75 | 0 | \$0.1281 | \$0.1256 | 1 | 480 | \$64.01 | \$0.1334 | 1 | 526 | \$68.02 | \$0.1293 |
| Total Residential (Domestic) | | 3,990 | 2,735,980 | \$340,738.30 | 0 | \$0.1245 | \$0.1238 | 3,959 | 2,955,137 | \$380,943.56 | \$0.1289 | 3,952 | 3,302,749 | \$413,039.52 | \$0.1251 |
| Residential (Rural-Out) | ER1 | 792 | 807,336 | \$105,185.25 | 0 | \$0.1303 | \$0.1302 | 777 | 887,850 | \$119,215.41 | \$0.1343 | 777 | 961,894 | \$125,641.90 | \$0.1306 |
| Residential (Rural-Out) w/Ecosmart | ER1E | 4 | 3,204 | \$426.09 | 0 | \$0.1330 | \$0.1333 | 4 | 3,880 | \$527.26 | \$0.1359 | 4 | 3,702 | \$493.87 | \$0.1334 |
| Residential (Rural-Out - All Electric) | ER2 | 364 | 481,607 | \$61,650.77 | 0 | \$0.1280 | \$0.1287 | 371 | 534,467 | \$70,803.11 | \$0.1325 | 371 | 609,784 | \$78,413.48 | \$0.1286 |
| Res. (Rural-Out - All Electric) w/Ecosmart | ER2E | 2 | 2,699 | \$345.23 | 0 | \$0.1279 | \$0.1294 | 2 | 2,987 | \$395.11 | \$0.1323 | 2 | 3,344 | \$429.97 | \$0.1286 |
| Residential (Rural-Out w/Dmd) | ER3 | 15 | 100,391 | \$12,192.74 | 497 | \$0.1215 | \$0.1256 | 15 | 81,165 | \$10,304.66 | \$0.1270 | 15 | 48,348 | \$6,061.31 | \$0.1254 |
| Residential (Rural-Out - All Electric w/Dmd) | ER4 | 9 | 14,140 | \$1,793.23 | 106 | \$0.1268 | \$0.1297 | 9 | 12,300 | \$1,634.32 | \$0.1329 | 9 | 11,570 | \$1,508.08 | \$0.1303 |
| Total Residential (Rural) | | 1,186 | 1,409,377 | \$181,593.31 | 603 | \$0.1288 | \$0.1296 | 1,178 | 1,522,449 | \$202,879.87 | \$0.1333 | 1,178 | 1,638,642 | \$212,548.61 | \$0.1297 |
| Commercial (1 Ph-In - No Dmd) | EC2 | 73 | 34,043 | \$5,428.03 | 0 | \$0.1594 | \$0.1612 | 72 | 34,992 | \$5,719.92 | \$0.1635 | 72 | 38,814 | \$6,133.79 | \$0.1580 |
| Commercial (1 Ph-Out - No Dmd) | EC2O | 50 | 13,491 | \$2,402.69 | 0 | \$0.1781 | \$0.1895 | 50 | 11,714 | \$2,225.35 | \$0.1900 | 50 | 14,161 | \$2,522.55 | \$0.1781 |
| Total Commercial (1 Ph) No Dmd | | 123 | 47,534 | \$7,830.72 | 0 | \$0.1647 | \$0.1684 | 122 | 46,706 | \$7,945.27 | \$0.1701 | 122 | 52,975 | \$8,656.34 | \$0.1634 |
| Commercial (1 Ph-In - w/Demand) | EC1 | 258 | 281,890 | \$44,567.60 | 1952 | \$0.1581 | \$0.1516 | 258 | 307,384 | \$48,124.40 | \$0.1566 | 258 | 330,566 | \$49,985.17 | \$0.1512 |
| Commercial (1 Ph-Out - w/Demand) | EC1O | 24 | 43,441 | \$6,278.22 | 215 | \$0.1445 | \$0.1416 | 24 | 49,827 | \$7,283.21 | \$0.1462 | 24 | 46,986 | \$6,633.96 | \$0.1412 |
| Total Commercial (1 Ph) w/Demand | | 282 | 325,331 | \$50,845.82 | 2,167 | \$0.1563 | \$0.1504 | 282 | 357,211 | \$55,407.61 | \$0.1551 | 282 | 377,552 | \$56,619.13 | \$0.1500 |
| Commercial (3 Ph-Out - No Dmd) | EC4O | 2 | 4,440 | \$628.10 | 24 | \$0.1415 | \$0.1570 | 2 | 15,080 | \$2,121.23 | \$0.1407 | 2 | 160 | \$57.71 | \$0.3607 |
| Total Commercial (3 Ph) No Dmd | | 2 | 4,440 | \$628.10 | 24 | \$0.1415 | \$0.1570 | 2 | 15,080 | \$2,121.23 | \$0.1407 | 2 | 160 | \$57.71 | \$0.3607 |
| Commercial (3 Ph-In - w/Demand) | EC3 | 213 | 1,740,229 | \$229,454.61 | 6011 | \$0.1319 | \$0.1312 | 214 | 1,695,558 | \$232,874.42 | \$0.1373 | 215 | 1,843,999 | \$246,143.40 | \$0.1335 |
| Commercial (3 Ph-Out - w/Demand) | EC3O | 36 | 416,639 | \$53,651.15 | 1409 | \$0.1288 | \$0.1332 | 37 | 346,175 | \$47,574.03 | \$0.1374 | 38 | 303,214 | \$40,961.20 | \$0.1351 |
| Commercial (3 Ph-Out - w/Dmd.&Sub-St.) | E3SO | 3 | 100,680 | \$12,423.31 | 334 | \$0.1234 | \$0.1236 | 3 | 97,600 | \$12,627.24 | \$0.1294 | 3 | 114,920 | \$14,544.21 | \$0.1266 |
| Commercial (3 Ph-In - w/Demand, No T.a.) | EC3T | 1 | 1,400 | \$195.31 | 5 | \$0.1395 | \$0.1297 | 1 | 1,960 | \$267.70 | \$0.1366 | 1 | 1,880 | \$253.74 | \$0.1350 |
| Total Commercial (3 Ph) w/Demand | | 253 | 2,258,948 | \$295,724.38 | 7,759 | \$0.1309 | \$0.1311 | 255 | 2,141,293 | \$293,343.39 | \$0.1370 | 257 | 2,264,013 | \$301,902.55 | \$0.1333 |
| Large Power (In - w/Dmd & Rct) | EL1 | 15 | 1,748,187 | \$184,229.31 | 3726 | \$0.1054 | \$0.1049 | 15 | 1,478,807 | \$170,170.64 | \$0.1151 | 15 | 1,629,248 | \$176,214.53 | \$0.1082 |
| Large Power (In - w/Dmd & Rct, w/SbCr) | EL2 | 3 | 1,006,691 | \$101,740.34 | 2038 | \$0.1011 | \$0.1015 | 3 | 963,774 | \$103,700.34 | \$0.1076 | 3 | 922,545 | \$96,209.85 | \$0.1043 |
| Large Power (Out - w/Dmd & Rct, w/SbCr) | EL2O | 1 | 355,200 | \$39,268.32 | 848 | \$0.1106 | \$0.1120 | 1 | 382,800 | \$46,480.47 | \$0.1214 | 1 | 488,400 | \$52,538.17 | \$0.1076 |
| Large Power (In - w/Dmd & Rct, w/SbCr) | EL3 | 2 | 126,563 | \$19,833.72 | 645 | \$0.1587 | \$0.1673 | 2 | 61,200 | \$6,516.36 | \$0.1065 | 2 | 67,200 | \$6,824.48 | \$0.1016 |
| Total Large Power | | 21 | 3,236,641 | \$345,071.69 | 7,257 | \$0.1066 | \$0.1063 | 21 | 2,886,581 | \$326,867.81 | \$0.1132 | 21 | 3,107,393 | \$331,787.03 | \$0.1068 |
| Industrial (In - w/Dmd & Rct, w/SbCr) | EI1 | 1 | 782,625 | \$77,014.37 | 1596 | \$0.0984 | \$0.0967 | 1 | 756,625 | \$80,906.51 | \$0.1069 | 1 | 953,746 | \$93,976.56 | \$0.0985 |
| Industrial (In - w/Dmd & Rct, No/SbCr) | EI2 | 1 | 777,345 | \$79,927.37 | 1756 | \$0.1028 | \$0.1007 | 1 | 709,545 | \$75,871.03 | \$0.1069 | 1 | 679,242 | \$70,650.12 | \$0.1040 |
| Total Industrial | | 2 | 1,559,970 | \$156,941.74 | 3,352 | \$0.1006 | \$0.0986 | 2 | 1,466,170 | \$156,777.54 | \$0.1069 | 2 | 1,632,988 | \$164,626.68 | \$0.1008 |
| Interdepartmental (In - No Dmd) | ED1 | 10 | 34,098 | \$4,308.99 | 80 | \$0.1264 | \$0.1312 | 10 | 36,732 | \$4,838.55 | \$0.1317 | 9 | 41,855 | \$5,271.19 | \$0.1259 |
| Interdepartmental (Out - w/Dmd) | ED2O | 2 | 470 | \$86.96 | 0 | \$0.1850 | \$0.1869 | 2 | 289 | \$64.23 | \$0.2222 | 2 | 246 | \$57.53 | \$0.2339 |
| Interdepartmental (In - w/Dmd) | ED2 | 27 | 60,814 | \$8,439.35 | 0 | \$0.1388 | \$0.1417 | 29 | 75,208 | \$10,762.28 | \$0.1431 | 27 | 82,014 | \$11,431.90 | \$0.1394 |
| Interdepartmental (3Ph-In - w/Dmd) | ED3 | 10 | 151,425 | \$19,242.97 | 458 | \$0.1271 | \$0.1289 | 10 | 152,446 | \$20,037.67 | \$0.1314 | 10 | 205,886 | \$26,332.92 | \$0.1280 |
| Interdepartmental (Street Lights) | EDSL | 6 | 32,671 | \$3,128.40 | 0 | \$0.0958 | \$0.0962 | 5 | 18,020 | \$1,729.62 | \$0.0960 | 5 | 14,608 | \$1,416.67 | \$0.0970 |
| Interdepartmental (Traffic Signals) | EDTS | 8 | 1,203 | \$111.24 | 0 | \$0.0925 | \$0.0925 | 8 | 1,749 | \$161.72 | \$0.0925 | 8 | 1,474 | \$136.29 | \$0.0925 |
| Generators (JV2 Power Cost Only) | GJV2 | 1 | 30,054 | \$1,887.69 | 49 | \$0.0628 | \$0.0000 | 1 | 19,808 | \$584.93 | \$0.0295 | 1 | 21,704 | \$603.15 | \$0.0278 |
| Generators (JV5 Power Cost Only) | GJV5 | 0 | 0 | \$0.00 | 0 | \$0.0000 | \$0.0000 | 0 | 0 | \$0.00 | \$0.0000 | 0 | 0 | \$0.00 | \$0.0000 |
| Total Interdepartmental | | 64 | 310,735 | \$37,205.60 | 587 | \$0.1197 | \$0.1212 | 65 | 304,252 | \$38,179.00 | \$0.1255 | 62 | 367,587 | \$45,249.65 | \$0.1231 |
| SUB-TOTAL CONSUMPTION & DEMAND | | 5,923 | 11,888,956 | \$1,416,579.66 | 21,749 | \$0.1192 | \$0.1185 | 5,886 | 11,694,879 | \$1,464,465.28 | \$0.1252 | 5,878 | 12,744,059 | \$1,534,487.22 | \$0.1204 |
| Street Lights (In) | SLO | 14 | 0 | \$13.44 | 0 | \$0.0000 | \$0.0000 | 14 | 0 | \$13.44 | \$0.0000 | 14 | 0 | \$13.43 | \$0.0000 |
| Street Lights (Out) | SLOO | 2 | 0 | \$1.91 | 0 | \$0.0000 | \$0.0000 | 2 | 0 | \$1.92 | \$0.0000 | 2 | 0 | \$1.92 | \$0.0000 |
| Total Street Light Only | | 16 | 0 | \$15.35 | 0 | \$0.0000 | \$0.0000 | 16 | 0 | \$15.36 | \$0.0000 | 16 | 0 | \$15.35 | \$0.0000 |
| TOTAL CONSUMPTION & DEMAND | | 5,939 | 11,888,956 | \$1,416,595.01 | 21,749 | \$0.1192 | \$0.1185 | 5,902 | 11,694,879 | \$1,464,480.64 | \$0.1252 | 5,894 | 12,744,059 | \$1,534,502.57 | \$0.1204 |

BILLING SUMMARY AND COM

DECEMBER, 2019

2020 - FEBRUARY BILLING WITH DECEMBER 20

| Class and/or Schedule | Rate Code | Apr-19 | | | | May-19 | | | | Jun-19 | | | | Jul-19 | | | |
|--|--------------|---------------|-------------------|-----------------------|-------------------------|---------------|-------------------|-----------------------|-------------------------|---------------|-------------------|-----------------------|-------------------------|---------------|-------------------|-----------------------|-------------------------|
| | | # of Bills | (kWh Usage) | Billed | Cost / kWh For Month | # of Bills | (kWh Usage) | Billed | Cost / kWh For Month | # of Bills | (kWh Usage) | Billed | Cost / kWh For Month | # of Bills | (kWh Usage) | Billed | Cost / kWh For Month |
| Residential (Dom-In) | E1 | 3,342 | 2,035,692 | \$257,277.91 | \$0.1264 | 3,344 | 1,923,171 | \$242,954.41 | \$0.1263 | 3,339 | 1,637,164 | \$215,454.91 | \$0.1316 | 3,344 | 1,867,903 | \$245,867.24 | \$0.1316 |
| Residential (Dom-In) w/Ecosmart | E1E | 8 | 3,079 | \$406.83 | \$0.1321 | 8 | 3,052 | \$401.71 | \$0.1316 | 8 | 2,976 | \$403.19 | \$0.1355 | 7 | 3,714 | \$490.94 | \$0.1322 |
| Residential (Dom-In - All Electric) | E2 | 620 | 672,847 | \$82,084.80 | \$0.1220 | 621 | 557,529 | \$68,338.87 | \$0.1226 | 629 | 394,726 | \$50,889.72 | \$0.1289 | 628 | 344,748 | \$45,441.85 | \$0.1318 |
| Res. (Dom-In - All Elec.) w/Ecosmart | E2E | 1 | 508 | \$65.20 | \$0.1283 | 1 | 457 | \$58.97 | \$0.1290 | 1 | 458 | \$60.66 | \$0.1324 | 1 | 558 | \$73.44 | \$0.1316 |
| Total Residential (Domestic) | | 3,971 | 2,711,926 | \$339,834.74 | \$0.1253 | 3,974 | 2,484,209 | \$311,753.96 | \$0.1255 | 3,977 | 2,035,324 | \$266,808.48 | \$0.1311 | 3,980 | 2,216,923 | \$291,873.47 | \$0.1317 |
| Residential (Rural-Out) | ER1 | 776 | 794,190 | \$104,015.97 | \$0.1310 | 776 | 699,983 | \$92,162.85 | \$0.1317 | 778 | 617,058 | \$84,339.73 | \$0.1367 | 786 | 641,759 | \$86,459.44 | \$0.1378 |
| Residential (Rural-Out) w/Ecosmart | ER1E | 4 | 3,058 | \$410.74 | \$0.1343 | 4 | 2,544 | \$346.81 | \$0.1363 | 4 | 2,319 | \$327.68 | \$0.1413 | 4 | 2,594 | \$365.77 | \$0.1410 |
| Residential (Rural-Out - All Electric) | ER2 | 370 | 498,088 | \$64,053.38 | \$0.1286 | 370 | 416,573 | \$53,930.58 | \$0.1295 | 370 | 347,201 | \$46,775.22 | \$0.1347 | 367 | 325,561 | \$44,556.81 | \$0.1369 |
| Res. (Rural-Out - All Electric) w/Ecosmart | ER2E | 2 | 2,955 | \$378.26 | \$0.1280 | 2 | 2,425 | \$312.46 | \$0.1288 | 2 | 1,967 | \$264.01 | \$0.1342 | 2 | 1,372 | \$192.30 | \$0.1402 |
| Residential (Rural-Out w/Dmd) | ER3 | 15 | 25,173 | \$3,197.46 | \$0.1270 | 15 | 26,458 | \$3,336.23 | \$0.1261 | 15 | 23,350 | \$3,042.66 | \$0.1303 | 15 | 15,858 | \$2,139.28 | \$0.1349 |
| Residential (Rural-Out - All Electric w/Dmd) | ER4 | 9 | 10,622 | \$1,377.53 | \$0.1297 | 9 | 9,409 | \$1,224.75 | \$0.1302 | 9 | 7,985 | \$1,080.63 | \$0.1353 | 9 | 7,763 | \$1,064.90 | \$0.1372 |
| Total Residential (Rural) | | 1,176 | 1,334,086 | \$173,433.34 | \$0.1300 | 1,176 | 1,157,392 | \$151,313.68 | \$0.1307 | 1,178 | 999,880 | \$135,829.93 | \$0.1358 | 1,183 | 994,907 | \$136,778.50 | \$0.1375 |
| Commercial (1 Ph-In - No Dmd) | EC2 | 72 | 31,999 | \$5,166.30 | \$0.1615 | 72 | 31,882 | \$5,130.75 | \$0.1609 | 72 | 31,708 | \$5,216.75 | \$0.1645 | 72 | 33,471 | \$5,496.30 | \$0.1642 |
| Commercial (1 Ph-Out - No Dmd) | EC2O | 50 | 11,118 | \$2,094.53 | \$0.1884 | 50 | 9,408 | \$1,858.70 | \$0.1976 | 50 | 8,791 | \$1,806.71 | \$0.2055 | 50 | 8,924 | \$1,838.47 | \$0.2060 |
| Total Commercial (1 Ph) No Dmd | | 122 | 43,117 | \$7,260.83 | \$0.1684 | 122 | 41,290 | \$6,989.45 | \$0.1693 | 122 | 40,499 | \$7,023.46 | \$0.1734 | 122 | 42,395 | \$7,334.77 | \$0.1730 |
| Commercial (1 Ph-In - w/Demand) | EC1 | 259 | 299,031 | \$45,856.29 | \$0.1533 | 260 | 309,521 | \$46,731.05 | \$0.1510 | 260 | 267,791 | \$42,762.13 | \$0.1597 | 259 | 279,300 | \$44,966.50 | \$0.1610 |
| Commercial (1 Ph-Out - w/Demand) | EC1O | 24 | 41,830 | \$5,894.91 | \$0.1409 | 24 | 43,432 | \$6,099.39 | \$0.1404 | 24 | 39,876 | \$5,796.90 | \$0.1454 | 24 | 38,602 | \$5,730.99 | \$0.1485 |
| Total Commercial (1 Ph) w/Demand | | 283 | 340,861 | \$51,751.20 | \$0.1518 | 284 | 352,953 | \$52,830.44 | \$0.1497 | 284 | 307,667 | \$48,559.03 | \$0.1578 | 283 | 317,902 | \$50,697.49 | \$0.1595 |
| Commercial (3 Ph-Out - No Dmd) | EC4O | 2 | 600 | \$116.60 | \$0.1943 | 2 | 360 | \$84.14 | \$0.2337 | 2 | 80 | \$46.97 | \$0.5871 | 2 | 40 | \$41.55 | \$1.0388 |
| Total Commercial (3 Ph) No Dmd | | 2 | 600 | \$116.60 | \$0.1943 | 2 | 360 | \$84.14 | \$0.2337 | 2 | 80 | \$46.97 | \$0.5871 | 2 | 40 | \$41.55 | \$1.0388 |
| Commercial (3 Ph-In - w/Demand) | EC3 | 214 | 1,840,308 | \$243,290.37 | \$0.1322 | 215 | 1,680,476 | \$223,008.67 | \$0.1327 | 214 | 1,672,860 | \$228,330.04 | \$0.1365 | 215 | 1,710,073 | \$236,293.10 | \$0.1382 |
| Commercial (3 Ph-Out - w/Demand) | EC3O | 37 | 288,847 | \$38,828.23 | \$0.1344 | 37 | 259,862 | \$35,289.49 | \$0.1357 | 37 | 235,437 | \$33,446.06 | \$0.1421 | 37 | 239,673 | \$34,913.66 | \$0.1457 |
| Commercial (3 Ph-Out - w/Dmd.&Sub-St.) | E3SO | 3 | 104,160 | \$13,110.89 | \$0.1259 | 3 | 96,960 | \$12,199.22 | \$0.1258 | 3 | 91,160 | \$11,798.87 | \$0.1294 | 3 | 101,960 | \$13,281.99 | \$0.1303 |
| Commercial (3 Ph-In - w/Demand, No Ta) | EC3T | 1 | 1,880 | \$250.82 | \$0.1334 | 1 | 1,640 | \$221.35 | \$0.1350 | 1 | 1,720 | \$235.63 | \$0.1370 | 1 | 1,400 | \$199.68 | \$0.1426 |
| Total Commercial (3 Ph) w/Demand | | 255 | 2,235,195 | \$295,480.31 | \$0.1322 | 256 | 2,038,938 | \$270,698.73 | \$0.1328 | 255 | 2,001,177 | \$273,810.60 | \$0.1368 | 256 | 2,053,106 | \$284,688.34 | \$0.1387 |
| Large Power (In - w/Dmd & Rct) | EL1 | 15 | 1,519,156 | \$166,527.05 | \$0.1096 | 15 | 1,662,985 | \$177,044.25 | \$0.1065 | 15 | 1,621,674 | \$178,664.86 | \$0.1102 | 15 | 1,880,311 | \$209,268.21 | \$0.1113 |
| Large Power (In - w/Dmd & Rct, w/SbCr) | EL2 | 3 | 890,900 | \$92,963.95 | \$0.1043 | 3 | 974,049 | \$99,096.19 | \$0.1017 | 3 | 1,002,197 | \$104,581.35 | \$0.1044 | 3 | 983,750 | \$104,878.64 | \$0.1066 |
| Large Power (Out - w/Dmd & Rct, w/SbCr) | EL2O | 1 | 444,000 | \$49,582.76 | \$0.1117 | 1 | 448,800 | \$50,347.54 | \$0.1122 | 1 | 452,400 | \$52,253.99 | \$0.1155 | 1 | 478,800 | \$54,694.42 | \$0.1142 |
| Large Power (In - w/Dmd & Rct, w/SbCr) | EL3 | 2 | 61,200 | \$6,282.65 | \$0.1027 | 2 | 55,210 | \$5,835.99 | \$0.1057 | 2 | 60,593 | \$6,241.23 | \$0.3506 | 2 | 87,822 | \$16,661.21 | \$0.1901 |
| Total Large Power | | 21 | 2,915,256 | \$315,356.41 | \$0.1082 | 21 | 3,141,044 | \$332,323.97 | \$0.1058 | 21 | 3,136,864 | \$356,741.43 | \$0.1137 | 21 | 3,430,483 | \$385,502.48 | \$0.1124 |
| Industrial (In - w/Dmd & Rct, w/SbCr) | EI1 | 1 | 793,516 | \$80,520.83 | \$0.1015 | 1 | 853,543 | \$80,449.78 | \$0.0943 | 1 | 772,121 | \$80,559.60 | \$0.1043 | 1 | 895,662 | \$91,373.85 | \$0.1020 |
| Industrial (In - w/Dmd & Rct, No/SbCr) | EI2 | 1 | 592,800 | \$64,867.63 | \$0.1094 | 1 | 786,160 | \$76,598.10 | \$0.0974 | 1 | 706,069 | \$73,992.70 | \$0.1048 | 1 | 776,994 | \$81,131.34 | \$0.1044 |
| Total Industrial | | 2 | 1,386,316 | \$145,388.46 | \$0.1049 | 2 | 1,639,703 | \$157,047.88 | \$0.0958 | 2 | 1,478,190 | \$154,552.30 | \$0.1048 | 2 | 1,672,656 | \$172,505.19 | \$0.1031 |
| Interdepartmental (In - No Dmd) | ED1 | 9 | 33,828 | \$4,311.86 | \$0.1275 | 10 | 28,938 | \$3,730.91 | \$0.1289 | 10 | 23,142 | \$3,163.33 | \$0.1367 | 10 | 36,343 | \$5,023.47 | \$0.1382 |
| Interdepartmental (Out - w/Dmd) | ED2O | 2 | 234 | \$55.59 | \$0.2376 | 2 | 357 | \$71.87 | \$0.2013 | 2 | 446 | \$85.32 | \$0.1913 | 2 | 459 | \$97.80 | \$0.1913 |
| Interdepartmental (In - w/Dmd) | ED2 | 27 | 65,129 | \$9,060.76 | \$0.1391 | 27 | 42,935 | \$6,062.18 | \$0.1412 | 27 | 31,110 | \$4,592.92 | \$0.1476 | 27 | 20,581 | \$3,162.19 | \$0.1546 |
| Interdepartmental (3Ph-In - w/Dmd) | ED3 | 10 | 188,404 | \$23,936.79 | \$0.1271 | 10 | 175,037 | \$22,596.36 | \$0.1291 | 10 | 158,726 | \$21,126.86 | \$0.1331 | 10 | 146,248 | \$20,261.76 | \$0.1385 |
| Interdepartmental (Street Lights) | EDSL | 5 | 14,608 | \$1,413.75 | \$0.0968 | 6 | 21,490 | \$2,048.15 | \$0.0953 | 6 | 21,490 | \$2,074.95 | \$0.0966 | 6 | 21,490 | \$2,075.51 | \$0.0966 |
| Interdepartmental (Traffic Signals) | EDTS | 8 | 1,267 | \$117.15 | \$0.0925 | 8 | 1,266 | \$117.05 | \$0.0925 | 8 | 1,386 | \$128.17 | \$0.0925 | 8 | 1,342 | \$124.07 | \$0.0925 |
| Generators (JV2 Power Cost Only) | GJV2 | 1 | 18,459 | \$450.95 | \$0.0244 | 1 | 18,241 | \$514.58 | \$0.0282 | 1 | 17,475 | \$444.56 | \$0.0254 | 1 | 18,630 | \$448.80 | \$0.0241 |
| Generators (JV5 Power Cost Only) | GJV5 | 0 | 0 | \$0.00 | \$0.0000 | 0 | 0 | \$0.00 | \$0.0000 | 0 | 0 | \$0.00 | \$0.0000 | 0 | 0 | \$0.00 | \$0.0000 |
| Total Interdepartmental | | 62 | 321,929 | \$39,346.85 | \$0.1222 | 64 | 288,264 | \$35,141.10 | \$0.1219 | 64 | 253,775 | \$31,616.11 | \$0.1246 | 64 | 245,093 | \$31,203.60 | \$0.1273 |
| SUB-TOTAL CONSUMPTION & DEMAND | | 5,894 | 11,289,286 | \$1,367,968.74 | \$0.1212 | 5,901 | 11,144,153 | \$1,318,183.35 | \$0.1183 | 5,905 | 10,253,456 | \$1,274,988.31 | \$0.1243 | 5,913 | 10,973,505 | \$1,360,625.39 | \$0.1240 |
| Street Lights (In) | SLO | 14 | 0 | \$13.44 | \$0.0000 | 14 | 0 | \$13.44 | \$0.0000 | 14 | 0 | \$13.44 | \$0.0000 | 14 | 0 | \$13.44 | \$0.0000 |
| Street Lights (Out) | SLOO | 2 | 0 | \$1.92 | \$0.0000 | 2 | 0 | \$1.92 | \$0.0000 | 2 | 0 | \$1.92 | \$0.0000 | 2 | 0 | \$1.92 | \$0.0000 |
| Total Street Light Only | | 16 | 0 | \$15.36 | \$0.0000 | 16 | 0 | \$15.36 | \$0.0000 | 16 | 0 | \$15.36 | \$0.0000 | 16 | 0 | \$15.36 | \$0.0000 |
| TOTAL CONSUMPTION & DEMAND | | 5,910 | 11,289,286 | \$1,367,984.10 | \$0.1212 | 5,917 | 11,144,153 | \$1,318,198.71 | \$0.1183 | 5,921 | 10,253,456 | \$1,275,003.67 | \$0.1243 | 5,929 | 10,973,505 | \$1,360,640.75 | \$0.1240 |

BILLING SUMMARY AND COM

DECEMBER, 2019

2020 - FEBRUARY BILLING WITH DECEMBER 20

| Class and/or Schedule | Rate Code | Aug-19 # of Bills | Aug-19 (kWh Usage) | Aug-19 Billed | Cost / kWh For Month | Sep-19 # of Bills | Sep-19 (kWh Usage) | Sep-19 Billed | Cost / kWh For Month | Oct-19 # of Bills | Oct-19 (kWh Usage) | Oct-19 Billed | Cost / kWh For Month | Nov-19 # of Bills | Nov-19 (kWh Usage) | Nov-19 Billed | Cost / kWh For Month |
|--|-----------|-------------------|--------------------|-----------------------|----------------------|-------------------|--------------------|-----------------------|----------------------|-------------------|--------------------|-----------------------|----------------------|-------------------|--------------------|-----------------------|----------------------|
| Residential (Dom-In) | E1 | 3,346 | 2,732,680 | \$346,222.17 | \$0.1267 | 3,359 | 3,350,534 | \$393,425.78 | \$0.1174 | 3,342 | 2,627,375 | \$300,713.94 | \$0.1145 | 3,346 | 2,107,090 | \$245,966.62 | \$0.1167 |
| Residential (Dom-In) w/Ecosmart | E1E | 7 | 5,114 | \$652.39 | \$0.1276 | 7 | 5,542 | \$659.37 | \$0.1190 | 6 | 4,129 | \$476.93 | \$0.1155 | 6 | 3,114 | \$369.72 | \$0.1187 |
| Residential (Dom-In - All Electric) | E2 | 632 | 440,183 | \$56,326.12 | \$0.1280 | 630 | 510,776 | \$60,676.95 | \$0.1186 | 626 | 418,793 | \$48,478.09 | \$0.1158 | 628 | 355,532 | \$41,867.14 | \$0.1178 |
| Res. (Dom-In - All Elec.) w/Ecosmart | E2E | 1 | 834 | \$105.55 | \$0.1266 | 1 | 859 | \$101.69 | \$0.1184 | 1 | 659 | \$76.37 | \$0.1159 | 1 | 544 | \$64.29 | \$0.1182 |
| Total Residential (Domestic) | | 3,986 | 3,178,811 | \$403,306.23 | \$0.1269 | 3,997 | 3,867,711 | \$454,863.79 | \$0.1176 | 3,975 | 3,050,956 | \$349,745.33 | \$0.1146 | 3,981 | 2,466,280 | \$288,267.77 | \$0.1169 |
| Residential (Rural-Out) | ER1 | 786 | 867,108 | \$115,416.57 | \$0.1331 | 783 | 957,566 | \$118,989.72 | \$0.1243 | 787 | 780,581 | \$94,896.91 | \$0.1216 | 793 | 665,163 | \$82,340.16 | \$0.1238 |
| Residential (Rural-Out) w/Ecosmart | ER1E | 4 | 3,894 | \$523.03 | \$0.1343 | 4 | 3,819 | \$483.39 | \$0.1266 | 4 | 2,819 | \$354.28 | \$0.1257 | 4 | 2,437 | \$312.61 | \$0.1283 |
| Residential (Rural-Out - All Electric) | ER2 | 367 | 424,736 | \$56,355.32 | \$0.1327 | 367 | 472,761 | \$58,550.99 | \$0.1238 | 367 | 388,564 | \$46,991.85 | \$0.1209 | 369 | 340,605 | \$41,792.81 | \$0.1227 |
| Res. (Rural-Out - All Electric) w/Ecosmart | ER2E | 2 | 1,219 | \$171.23 | \$0.1405 | 2 | 2,134 | \$267.77 | \$0.1255 | 2 | 1,794 | \$220.01 | \$0.1226 | 2 | 1,589 | \$197.74 | \$0.1244 |
| Residential (Rural-Out w/Dmd) | ER3 | 15 | 19,604 | \$2,578.69 | \$0.1315 | 15 | 14,462 | \$1,828.22 | \$0.1264 | 15 | 12,756 | \$1,571.27 | \$0.1232 | 15 | 11,385 | \$1,422.85 | \$0.1250 |
| Residential (Rural-Out - All Electric w/Dmd) | ER4 | 9 | 8,355 | \$1,126.27 | \$0.1348 | 9 | 9,737 | \$1,220.01 | \$0.1253 | 9 | 8,911 | \$1,083.02 | \$0.1215 | 9 | 7,443 | \$922.40 | \$0.1239 |
| Total Residential (Rural) | | 1,183 | 1,324,916 | \$176,171.11 | \$0.1330 | 1,180 | 1,460,479 | \$181,340.10 | \$0.1242 | 1,184 | 1,195,425 | \$145,117.34 | \$0.1214 | 1,192 | 1,028,622 | \$126,988.57 | \$0.1235 |
| Commercial (1 Ph-In - No Dmd) | EC2 | 73 | 28,115 | \$4,736.29 | \$0.1685 | 73 | 30,579 | \$4,830.90 | \$0.1580 | 74 | 28,344 | \$4,423.71 | \$0.1561 | 75 | 26,125 | \$4,169.05 | \$0.1596 |
| Commercial (1 Ph-Out - No Dmd) | EC2O | 50 | 8,740 | \$1,799.65 | \$0.2059 | 50 | 13,407 | \$2,332.17 | \$0.1740 | 50 | 10,059 | \$1,854.12 | \$0.1843 | 50 | 9,208 | \$1,751.53 | \$0.1902 |
| Total Commercial (1 Ph) No Dmd | | 123 | 36,855 | \$6,535.94 | \$0.1773 | 123 | 43,986 | \$7,163.07 | \$0.1628 | 124 | 38,403 | \$6,277.83 | \$0.1635 | 125 | 35,333 | \$5,920.58 | \$0.1676 |
| Commercial (1 Ph-In - w/Demand) | EC1 | 260 | 316,168 | \$49,374.46 | \$0.1562 | 259 | 434,957 | \$61,778.60 | \$0.1420 | 258 | 377,106 | \$52,169.22 | \$0.1383 | 259 | 314,297 | \$45,469.05 | \$0.1447 |
| Commercial (1 Ph-Out - w/Demand) | EC1O | 24 | 40,570 | \$5,959.69 | \$0.1469 | 24 | 50,125 | \$6,798.92 | \$0.1356 | 24 | 46,145 | \$6,129.64 | \$0.1328 | 25 | 39,651 | \$5,351.54 | \$0.1350 |
| Total Commercial (1 Ph) w/Demand | | 284 | 356,738 | \$55,334.15 | \$0.1551 | 283 | 485,082 | \$68,577.52 | \$0.1414 | 282 | 423,251 | \$58,298.86 | \$0.1377 | 284 | 353,948 | \$50,820.59 | \$0.1436 |
| Commercial (3 Ph-Out - No Dmd) | EC4O | 2 | 80 | \$46.97 | \$0.5871 | 2 | 40 | \$41.17 | \$1.0293 | 2 | 240 | \$65.91 | \$0.2746 | 2 | 160 | \$55.99 | \$0.3499 |
| Total Commercial (3 Ph) No Dmd | | 2 | 80 | \$46.97 | \$0.5871 | 2 | 40 | \$41.17 | \$1.0293 | 2 | 240 | \$65.91 | \$0.2746 | 2 | 160 | \$55.99 | \$0.3499 |
| Commercial (3 Ph-In - w/Demand) | EC3 | 216 | 1,921,250 | \$260,730.87 | \$0.1357 | 214 | 2,176,647 | \$275,955.59 | \$0.1268 | 214 | 2,333,225 | \$284,939.75 | \$0.1221 | 214 | 2,026,057 | \$250,461.66 | \$0.1236 |
| Commercial (3 Ph-Out - w/Demand) | EC3O | 37 | 274,728 | \$38,593.50 | \$0.1405 | 37 | 302,688 | \$39,850.84 | \$0.1317 | 37 | 298,438 | \$37,614.65 | \$0.1260 | 37 | 311,185 | \$39,378.01 | \$0.1265 |
| Commercial (3 Ph-Out - w/Dmd & Sub-St.) | E3SO | 3 | 113,080 | \$14,331.86 | \$0.1267 | 3 | 119,120 | \$14,130.30 | \$0.1186 | 3 | 115,840 | \$13,235.25 | \$0.1143 | 3 | 107,040 | \$12,418.98 | \$0.1160 |
| Commercial (3 Ph-In - w/Demand, No Tar.) | EC3T | 1 | 2,800 | \$439.96 | \$0.1571 | 1 | 7,360 | \$907.68 | \$0.1233 | 1 | 8,160 | \$955.95 | \$0.1172 | 1 | 5,800 | \$714.10 | \$0.1231 |
| Total Commercial (3 Ph) w/Demand | | 257 | 2,311,858 | \$314,096.19 | \$0.1359 | 255 | 2,605,815 | \$330,844.41 | \$0.1270 | 255 | 2,755,663 | \$336,745.60 | \$0.1222 | 255 | 2,450,082 | \$302,972.75 | \$0.1237 |
| Large Power (In - w/Dmd & Rct) | EL1 | 15 | 2,010,579 | \$221,306.70 | \$0.1101 | 15 | 2,252,991 | \$222,017.11 | \$0.0985 | 15 | 2,215,279 | \$211,874.83 | \$0.0956 | 15 | 2,018,915 | \$196,488.29 | \$0.0973 |
| Large Power (In - w/Dmd & Rct, w/SbCr) | EL2 | 3 | 1,027,578 | \$108,238.53 | \$0.1053 | 3 | 848,595 | \$89,630.95 | \$0.1056 | 3 | 1,062,552 | \$99,051.98 | \$0.0932 | 3 | 1,069,099 | \$98,928.35 | \$0.0925 |
| Large Power (Out - w/Dmd & Rct, w/SbCr) | EL2O | 1 | 427,200 | \$50,434.47 | \$0.1181 | 1 | 432,000 | \$46,652.40 | \$0.1080 | 1 | 382,800 | \$38,486.91 | \$0.1005 | 1 | 290,400 | \$33,017.98 | \$0.1137 |
| Large Power (In - w/Dmd & Rct, w/SbCr) | EL3 | 2 | 79,464 | \$15,662.73 | \$0.1971 | 2 | 82,829 | \$14,994.63 | \$0.1810 | 2 | 82,589 | \$13,470.01 | \$0.1631 | 2 | 80,550 | \$13,127.04 | \$0.1630 |
| Total Large Power | | 21 | 3,544,821 | \$395,642.43 | \$0.1116 | 21 | 3,616,415 | \$373,295.09 | \$0.1032 | 21 | 3,743,220 | \$362,883.73 | \$0.0969 | 21 | 3,458,964 | \$341,561.66 | \$0.0987 |
| Industrial (In - w/Dmd & Rct, w/SbCr) | E1I | 1 | 853,053 | \$85,795.44 | \$0.1006 | 1 | 949,284 | \$85,931.28 | \$0.0905 | 1 | 934,470 | \$80,449.52 | \$0.0861 | 1 | 880,467 | \$77,265.04 | \$0.0878 |
| Industrial (In - w/Dmd & Rct, No/SbCr) | E1I2 | 1 | 694,184 | \$79,070.77 | \$0.1139 | 1 | 813,670 | \$78,886.15 | \$0.0970 | 1 | 892,849 | \$79,725.62 | \$0.0893 | 1 | 815,531 | \$74,982.37 | \$0.0919 |
| Total Industrial | | 2 | 1,547,237 | \$164,866.21 | \$0.1066 | 2 | 1,762,954 | \$164,817.43 | \$0.0935 | 2 | 1,827,319 | \$160,175.14 | \$0.0877 | 2 | 1,695,998 | \$152,247.41 | \$0.0898 |
| Interdepartmental (In - No Dmd) | ED1 | 10 | 46,865 | \$6,385.89 | \$0.1363 | 10 | 46,090 | \$5,885.60 | \$0.1277 | 10 | 23,257 | \$3,136.55 | \$0.1349 | 10 | 22,917 | \$3,073.64 | \$0.1341 |
| Interdepartmental (Out - w/Dmd) | ED2O | 2 | 605 | \$107.12 | \$0.1771 | 2 | 629 | \$105.41 | \$0.1676 | 2 | 574 | \$95.67 | \$0.1667 | 2 | 540 | \$91.63 | \$0.1697 |
| Interdepartmental (In - w/Dmd) | ED2 | 29 | 23,478 | \$3,570.98 | \$0.1521 | 27 | 23,322 | \$3,340.49 | \$0.1432 | 27 | 20,200 | \$2,844.59 | \$0.1408 | 27 | 22,433 | \$3,130.49 | \$0.1395 |
| Interdepartmental (3Ph-In - w/Dmd) | ED3 | 10 | 149,378 | \$19,861.26 | \$0.1330 | 10 | 139,132 | \$17,754.02 | \$0.1276 | 10 | 137,778 | \$16,928.90 | \$0.1229 | 10 | 147,910 | \$18,169.78 | \$0.1228 |
| Interdepartmental (Street Lights) | EDSL | 6 | 21,490 | \$2,073.47 | \$0.0965 | 6 | 21,490 | \$2,070.47 | \$0.0963 | 6 | 21,490 | \$2,075.89 | \$0.0966 | 6 | 32,771 | \$3,138.42 | \$0.0958 |
| Interdepartmental (Traffic Signals) | EDTS | 8 | 1,281 | \$118.45 | \$0.0925 | 8 | 1,410 | \$130.39 | \$0.0925 | 8 | 1,378 | \$127.40 | \$0.0925 | 8 | 1,345 | \$124.40 | \$0.0925 |
| Generators (JV2 Power Cost Only) | GJV2 | 1 | 15,267 | \$341.06 | \$0.0223 | 1 | 16,041 | \$374.08 | \$0.0233 | 1 | 16,161 | \$354.73 | \$0.0219 | 1 | 17,934 | \$311.69 | \$0.0174 |
| Generators (JV5 Power Cost Only) | GJV5 | 0 | 0 | \$0.00 | \$0.0000 | 0 | 0 | \$0.00 | \$0.0000 | 0 | 0 | \$0.00 | \$0.0000 | 0 | 0 | \$0.00 | \$0.0000 |
| Total Interdepartmental | | 66 | 258,384 | \$32,458.23 | \$0.1256 | 64 | 248,114 | \$29,660.46 | \$0.1195 | 64 | 220,838 | \$25,563.73 | \$0.1158 | 64 | 245,850 | \$28,040.05 | \$0.1141 |
| SUB-TOTAL CONSUMPTION & DEMAND | | 5,924 | 12,559,680 | \$1,548,457.46 | \$0.1233 | 5,927 | 14,090,596 | \$1,610,603.04 | \$0.1143 | 5,909 | 13,255,315 | \$1,444,873.47 | \$0.1090 | 5,926 | 11,735,237 | \$1,296,875.37 | \$0.1105 |
| Street Lights (In) | SLO | 14 | 0 | \$13.43 | \$0.0000 | 14 | 0 | \$13.44 | \$0.0000 | 14 | 0 | \$13.44 | \$0.0000 | 14 | 0 | \$13.43 | \$0.0000 |
| Street Lights (Out) | SLOO | 2 | 0 | \$1.92 | \$0.0000 | 2 | 0 | \$1.92 | \$0.0000 | 2 | 0 | \$1.92 | \$0.0000 | 2 | 0 | \$1.91 | \$0.0000 |
| Total Street Light Only | | 16 | 0 | \$15.35 | \$0.0000 | 16 | 0 | \$15.36 | \$0.0000 | 16 | 0 | \$15.36 | \$0.0000 | 16 | 0 | \$15.34 | \$0.0000 |
| TOTAL CONSUMPTION & DEMAND | | 5,940 | 12,559,680 | \$1,548,472.81 | \$0.1233 | 5,943 | 14,090,596 | \$1,610,618.40 | \$0.1143 | 5,925 | 13,255,315 | \$1,444,888.83 | \$0.1090 | 5,942 | 11,735,237 | \$1,296,890.71 | \$0.1105 |

| BILLING SUMMARY AND COA | | | | | | | | | | | | | | |
|---|-----------|--------------|--------------------|-----------------------|----------------------|-------------------|--------------------|-----------------------|----------------------|------------------------------|---------------------------|-----------------------------|------------------------------|-------------------------------|
| DECEMBER, 2019 | | | | | | | | | | | | | | |
| 2020 - FEBRUARY BILLING WITH DECEMBER 20 | | | | | | | | | | | | | | |
| Class and/or Schedule | Rate Code | # of Bills | Dec-19 (kWh Usage) | Dec-19 Billed | Cost / kWh For Month | Jan-20 # of Bills | Jan-20 (kWh Usage) | Jan-20 Billed | Cost / kWh For Month | TOTAL KWH USEAGE PRIOR 12 MO | TOTAL BILLING PRIOR 12 MO | Avg.Cost Per kWh For Period | Avg.Num. of Bills For Period | Avg.Per.% of Bills For Period |
| Residential (Dom-In) | E1 | 3,352 | 1,800,455 | \$222,392.91 | \$0.1235 | 3,349 | 2,102,112 | \$263,500.39 | \$0.1254 | 26,924,289 | \$3,339,416.38 | \$0.1240 | 3,345 | 56.4390% |
| Residential (Dom-In) w/Ecosmart | E1E | 6 | 2,459 | \$312.29 | \$0.1270 | 6 | 2,754 | \$354.93 | \$0.1289 | 43,376 | \$5,512.79 | \$0.1271 | 7 | 0.1195% |
| Residential (Dom-In - All Electric) | E2 | 636 | 441,766 | \$53,448.48 | \$0.1210 | 634 | 630,624 | \$76,820.23 | \$0.1218 | 6,276,648 | \$771,598.71 | \$0.1229 | 625 | 10.5621% |
| Res. (Dom-In - All Elec.) w/Ecosmart | E2E | 1 | 492 | \$61.28 | \$0.1246 | 1 | 490 | \$62.75 | \$0.1281 | 6,865 | \$862.23 | \$0.1256 | 1 | 0.0169% |
| Total Residential (Domestic) | | 3,995 | 2,245,172 | \$276,214.96 | \$0.1230 | 3,990 | 2,735,980 | \$340,738.30 | \$0.1245 | 33,251,178 | \$4,117,390.11 | \$0.1238 | 3,978 | 67.1274% |
| Residential (Rural-Out) | ER1 | 796 | 663,550 | \$85,631.27 | \$0.1291 | 792 | 807,336 | \$105,185.25 | \$0.1303 | 9,343,838 | \$1,216,295.18 | \$0.1302 | 784 | 13.2281% |
| Residential (Rural-Out) w/Ecosmart | ER1E | 4 | 2,621 | \$346.78 | \$0.1323 | 4 | 3,204 | \$426.09 | \$0.1330 | 36,891 | \$4,918.31 | \$0.1333 | 4 | 0.0675% |
| Residential (Rural-Out - All Electric) | ER2 | 366 | 384,009 | \$48,605.53 | \$0.1266 | 364 | 481,607 | \$61,660.77 | \$0.1280 | 5,223,956 | \$672,479.85 | \$0.1287 | 368 | 6.2140% |
| Res. (Rural-Out - All Electric) w/Ecosmart | ER2E | 2 | 2,162 | \$273.05 | \$0.1263 | 2 | 2,699 | \$345.23 | \$0.1279 | 26,647 | \$3,447.14 | \$0.1294 | 2 | 0.0337% |
| Residential (Rural-Out w/Dmd) | ER3 | 15 | 25,028 | \$3,074.29 | \$0.1228 | 15 | 100,391 | \$12,192.74 | \$0.1215 | 403,978 | \$50,749.66 | \$0.1256 | 15 | 0.2531% |
| Residential (Rural-Out - All Electric w/Dmd) | ER4 | 9 | 7,187 | \$931.24 | \$0.1296 | 9 | 14,140 | \$1,793.23 | \$0.1268 | 115,422 | \$14,966.38 | \$0.1297 | 9 | 0.1519% |
| Total Residential (Rural) | | 1,192 | 1,084,557 | \$138,862.16 | \$0.1280 | 1,186 | 1,409,377 | \$181,593.31 | \$0.1288 | 15,150,732 | \$1,962,856.52 | \$0.1296 | 1,182 | 19.9483% |
| Commercial (1 Ph-In - No Dmd) | EC2 | 73 | 28,919 | \$4,644.14 | \$0.1606 | 73 | 34,043 | \$5,428.03 | \$0.1594 | 378,991 | \$61,095.93 | \$0.1612 | 73 | 1.2276% |
| Commercial (1 Ph-Out - No Dmd) | EC2O | 52 | 9,411 | \$1,848.51 | \$0.1964 | 50 | 13,491 | \$2,402.69 | \$0.1781 | 128,432 | \$24,334.98 | \$0.1895 | 50 | 0.8465% |
| Total Commercial (1 Ph) No Dmd | | 125 | 38,330 | \$6,492.65 | \$0.1694 | 123 | 47,534 | \$7,830.72 | \$0.1647 | 507,423 | \$85,430.91 | \$0.1684 | 123 | 2.0741% |
| Commercial (1 Ph-In - w/Demand) | EC1 | 259 | 270,782 | \$42,443.32 | \$0.1567 | 258 | 281,890 | \$44,567.60 | \$0.1581 | 3,788,793 | \$574,227.79 | \$0.1516 | 259 | 4.3690% |
| Commercial (1 Ph-Out - w/Demand) | EC1O | 24 | 36,593 | \$5,245.08 | \$0.1433 | 24 | 43,441 | \$6,278.22 | \$0.1445 | 517,078 | \$73,202.45 | \$0.1416 | 24 | 0.4064% |
| Total Commercial (1 Ph) w/Demand | | 283 | 307,375 | \$47,688.40 | \$0.1551 | 282 | 325,331 | \$50,845.82 | \$0.1563 | 4,305,871 | \$647,430.24 | \$0.1504 | 283 | 4.7754% |
| Commercial (3 Ph-Out - No Dmd) | EC4O | 2 | 80 | \$46.41 | \$0.5801 | 2 | 4,440 | \$628.10 | \$0.1415 | 21,360 | \$3,352.75 | \$0.1570 | 2 | 0.0337% |
| Total Commercial (3 Ph) No Dmd | | 2 | 80 | \$46.41 | \$0.5801 | 2 | 4,440 | \$628.10 | \$0.1415 | 21,360 | \$3,352.75 | \$0.1570 | 2 | 0.0337% |
| Commercial (3 Ph-In - w/Demand) | EC3 | 212 | 1,797,126 | \$233,151.82 | \$0.1297 | 213 | 1,740,229 | \$229,454.61 | \$0.1319 | 22,437,808 | \$2,944,634.30 | \$0.1312 | 214 | 3.6139% |
| Commercial (3 Ph-Out - w/Demand) | EC3O | 36 | 507,722 | \$63,884.66 | \$0.1258 | 36 | 416,639 | \$53,651.15 | \$0.1288 | 3,784,608 | \$503,965.48 | \$0.1332 | 37 | 0.6229% |
| Commercial (3 Ph-Out - w/Dmd.&Sub-St.) | E3SO | 3 | 109,440 | \$13,095.45 | \$0.1197 | 3 | 100,680 | \$12,423.31 | \$0.1234 | 1,271,960 | \$157,197.48 | \$0.1236 | 3 | 0.0506% |
| Commercial (3 Ph-In - w/Demand, No Ta) | EC3T | 1 | 4,280 | \$580.40 | \$0.1356 | 1 | 1,400 | \$195.31 | \$0.1395 | 40,280 | \$5,222.32 | \$0.1297 | 1 | 0.0169% |
| Total Commercial (3 Ph) w/Demand | | 252 | 2,418,568 | \$310,712.33 | \$0.1285 | 253 | 2,258,948 | \$295,724.38 | \$0.1309 | 27,534,656 | \$3,611,019.58 | \$0.1311 | 255 | 4.3044% |
| Large Power (In - w/Dmd & Rct) | EL1 | 15 | 2,005,027 | \$198,903.83 | \$0.0992 | 15 | 1,748,187 | \$184,229.31 | \$0.1054 | 22,043,159 | \$2,312,709.41 | \$0.1049 | 15 | 0.2531% |
| Large Power (In - w/Dmd & Rct, w/SbCr) | EL2 | 3 | 1,089,944 | \$102,810.47 | \$0.0943 | 3 | 1,006,691 | \$101,740.34 | \$0.1011 | 11,841,674 | \$1,201,830.94 | \$0.1015 | 3 | 0.0506% |
| Large Power (Out - w/Dmd & Rct, w/SbCr) | EL2O | 1 | 324,000 | \$35,708.02 | \$0.1102 | 1 | 355,200 | \$39,268.32 | \$0.1106 | 4,906,800 | \$549,465.45 | \$0.1120 | 1 | 0.0169% |
| Large Power (In - w/Dmd & Rct, w/SbCr) | EL3 | 2 | 113,457 | \$19,884.22 | \$0.1753 | 2 | 126,563 | \$19,833.72 | \$0.1567 | 958,477 | \$160,334.27 | \$0.1673 | 2 | 0.0337% |
| Total Large Power | | 21 | 3,532,428 | \$357,306.34 | \$0.1012 | 21 | 3,236,641 | \$345,071.69 | \$0.1066 | 39,750,110 | \$4,224,340.07 | \$0.1083 | 21 | 0.3544% |
| Industrial (In - w/Dmd & Rct, w/SbCr) | EI1 | 1 | 814,630 | \$75,719.92 | \$0.0930 | 1 | 782,625 | \$77,014.37 | \$0.0984 | 10,239,742 | \$989,962.70 | \$0.0967 | 1 | 0.0169% |
| Industrial (In - w/Dmd & Rct, No/SbCr) | EI2 | 1 | 831,049 | \$78,113.33 | \$0.0940 | 1 | 777,345 | \$79,927.37 | \$0.1028 | 9,075,438 | \$913,816.53 | \$0.1007 | 1 | 0.0169% |
| Total Industrial | | 2 | 1,645,679 | \$153,833.25 | \$0.0935 | 2 | 1,559,970 | \$156,941.74 | \$0.1006 | 19,315,180 | \$1,903,779.23 | \$0.0986 | 2 | 0.0337% |
| Interdepartmental (In - No Dmd) | ED1 | 10 | 23,899 | \$3,069.72 | \$0.1284 | 10 | 34,098 | \$4,308.99 | \$0.1264 | 397,964 | \$52,199.70 | \$0.1312 | 10 | 0.1659% |
| Interdepartmental (Out - w/Dmd) | ED2O | 2 | 477 | \$86.23 | \$0.1808 | 2 | 470 | \$86.96 | \$0.1850 | 5,326 | \$995.36 | \$0.1869 | 2 | 0.0337% |
| Interdepartmental (In - w/Dmd) | ED2 | 27 | 45,949 | \$6,300.76 | \$0.1371 | 27 | 60,814 | \$8,439.35 | \$0.1388 | 513,173 | \$72,718.89 | \$0.1417 | 27 | 0.4612% |
| Interdepartmental (3Ph-In - w/Dmd) | ED3 | 10 | 160,730 | \$20,314.79 | \$0.1264 | 10 | 151,425 | \$19,242.97 | \$0.1271 | 1,912,900 | \$246,564.08 | \$0.1289 | 10 | 0.1687% |
| Interdepartmental (Street Lights) | EDSL | 6 | 32,771 | \$3,159.27 | \$0.0964 | 6 | 32,671 | \$3,128.40 | \$0.0958 | 274,389 | \$26,404.57 | \$0.0962 | 6 | 0.0970% |
| Interdepartmental (Traffic Signals) | EDTS | 8 | 1,192 | \$110.22 | \$0.0925 | 8 | 1,203 | \$111.24 | \$0.0925 | 16,293 | \$1,506.55 | \$0.0925 | 8 | 0.1350% |
| Generators (JV2 Power Cost Only) | GJV2 | 1 | 27,105 | \$264.54 | \$0.0098 | 1 | 30,054 | \$1,887.69 | \$0.0628 | 236,879 | \$6,580.76 | \$0.0278 | 1 | 0.0169% |
| Generators (JV5 Power Cost Only) | GJV5 | 0 | 0 | \$0.00 | \$0.0000 | 0 | 0 | \$0.00 | \$0.0000 | 0 | \$0.00 | \$0.0000 | 0 | 0.0000% |
| Total Interdepartmental | | 64 | 292,123 | \$33,305.53 | \$0.1140 | 64 | 310,735 | \$37,205.60 | \$0.1197 | 3,356,924 | \$406,969.91 | \$0.1212 | 64 | 1.0785% |
| SUB-TOTAL CONSUMPTION & DEMAND | | 5,936 | 11,564,312 | \$1,324,462.03 | \$0.1145 | 5,923 | 11,888,956 | \$1,416,579.66 | \$0.1192 | 143,193,434 | \$16,962,569.32 | \$0.1185 | 5,910 | 99.7300% |
| Street Lights (In) | SLO | 14 | 0 | \$13.43 | \$0.0000 | 14 | 0 | \$13.44 | \$0.0000 | 0 | \$161.24 | \$0.0000 | 14 | 0.2362% |
| Street Lights (Out) | SLOO | 2 | 0 | \$1.91 | \$0.0000 | 2 | 0 | \$1.91 | \$0.0000 | 0 | \$23.01 | \$0.0000 | 2 | 0.0337% |
| Total Street Light Only | | 16 | 0 | \$15.34 | \$0.0000 | 16 | 0 | \$15.35 | \$0.0000 | 0 | \$184.25 | \$0.0000 | 16 | 0.2700% |
| TOTAL CONSUMPTION & DEMAND | | 5,952 | 11,564,312 | \$1,324,477.37 | \$0.1145 | 5,939 | 11,888,956 | \$1,416,595.01 | \$0.1192 | 143,193,434 | \$16,962,753.57 | \$0.1185 | 5,926 | 100.0000% |

ISSUE BRIEF January 2020

Electric Transmission Policies

Summary

The Federal Energy Regulatory Commission (FERC or Commission) administers the Federal Power Act (FPA), the law governing the bulk transmission system. Amendments made to the FPA by the Energy Policy Act of 2005 (EPA05) were intended to promote transmission development, but the results have been disappointing. For its part, FERC has attempted to facilitate appropriate transmission planning and development in orders issued addressing regional and interregional transmission planning and cost allocation, integration of intermittent generation into the bulk electric grid, and applicability of open season and open access rules to merchant transmission projects and transmission built to support specific generation projects.

State and local governments generally regulate the electric distribution system (the hundreds of thousands of miles of lower-voltage lines that provide power to homes and businesses) and the electric utilities that own and operate these facilities. However, some proposals in Congress and actions by FERC have sought to encroach on state and local authority in recent years. This regulatory tension between states/localities and the federal government will continue, especially as the federal government seeks to promote new technologies, such as smart grids and distributed energy resources, and to expand its authority over electric system reliability.

The American Public Power Association (APPA or Association) believes that new bulk transmission facilities are needed. Siting constraints and cost allocation (who pays) continue to be the major impediments to getting new beneficial transmission facilities built. And while significant transmission investment is occurring in some regions, stakeholders have limited opportunity to participate in the planning process for many of these projects to ensure that customers will benefit. FERC must also be diligent in adopting and enforcing policies ensuring that transmission costs paid by consumers are just and reasonable, as required by the FPA. APPA also believes that regulation of the vast and enormously complex distribution systems owned and operated by close to 3,000 utilities nationwide should continue to reside with state and local governments.

Background

Once electricity is generated, it travels over high-voltage bulk power transmission lines from the generating unit to the area where it will be consumed. The electric transmission network in the U.S. is organized into three "interconnections"—very large bulk power transmission grids that operate in sync and that must be carefully coordinated at every moment to prevent blackouts. The three are the Eastern Interconnection (covering the eastern two-thirds of the U.S. and Canada), Western Interconnection (covering the western U.S. and Canada), and Electric Reliability Council of Texas (ERCOT, covering most, but not all, of Texas). These interconnections set electrical boundaries. Electrons flow freely within them, but do not flow freely between them. There are a few places where the interconnections do connect with each other, but power flows at these points are carefully controlled. FERC is the regulatory agency tasked with overseeing the interstate transmission grid, using its authority under the FPA. Because the ERCOT interconnection in Texas is wholly intrastate, FERC does not regulate the bulk transmission lines in ERCOT; rather, the Public Utility Commission of Texas provides that oversight.

Electricity must be produced and consumed in real time. Electricity currently cannot be stored economically in significant amounts (although advanced storage technologies are being developed), and for practical purposes, most electricity generation and consumption must be balanced continuously. Otherwise, blackouts can result. Once electrons flow from the generating unit to the bulk power grid, their path generally cannot be dictated. Electrons follow the path of "least impedance," meaning they will go where their movement meets the least resistance. The path of least impedance is determined on an instantaneous basis by the laws of physics and a complex interplay of the capacity of transmission lines to move electrons, the location of the generation, and the amount of electricity consumed by homes, factories, and businesses located at different points along the grid at that particular moment.

Specific electrons cannot be delivered to a specific place on the interconnected grid. For example, if Utility "A" buys power

from the owner of Generator “B,” Generator B will deliver the power to the point where the generator’s plant connects to the grid and Utility A will receive the power it needs from a different point on the grid. The electrons that Utility A uses to provide power to end-use customers are likely a mix of electrons from Generator B and many other generators, all using different fuels and technologies. However, Utility A will still receive power and Generator B will still be paid. Problems with the transmission wires or multiple generator outages would impede the ability of Utility A to receive electricity, even if Generator B were operating smoothly. Thus, a regional transmission grid is like an ecosystem; everyone who uses it is affected by everyone else’s actions (or lack of actions).

Consumers do not receive power directly from the transmission system. Bulk power transmission facilities transmit electricity to local electric distribution systems. Just as cars traveling on the interstate highway system need to exit and travel on a system of smaller roads to reach their destinations, lower voltage electric distribution systems interconnect with the bulk power transmission systems in their regions to deliver electricity to end-use consumers—industry, homes, and businesses. The wires at the very top of utility poles in a residential neighborhood are distributing electricity to customers. In many cities and suburbs, electric distribution wires are buried in underground conduits. Utility workers gain access to these wires through maintenance holes that dot a typical city street. And increasingly, electricity is being generated at the distribution level, increasing two-way flows on distribution wires. As mentioned earlier, these distribution systems are regulated by state and local governments.

Congressional and FERC Action

The last time Congress enacted major changes to the FPA was in EPAct05. Several changes to the law were made, including provisions for the granting of additional transmission rate incentives beyond the basic rate of return granted by FERC to all owners of bulk transmission lines. These incentives were to be granted for lines that presented higher levels of risk—for example, because they were unusually difficult to site or finance—but they became the rule rather than the exception. FERC in 2011 started a proceeding to examine its transmission rate incentive policy and released a policy statement revamping its policy in 2012, which APPA supported. Under this policy, FERC appears to be more carefully scrutinizing requests for transmission rate incentives, thereby reducing the potential for the unnecessary granting of such incentives, and the resultant additional costs to electric consumers. In March 2019, however, FERC issued a wide-ranging notice of inquiry (NOI) on its electric transmission incentives policy. The new NOI indicates that FERC may be considering revisions to its current incentives policy. The Association and aligned parties filed extensive comments on the

issues raised in FERC’s incentive NOI, which remains pending before the agency.

The return on equity (ROE) is a major expense component included in cost-based electric transmission rates. In 2013, some entities began a new effort to get FERC to keep transmission ROEs at pre-2008 levels, despite a substantial drop in interest rates and investor returns since that time. Despite this pushback, FERC, in June 2014, revised its method for determining base ROEs in Opinion No. 531 and began to establish hearings to determine new and likely lower ROEs in a substantial number of pending and newly filed transmission rate cases. Many of these cases are still pending before the agency. An April 2017 ruling by the U.S. Court of Appeals for the D.C. Circuit, however, remanded FERC’s Opinion No. 531 back to the agency. In response to the court’s decision, FERC proposed to further revise its method for calculating the base ROE for transmission assets. Further, as a companion to its NOI on transmission incentives, FERC issued a NOI in March 2019 soliciting industry comments on its current policies for setting the base ROE included in transmission rates. In a recent order establishing the ROE to be used in setting rates for transmission owners in the Midcontinent Independent System Operator (MISO) region, FERC announced further changes to its ROE policy, although the approach adopted in the MISO case remains subject to further revision by the agency.

EPAct05 also amended the FPA to give FERC authority to ensure that entities like public power utilities, which are not directly subject to FERC rate oversight, that own or operate bulk transmission facilities, provide transmission service on those facilities in a non-preferential manner—under rates and conditions comparable to those they would provide to themselves.¹ FERC, in its Order No. 1000 rulemaking, declined to use its authority under this new section of the FPA to directly impose that order’s transmission planning and cost-allocation requirements on public power utilities, and the U.S. Court of Appeals for the D.C. Circuit upheld that decision. But in December 2011, FERC used this new FPA authority to order the Bonneville Power Administration (BPA), whose transmission grid FERC does not generally regulate, to provide “comparable” transmission service to certain wind generators on BPA’s transmission system. APPA and other parties sought rehearing of this order on the grounds that it was an inappropriate use of FERC’s statutory authority in this area, but FERC denied the rehearing requests in an order at the end of 2012. The Association joined a Ninth Circuit petition for review of FERC’s orders in the BPA proceeding, but on August 10, 2015, the court denied those petitions.

¹ Public power utilities are not directly subject to FERC rate oversight because they are already regulated at the state and local government level.

EPAct05 also instituted new federal backstop siting authority that would have allowed FERC to step in under certain circumstances to site transmission lines if states did not act. FERC can use this authority only in corridors established by the Department of Energy based on areas of congestion in the bulk transmission grid. Attempts in Congress have been made to repeal this provision since 2005, but they have failed. However, legal decisions from the U.S. Courts of Appeal for the Fourth and Ninth Circuits have rendered this authority of little practical use.

FERC and Congress have continued to examine the impact of the agency's electric transmission regulations and policies. FERC convened a technical conference in June 2016 to consider several issues related to transmission development in the wake of FERC's Order No. 1000 issued in 2011, although it has yet to take any specific action based on that conference. FERC's March 2019 NOI on transmission incentives, however, could result in changes to the Commission's transmission development policies, including changes to the types of projects that FERC will seek to promote through incentives. In 2018, the Senate Energy & Natural Resources and House Energy & Commerce Committees held oversight hearings to examine a host of transmission-related issues, such as equity return incentives, Order No. 1000, and other challenges associated with maintaining existing infrastructure, and siting and construction of new lines.

The main policy areas involving transmission are:

Siting

Because court decisions have undercut the federal government's limited backstop authority to site transmission, states have a major role in siting new transmission. Public opposition to the siting of new lines is the most significant hurdle to getting necessary transmission built. On federal lands, the many approvals needed from different federal entities can also create very substantial delays.

Rising Transmission Costs

In some regions, particularly those in which regional transmission organizations and independent system operators supervise transmission system operation and planning, transmission costs have risen significantly over the past several years, imposing a significant burden on transmission customers, including many public power utilities. While there are legitimate reasons for many of these costs, such as accommodating new renewable generation and upgrading aging infrastructure, APPA believes that FERC must be diligent in adopting and enforcing policies that ensure transmission rates are reasonable. FERC should ensure, for example, that proposed transmission projects receive adequate scrutiny in regional transmission planning processes

and that the authorized equity returns included in cost-based transmission rates are not excessive. Incentives must be carefully designed to encourage beneficial transmission investment and should not be greater than needed to achieve the desired result.

Cost Allocation

Who pays for a new transmission line also is a very difficult issue, as there are often benefits to bringing transmission lines onto the grid that extend beyond the immediate beneficiaries. This is because the grid is like a large machine, which in some cases can often be improved by making small additions and improvements to one part. APPA believes that a plausible reason should exist to believe that the benefits received from a regionally allocated transmission project will be roughly commensurate with the costs to be assigned. Moreover, in allocating regional transmission costs, FERC should be sensitive to differences in state policies.

Joint Ownership

Some of the problems involved in regional planning, transmission cost, and cost allocation could be resolved if new transmission lines were jointly owned, with some partial ownership by public power utilities where feasible. While there are areas of the country in which joint ownership is common, it is the exception rather than the rule in others, generally because of resistance by incumbent transmission owners.

Regional Planning

Transmission projects approved for regional cost allocation must be the result of a coordinated, open, and transparent regional planning process, as required by FERC's Order No. 1000. Such processes shall identify: (a) the need for the proposed project; (b) the anticipated benefits of the proposed project; (c) the anticipated beneficiaries of the proposed project; and (d) the estimated cost of the project. FERC should also ensure the transmission needs and resource plans of load-serving entities with service obligations to retail customers are considered in regional planning processes, as section 217(b)(4) of the FPA requires.

Transmission for Renewables

Renewable generation sites are often located remotely from population centers, making new and longer transmission lines necessary to access that generation. However, because the wind does not always blow, and the sun does not always shine, other types of generation or demand-side resources must be available to balance out those intermittent resources—or else the lights could go out due to an imbalance of energy on the grid. This makes it even more important to plan regional transmission facilities based on the actual resource plans and needs of the load-serving entities in the region.

American Public Power Association Position

One of the most significant impediments to getting needed transmission built continues to be the siting of the lines. The EPAct05 siting authorities were a major step forward (until they were undercut by subsequent court decisions), and should be supported, clarified, and protected from repeal. Further, to ease local and state opposition to siting transmission lines, as many regional electricity stakeholders as possible should be included in their planning and ownership, and regional transmission planning should focus on the resource plans of load-serving entities, as FPA section 217(b)(4) directed. APPA would support legislation to implement these requirements in existing regional and interregional transmission planning processes. Congress should also encourage and support joint ownership of transmission and eliminate financial barriers to such ownership, such as private-use restrictions on tax-exempt financing. In addition, the Association believes that the regulation of distribution systems should continue to reside exclusively with state and local governments.

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The American Public Power Association is the voice of not-for-profit, community-owned utilities that power 2,000 towns and cities nationwide. We represent public power before the federal government to protect the interests of the more than 49 million people that public power utilities serve, and the 93,000 people they employ. Our association advocates and advises on electricity policy, technology, trends, training, and operations. Our members strengthen their communities by providing superior service, engaging citizens, and instilling pride in community-owned power.

ISSUE BRIEF January 2020

Federal Efforts to Address Climate Change

Summary

Over the last decade, Congress and the Environmental Protection Agency (EPA) have sought to address climate change through legislation and regulations. Congressional efforts to move climate legislation failed in 2010 with the Senate's decision to not take up a bill due to a lack of support in the chamber. Following a U.S. Supreme Court decision holding that greenhouse gases (GHGs) are pollutants under the Clean Air Act (CAA) and that EPA has the authority to regulate them from tailpipe emissions, the agency has undertaken several rulemakings to regulate carbon dioxide (CO₂) emissions from power plants. In 2015, the agency issued the Clean Power Plan (CPP), which sought to reduce emissions from coal and natural gas power plants under section 111(d) of the CAA. In 2019, under the direction of President Trump, the agency finalized new emissions guidelines to regulate CO₂ emissions from existing coal-fired power plants—the Affordable Clean Energy (ACE) rule—and repealed the CPP.

The American Public Power Association (APPA or Association) did not support the CPP because it exceeded EPA's statutory authority under section 111(d). APPA supports the ACE rule, which will allow the continued operation of coal-fired power plants that make efficiency improvements at the electric generating unit. The rule also provides states with the flexibility to develop unit-specific performance standards that can account for local market and economic conditions. The final ACE rule was published in the *Federal Register* on July 8, 2019, and became effective September 6, 2019.

Public power utilities recognize the threat climate change poses. They are reducing their GHG emissions through a variety of means, including increased use of renewable energy resources, development of new nuclear power, addition of distributed energy resources and storage, and adoption of energy efficiency programs. Between 2005 and 2017, public power utilities reduced their CO₂ emissions by 33 percent. As Congress works to develop policies to address climate change, Congress should focus on energy policies that reduce GHG emissions while keeping electricity affordable, reliable, and sustainable.

Background

In 2007, the U.S. Supreme Court issued its decision in *Massachusetts v. Environmental Protection Agency*. In that case, the court held that EPA has the authority to regulate tailpipe emissions of GHGs under the CAA because GHGs are pollutants that potentially “endanger” public health and welfare. The court remanded the case back to the agency to either issue an endangerment finding for GHGs or provide a basis for not issuing an endangerment finding.¹ On remand, EPA issued an endangerment finding in December 2009, which states that GHGs from motor vehicles do endanger public health and welfare. The following year, the agency entered into a judicial settlement where it agreed to promulgate New Source Performance Standards (NSPS) for two existing source categories—power plants and refineries.

During this same time period, there were efforts in Congress to address climate change. In 2007, the Consolidated Appropriations Act, 2008 directed EPA to publish a rule requiring public reporting of GHG emissions from large sources. Less than two years later, the House of Representatives passed the American Clean Energy and Security Act of 2009 by a vote of 219-212. The legislation, commonly referred to as “Waxman-Markey,” would have established an economy-wide GHG cap-and-trade system. The Senate did not consider the House bill; nor did it consider its own comprehensive climate bill due to the lack of sufficient support among senators.

With Congress failing to enact climate change legislation in 2010, the Obama Administration's EPA issued a proposed NSPS for new fossil fuel-fired power plants in March 2012. Just over a year later, President Obama sent a memo to the Acting Administrator of EPA, directing him to issue proposed “standards, regulations, or guidelines, as appropriate, that address carbon pollution from modified, reconstructed, and existing power plants...” no later than June 1, 2014. On August 3, 2015, EPA released its final “Carbon Pollution Emission Guidelines for

¹ An endangerment finding is a necessary precondition under the CAA to take regulatory action.

Existing Stationary Sources: Electric Generating Units” (called the “Clean Power Plan” or “Existing Plant Rule”) as well as its final “Standards of Performance for Greenhouse Gas Emissions from New Stationary Sources: Electric Generating Units” (called the “New Plant Rule”).²

The CPP set final emission guidelines in the form of nationally uniform CO₂ emission performance rates for two kinds of fossil fuel-fired electric generating units (EGUs)—steam generating units (1,305 pounds CO₂ per megawatt hour (lb CO₂/MWh)) and combustion turbines (771 lb CO₂/MWh). It finalized goals for each state between 771 and 1,305 lb CO₂/MWh based on the weighted average of existing fossil-fuel fired generation in the state and provided equivalent mass-based state goals in short tons of CO₂. It also allowed for emissions reductions through energy efficiency upgrades at power plants and fuel switching from coal to natural gas or renewables.

Following publication of the CPP in the *Federal Register* on October 23, 2015, more than 150 state and industry petitioners challenged the legality of the rule in the U.S. Court of Appeals for the District of Columbia Circuit (D.C. Circuit). On February 9, 2016, the U.S. Supreme Court granted a rare emergency stay of the CPP that put implementation of the rule on hold while the D.C. Circuit heard legal challenges to it. The D.C. Circuit held oral argument on the case, but never issued a decision. The case was subsequently dismissed on September 17, 2019, with the court noting challenges to the rule were moot due to the repeal of the CPP and replacement of the rule with the ACE rule.

Administrative Action

On March 28, 2017, President Trump signed an Executive Order (EO) entitled, “Promoting Energy Independence and Economic Growth.” The EO directed the Administrator of EPA to review the CPP and determine whether the agency should “suspend, revise, or rescind the guidance, or publish for notice and comment proposed rules suspending, revising, or rescinding...” the rules for new, modified, and reconstructed power plants, as well as existing power plants and the proposed Federal Plan and Model Trading Rule. The EO also ordered the Administrator to review and determine whether to “suspend, revise, or rescind, as appropriate with the law, the ‘Legal Memorandum Accompanying the Clean Power Plan for Certain Issues.’”

2 The agency also issued final Carbon Pollution Standards for Modified and Reconstructed Stationary Sources: Electric Generating Units. In addition, EPA proposed its Federal Plan Requirements for Greenhouse Gas Emissions from Electric Generating Units; Model Trading Rules; Amendments to Framework Regulations (Federal Plan and Model Trading Rules) on August 3 (this was done to assist states in developing implementation plans that relied on tradable compliance instruments).

On August 21, 2018, EPA proposed “a new rule to reduce greenhouse gas (GHG) emissions from existing coal-fired electric utility generating units and power plants across the country.” Entitled the ACE rule, it “establishes emissions guidelines for states to use when developing plans to limit GHGs at their power plants.” APPA filed comments with EPA on October 31, 2018, expressing support for the decision to replace the CPP with “emissions guidelines for GHG emissions from existing EGUs that adhere to the statutory requirements of CAA section 111(d).”

On June 19, 2019, the EPA Administrator issued the final ACE rule, which included three separate final actions:

1. The repeal of EPA’s 2015 Clean Power Plan;
2. The promulgation of new emission guidelines for regulating CO₂ emissions from existing coal-fired EGUs; and
3. The promulgation of amendments to CAA section 111(d) implementing regulations governing the submission and review of state plans and future guidelines.

EPA elected not to finalize reforms to the New Source Review emissions applicability test for major modifications, opting instead to finalize these reforms in a separate action, at a later date.

In keeping with the President’s EO, on December 20, 2018, EPA also proposed to revise its 2015 Standards of Performance for Greenhouse Gas Emissions from new, modified, and reconstructed coal-fired power plants. The proposed revision would establish new performance standards and revise the “best system of emission reduction” (BSER) for new plants.³ EPA proposes to base the BSER on the most efficient demonstrated steam cycle in combination with the best operating practices, instead of partial carbon capture and sequestration, as was required in the 2015 rule. The Association filed comments with EPA on March 18, 2019, on the proposed new plant rule. APPA’s comments were generally supportive and recommended that any new performance standard should be achievable under all load conditions in which power plants operate. The revised new plant rule is expected to be finalized sometime this year.

Congressional Activity

The House of Representatives has been active on climate issues in the 116th Congress. In January 2019, Speaker Nancy Pelosi (D-CA) reinstated the Select Committee on Climate Change, now called the Select Committee on the Climate Crisis. The select committee held multiple hearings and is tasked with

3 Under section 111(b), EPA identifies the “best system of emission reduction” that has been adequately demonstrated to control emissions of a particular pollutant from a particular type of source and sets a standard for new sources based on the application of that BSER.

reporting to the House in March 2020 on its recommendations for addressing climate change. The House Energy & Commerce Committee has held multiple hearings focused on the impact of climate change and policies that could be implemented to reduce GHG emissions. On April 3, the committee approved H.R. 9, the Climate Action Now Act, introduced by Representative Kathy Castor (D-FL) “to ensure the United States honors its Paris Agreement commitments by prohibiting any funds from being used to withdraw, and requiring the President to develop and communicate a plan to meet [the U.S.’s] pollution reduction targets.” The full House approved the legislation on May 2 by a vote of 231 to 190. Senate consideration of H.R. 9 is unlikely.

On January 8, 2020, the Democratic leadership of the House Energy & Commerce Committee held a press conference to announce their outline for comprehensive climate legislation that would achieve a 100 percent “clean economy by 2050.” At the event, Democrats released a memo that describes what their draft climate change legislation will address. The bill would create a Clean Energy Standard (CES) that would require retail electric suppliers to obtain 100 percent of their electricity from clean energy sources by 2050. It also includes a host of provisions on transmission, electrification of the transportation sector, grid modernization, distributed energy resources, and hydropower, among others. The draft bill text is expected to be released at the end of January with the committee holding hearings on its provisions soon thereafter. Committee activity on the bill is expected in 2020.

In the Senate, the Energy & Natural Resources Committee held three hearings in 2019 focused on climate change. The first one was entitled the “Electricity Sector in a Changing Climate.” It examined emissions reductions that have occurred in the electricity sector and what the industry can do to continue reducing emissions while keeping electricity affordable and reliable. The second hearing was entitled “Opportunities for Energy Innovation and Other Potential Solutions to Help Address Global Climate Change.” It examined how the U.S. can use its leadership in energy innovation to develop technologies to reduce GHG emissions across the globe. The third hearing examined the Department of Energy’s carbon capture, utilization, and storage (CCUS) programs and the role CCUS technologies could play in reducing CO₂ emissions. The hearing also focused on S. 1201, the Enhancing Fossil Fuel Energy Carbon Technology Act. This legislation would establish “four research and development projects focused on coal and natural gas technology, carbon storage, carbon utilization, and carbon removal.” The committee approved the legislation on July 16.

In addition, the Senate Environment & Public Works Committee held a legislative hearing in February 2019 to “examine the state of current technologies that reduce, capture, and use

carbon dioxide” and on S. 383, the Utilizing Significant Emissions with Innovative Technologies Act. The bipartisan legislation, introduced by Chairman John Barrasso, Ranking Member Tom Carper (D-DE), and 11 other senators, would amend the Clean Air Act to encourage capturing CO₂ emissions and converting the gas into a valuable commercial good, thus reducing emissions. During the hearing, Chairman Barrasso expressed his strong desire to move the legislation through the committee and full Senate in the 116th Congress. The bill was approved by the committee without amendment on April 10. It was later attached to the fiscal year 2020 National Defense Authorization Act (NDAA) that was approved by the Senate on June 27. However, it was dropped from the final NDAA at the end of 2019.

American Public Power Association Position

Public power utilities have reduced their CO₂ emissions by 33 percent between 2005 and 2017. They are reducing their GHG emissions through a variety of means. Many are increasing their use of renewable energy resources, such as hydropower, wind, solar power, and geothermal. They are also working with their customers to enable distributed energy resources, which can reduce the need for power from traditional fossil fuel-fired power plants. Some members are involved in the construction of two new nuclear units at Plant Vogtle in Georgia, and others are actively pursuing development of small modular reactors (SMRs). SMRs are small nuclear reactors that could generate up to 300 megawatts of power and be linked together to provide incremental power as load grows. Many public power utilities have implemented energy efficiency programs to help their customers reduce their power usage. Many of these efforts have been undertaken voluntarily rather than being required by state or federal law.

Public power understands the threat posed by climate change, but believes that the CAA is not well suited to regulating CO₂ or other GHG emissions. The CAA was drafted during a different era with more traditional criteria pollutants in mind. If the CAA is going to be the vehicle for GHG regulation, APPA supports EPA’s ACE rule, which comports with the statutory requirements of CAA section 111(d).

As Congress works on legislation to address climate change, it should include policies that would reduce CO₂ emissions while keeping electricity affordable and reliable. Such policies include promoting hydropower development, nuclear power, distributed energy resources, electric vehicles, energy storage, and energy efficiency. Public power is ready to work with Congress as it develops climate legislation by providing input on how to do so in a way that keeps electricity affordable, reliable, and sustainable.

American Public Power Association Contacts

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The American Public Power Association is the voice of not-for-profit, community-owned utilities that power 2,000 towns and cities nationwide. We represent public power before the federal government to protect the interests of the more than 49 million people that public power utilities serve, and the 93,000 people they employ. Our association advocates and advises on electricity policy, technology, trends, training, and operations. Our members strengthen their communities by providing superior service, engaging citizens, and instilling pride in community-owned power.

ISSUE BRIEF January 2020

Sequestration of Build America Bond Credit Payments

Summary

Spending cuts (“sequestration”) triggered by the Budget Control Act of 2011 have reduced payments to state and local Build America Bond (BAB) issuers by \$1.8 billion. The American Public Power Association (APPA or Association) estimates that an additional \$2.2 billion in BAB payments will be cut under sequestration through 2029. Public power utilities issued more than \$16 billion in BABs and have seen payment cuts totaling an estimated \$162 million thus far, with another \$194 million in cuts projected through 2029. Sequestration ignores Congress’s intent for BABs and reneges on what the federal government promised in partnership with state and local governments. APPA believes Congress should act to prevent further cuts to BAB credit payments. At the very least, Congress should stop extending the duration of sequestration as it did yet again in the Bipartisan Budget Act of 2019.

Background

Creation of Build America Bonds

In the last decade, public power utilities financed roughly \$10 billion annually in electric system investments with tax-exempt municipal bonds. (See APPA issue brief, “Municipal Bonds and Public Power,” for more information). During the 2008 credit crisis, traditional municipal bond investors pulled out of the market and interest rates soared. To provide liquidity to these markets—and in turn encourage the sorts of infrastructure investments municipal bonds finance—the American Recovery and Reinvestment Act (ARRA) of 2009 created the BAB.¹

1 American Recovery and Reinvestment Act of 2009, Pub.L. No. 111-5 (123 Stat. 115) § 1531 (codified as 26 U.S.C. 54AA).

2 Refundable credits generally are exempt from sequestration (2 USC § 905(d)), although as discussed further in this report, the Office of Management and Budget (OMB) has interpreted this exemption narrowly and, as a result, OMB has not applied this exemption to BABs credit payments.

3 31 USC § 1324(b).

A BAB meets the same requirements as any other government-purpose municipal bond, but instead of the interest being tax-exempt, the bond issuer receives a credit payment from the Treasury Department equal to 35 percent of the interest paid. These new direct payment bonds were intended to expand the pool of investors for municipal bonds to include investors willing to invest in taxable assets. The credit payment to issuers was intended to avoid any material increase in the cost of financing for the issuer.

In drafting ARRA, Congress sought to ensure that BAB credit payments were not vulnerable to year-to-year budget legislation enacted by Congress. First, ARRA clarified that a credit payment to a bond issuer is a refundable credit.² Second, ARRA specifically added BAB credit payments to the list of tax credit payments for which funds are permanently appropriated.³ In the 21-month period (April 2009 through December 31, 2010) in which BABs could be issued, 2,275 BABs were issued worth \$181 billion.⁴ Of those issuances, 108 BABs worth \$16 billion financed power-related projects.

Sequestration of BAB Credit Payments

A failure to meet deficit reduction targets under the Budget Control Act of 2011 (BCA) triggered mandatory spending cuts (sequestration) beginning March 1, 2013. These cuts were to continue through the end of fiscal year (FY) 2021. Tax credit payments to individuals are exempt from sequestration, but the White House Office of Management and Budget decided in 2012 that credit payments to other entities—including BAB credit payments to BAB issuers—were not.⁵ This interpretation

4 U.S. Department of Treasury, Treasury Analysis of Build America Bond Issuances and Savings, at 2 (May 16, 2011).

5 Office of Mgmt. & Budget, Exec. Office of the President, OMB Report Pursuant to the Sequestration Transparency Act of 2012 (P.L. 112-155), at 157 (Sept. 24, 2012).

contradicted earlier statements by the Treasury Department⁶ and congressional intent.⁷ As a result, through 2019, BAB credit payments will have been cut by \$1.8 billion. Additionally, Congress has repeatedly extended the period for sequestration beyond its originally intended FY 2021, most recently in the Bipartisan Budget Act of 2019. As a result, APPA now estimates that BABs payments will be cut by another roughly \$1.9 billion before sequestration ends in 2029.⁸

In addition, BAB credit payments could face still deeper cuts under the Statutory Pay-as-You-Go Act of 2010 (PAYGO). Under PAYGO, any increase in the deficit triggered by a new tax or entitlement spending law triggers across-the-board spending cuts to eliminate the deficit increase. These cuts are automatic unless PAYGO is waived in the new tax or entitlement spending law or waived in a subsequent law. For example, enactment of the Tax Cuts and Jobs Act of 2017 (TCJA) will increase the federal deficit by an estimated \$1.5 trillion through 2027 and would have triggered PAYGO sequestration cuts of \$1.5 trillion over the same period. Congress acted later to prevent sequestration from being triggered by TCJA, but BABs may not be so lucky in the future.

American Public Power Association Position

Congress clearly did not intend for BAB credit payments to be subject to sequestration. Likewise, it is tantamount to a breach of contract for bond issuers to have negotiated financial deals based on the promise of a payment on which the federal govern-

ment is now renegeing. BAB-financed investments in power generation, distribution, and system improvements shored up critical infrastructure at a time when traditional tax-exempt bond investors were in short supply and state and local government access to the municipal bond markets was impaired. It is wrong for the federal government to decide by fiat to renegotiate the terms of those deals. Every dollar cut means one dollar less that is available to build power plants, power lines, and systems needed to continue to deliver electric power to public power's customers. Every dollar cut also represents a dollar more that public power utilities' customers must pay to receive such power.

Congress should act to prevent further BAB credit payment cuts, including continued cuts due to Congress's inability to reach a budget deal in 2012 and potential cuts whenever Congress fails to meet "Pay-as-You-Go" obligations when enacting future legislation. At the very least, Congress should stop extending the duration of sequestration as it did yet again in the Bipartisan Budget Act of 2019.

American Public Power Association Contact

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6 Tax Exempt and Taxable Government Bonds: Hearing before the H. Subcomm. on Select Revenues of the H. Comm. on Ways & Means, 111th Cong. 12 (2009) (Serial No. 111-22) (Statement of Alan B. Krueger, Assistant Sec'y. of Treasury of the United States).

7 John Buckley, Remarks at the Urban-Brookings Tax Policy Center and George Mason Center for State and Local Government Leadership panel discussion Fall-out from Federal Tax Reform: Implications for State and Local Revenues (Sept. 21, 2012) (<http://www.taxpolicycenter.org/events/federal-tax-reform-and-the-states.cfm>) (Buckley, who as chief tax counsel for the House Ways and Means Committee helped write the BAB provision in ARRA, called OMB's decision "extraordinary and strange").

8 APPA estimates based on prior year sequestration and estimates provided in Cong. Budget Office, Estimated Impact of Automatic Budget Enforcement Procedures Specified in the Budget Control Act, at 8 (Sept. 12, 2011). Statutory Pay-as-You-Go Act of 2010, Pub. L. No. 111-139 (124 Stat. 8) (codified as 2 U.S.C. 931).

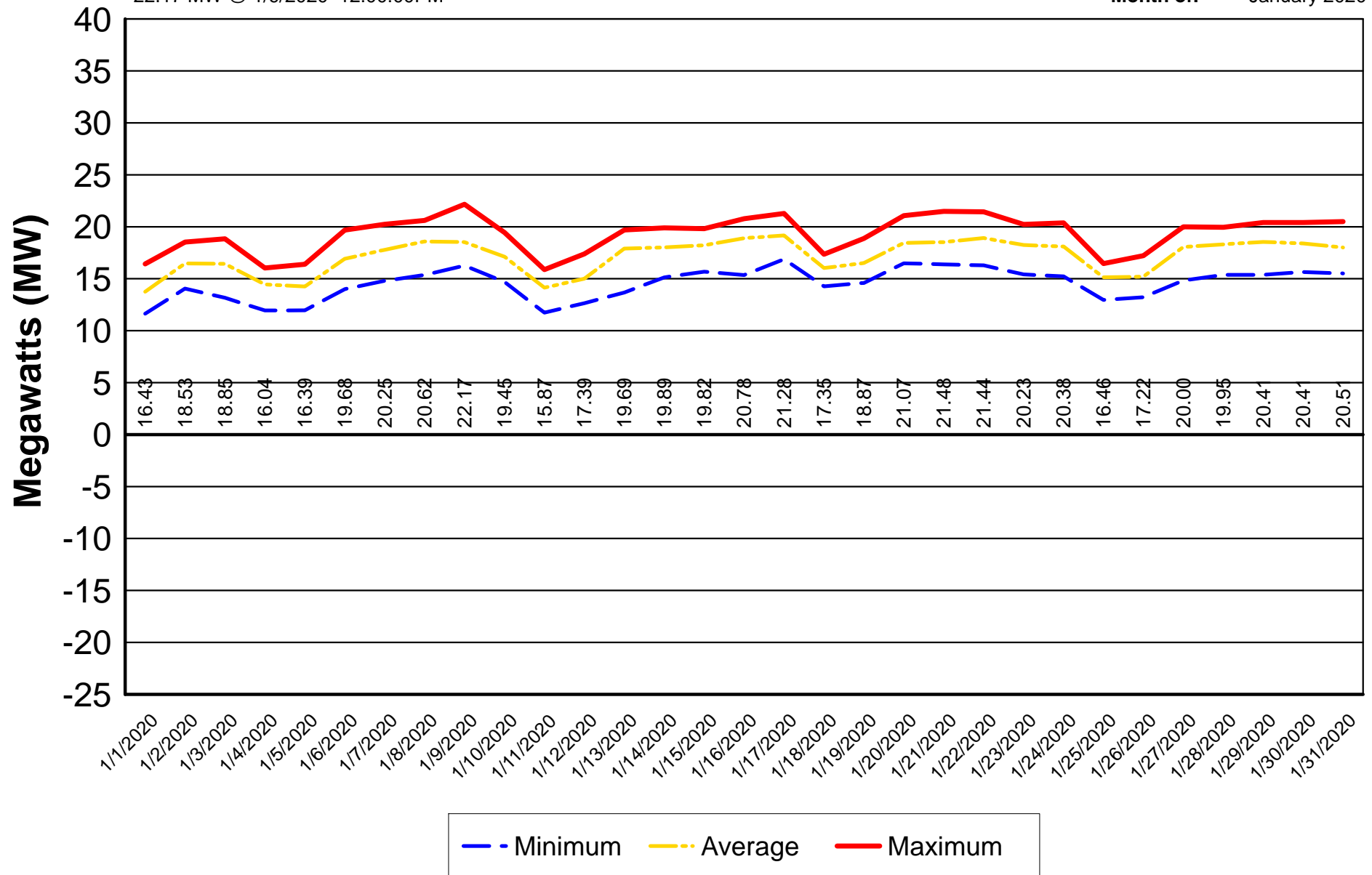
The American Public Power Association is the voice of not-for-profit, community-owned utilities that power 2,000 towns and cities nationwide. We represent public power before the federal government to protect the interests of the more than 49 million people that public power utilities serve, and the 93,000 people they employ. Our association advocates and advises on electricity policy, technology, trends, training, and operations. Our members strengthen their communities by providing superior service, engaging citizens, and instilling pride in community-owned power.

Napoleon Power & Light

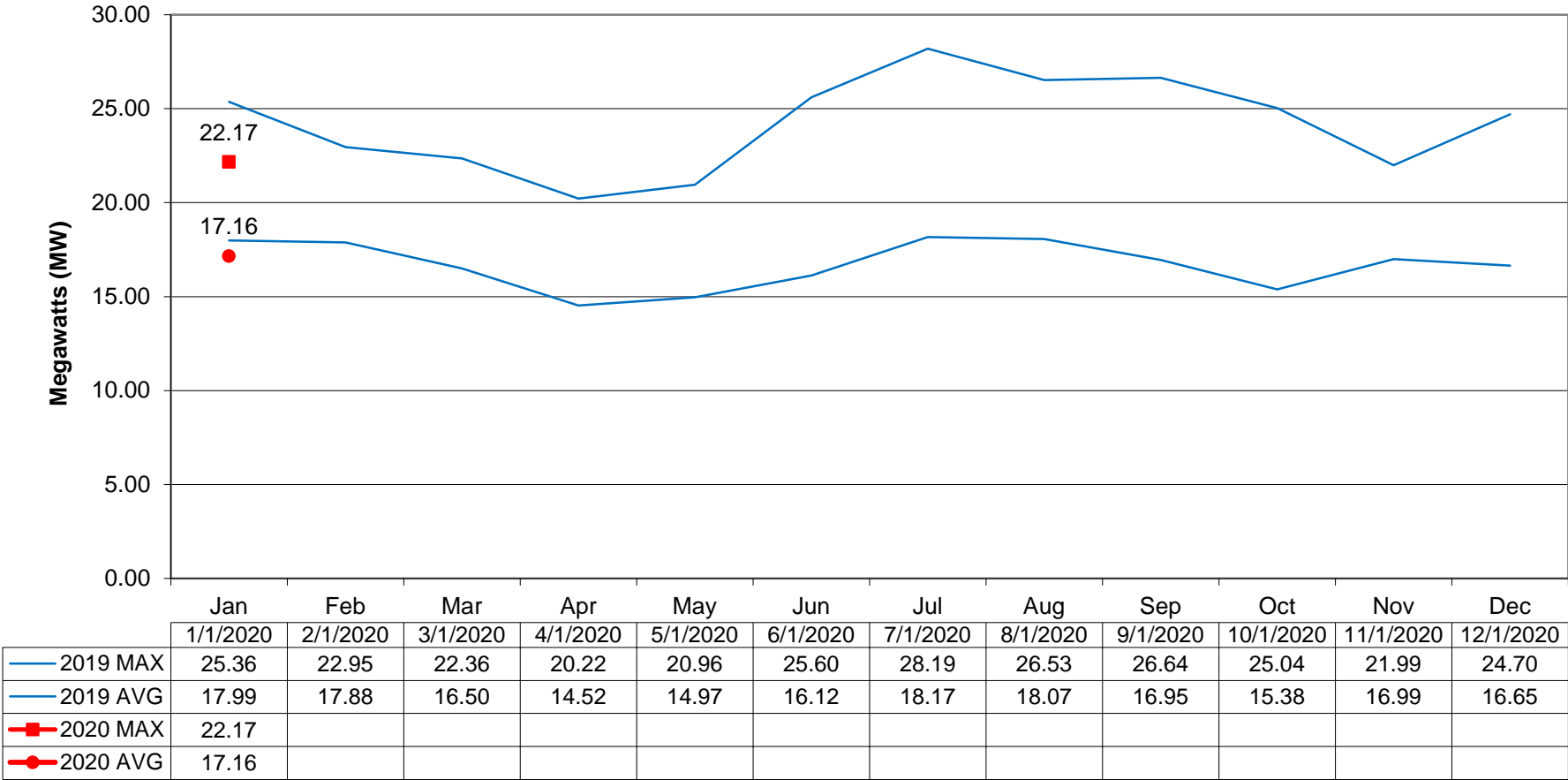
System Load

Peak Load:
22.17 MW @ 1/9/2020 12:00:00PM

Month of: January 2020



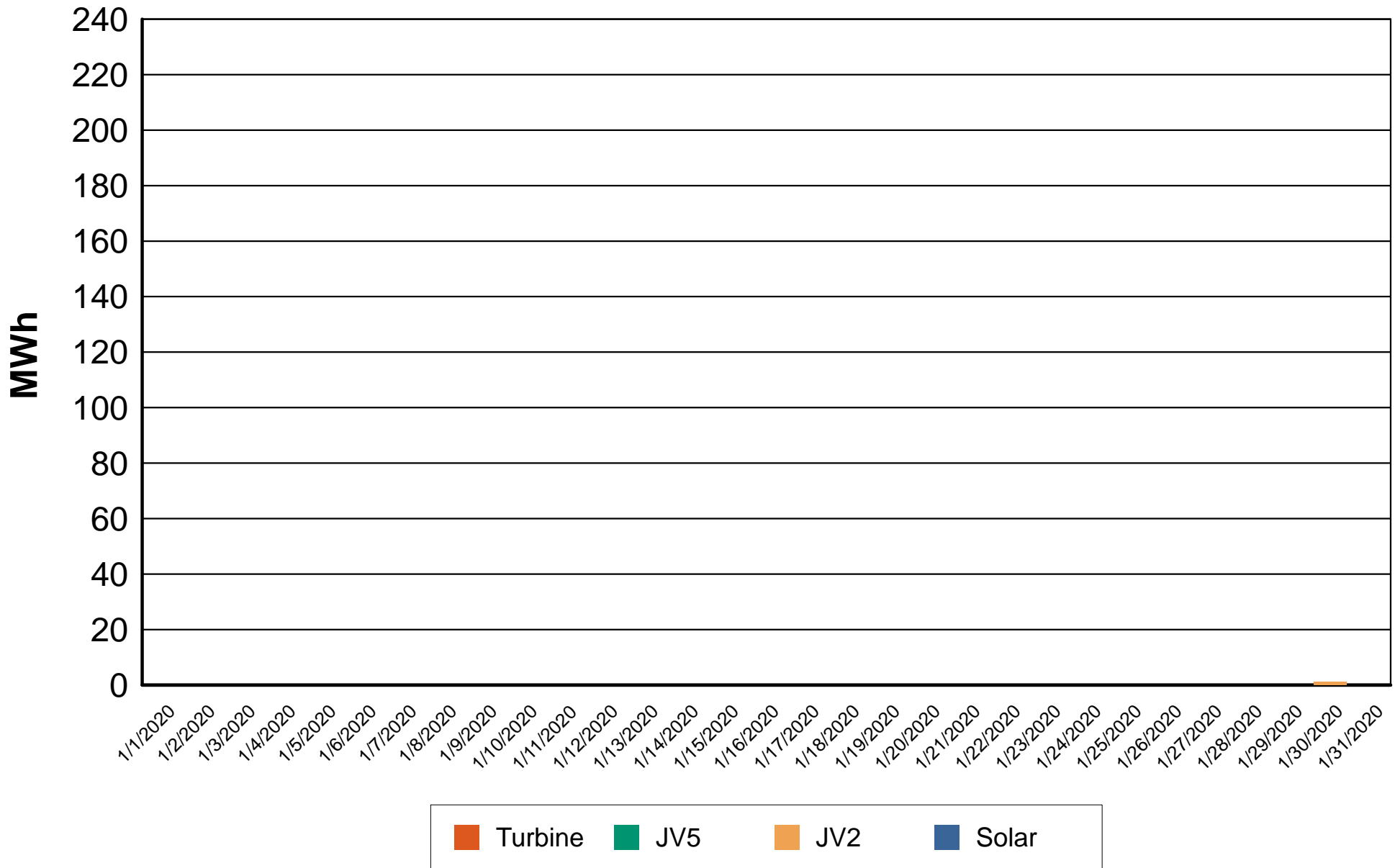
NAPOLEON POWER & LIGHT



2019 MAX 2019 AVG 2020 MAX 2020 AVG

Napoleon Power & Light

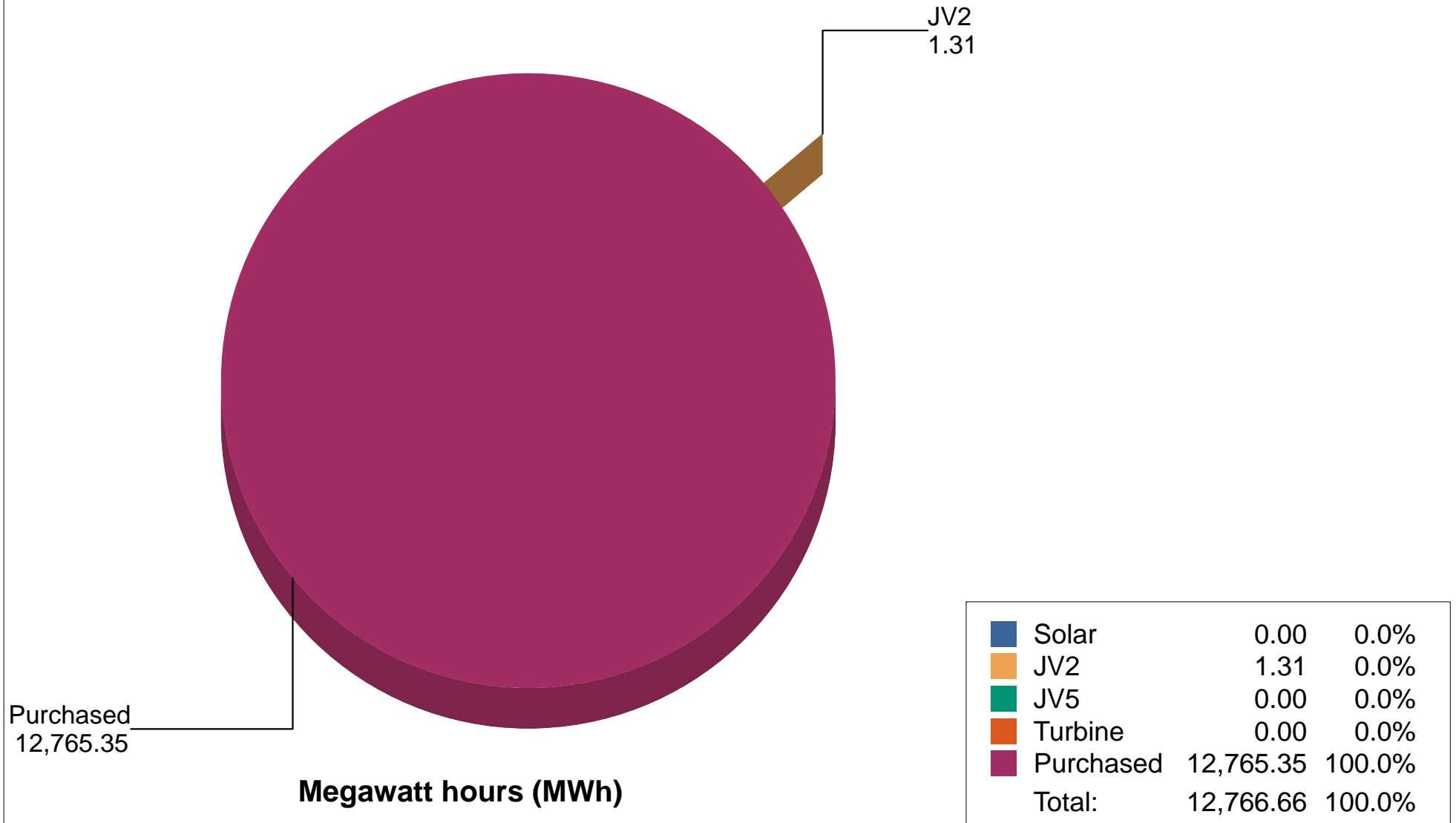
Daily Generation Output



Napoleon Power & Light

Power Portfolio

January 2020



City of Napoleon, Ohio

WATER, SEWER, REFUSE, RECYCLING & LITTER COMMITTEE

MEETING AGENDA

Monday, February 10, 2020 at 7:00 pm

LOCATION: Council Chambers, 255 West Riverview Avenue, Napoleon, Ohio

- 1) **Approval of Minutes: January 13, 2020** (In the absence of any objections or corrections, the Minutes shall stand approved).
- 2) **Refuse Collection Rules (Tabled)**
- 3) **Update on WWTP Phase I Improvements Project**
- 4) **Any other matters currently assigned to the Committee**
- 5) **Adjournment**



Roxanne Dietrich

Executive Assistant to Appointing Authority/Clerk of Council

WATER, SEWER, REFUSE, RECYCLING & LITTER COMMITTEE

Meeting Minutes

Monday, January 13, 2020 at 7:00 pm

PRESENT

Committee Members
BOPA Members
City Manager
Executive Assistant to Appointing
Authority/Clerk of Council
Others

Jeff Comadoll-Chair, Lori Sicclair, Ross Durham
Mike DeWit-Chair, Dr. David Cordes, Rory Prigge
Joel Mazur
Roxanne Dietrich

ABSENT

Northwest Signal

Call to Order

Chairman Comadoll called the Water, Sewer, Refuse, Recycling and Litter Committee to order at 7:25 pm.

Approval Minutes

Hearing no objections or corrections, the minutes from the September 09, 2019 meeting stand approved as presented.

Update on WWTP Phase I Improvements Project

Mazur stated we are under Findings and Orders from the EPA to comply with certain items. Displayed on the screen is a compliance summary that we renegotiated with the EPA. There was an estimated 31 million dollars of sewer projects removed from the LTCP. The five projects that are still on the Long Term Control Plan (LTCP) list includes:

Williams Pump Station, estimated cost 1.5 million dollars, and is under construction now. **VanHynning Pump Station Replacement Project** estimated at two million dollars. DeWit asked where is VanHynning? Mazur replied that is on Riverview by Automatic Feed. **East Washington Street Interceptor** was added.

Mazur said we wanted projects in the LTCP that would help with operating the collections system. The pump stations are aging and starting to have issues.

Glenwood SSO rather than having the sewer overflow to the river, the overflow will go back into the sewer interceptor and feed back down the line into a combined sewer.

Haley SSO this one will dump into another combined sewer rather than dumping into the river and later on will close.

Wastewater Treatment Plant (WWTP) is a 12.5 million-dollar project.

We have been cleaning and televising all the city sewer lines. This is a ten-year project that spot repairs and replacements that need to be made. The goal is to have no overflows but in older cities with older systems that is not feasible. We are at a 98% collection rate. There will always be overflows at the plant as we will always have those *what if* scenarios. DeWit stated the main part of City the sewers are 30' deep. Mazur replied that is why it is important to have the WWTP in the LTCP. We are now eligible for different loans at a low percentage and are also eligible for grants. We will be actively pursuing low interest rates and grant money for the WWTP. That project is needed.

East Washington Street was added to the schedule. There is a bottle in the downtown at Reiser Street. It's an 18" line, there are a lot of sewers that surcharge back and

bottlenecks right at that spot. The design phase of the WWTP is well underway with Jones & Henry. I would like to have this as a standing item on the agenda. The WWTP is an old facility and things are starting to break down. We cannot not digest sludge properly and have to landfill until we get the digesters rehabbed. The headworks are being rerouted. Just the cleaning digesters is a \$750,000 cost. The WWTP has not been maintained in the way operating specs would suggest. The WWTP is deferred maintenance. Budgeted for this year is a rate review with Courtney and Associates. The last time we looked at sewer rates was in 2017. At that time Courtney had old Long Term Control Plant information and the Water Treatment Plant was estimated at 11.5 million dollars, we are now at 12.5 million for that project. There is a lot of underground piping and is a safety factor to identify where things are and to have things flowing properly. The WWTP is old and has had processes added. Dr. Cordes asked if there is a better solution for ACH? We are getting so much ACH from the Water Treatment Process. Mazur replied the cheapest and best solution is to treat it at the WWTP. Siclair asked if the Haley Project is the same as Park Street? Mazur said that is in the same vicinity and it might be added onto the Park Street Phase IV project. It would make sense to combine the two projects into one. Prigge asked if this was due to permit modifications or NPDES permit? Mazur said it's from two years of permit modifications that drug out to a new NPDES permit. DeWit asked if there will be a press release stating we dodged \$31 million additional projects that the EPA wanted us to do? Mazur said really, if you total is all up is like \$20 million and that does not include the WWTP. DeWit asked if negotiations with Liberty Center are looking more favorable? Mazur responded will see when we have a meeting with them. Their contract expires soon and both sides want to see something that mutually benefits both.

Refuse Collection Rules

Comadoll pointed out over the years we have charged our citizens an outrageous amount for picking up garbage. That fund is healthy and I would like to propose instead of one bag, we have a two bag system. Everyone is putting out two, three, four bags. I don't know how much that would hurt the bag and tag system. Mazur said we have estimates saying we'd lose of 75% bag tags that the revenue would drop down to \$12,000. We could see an uptick in tonnage, there'd be more trips to the landfill and uptick rates could increase also. Overall, we estimated a \$25,000-\$40,000 increase in more expenses, depending on the year. The recycling contract fee went up three years ago, that contract is now up. Glass has been eliminated from recycling. Our recycling volumes have come down. Recycling is not profitable, anymore. The amount of tonnage collected in garbage bags has went up. Overall we don't think there'd be a big impact on operational cost, we do caution even though we have a healthy balance in the sanitation fund. If the rates go up, we'd have to account for that and we'd also have to account for any increasing rates for recycling. There is no guarantee we'd see an increase in fees we have to pay for. Will it impact the operational costs and the bag and tag collection? We could see an increase in tonnage and we may have more recyclables being thrown away. Fees going up will have an impact, the operational cost difference and bag and tag collecting increase in tonnage. People may start throwing more recyclables away and tonnage will go up. DeWit stated no one wants recycled products anymore. Prigge asked what is the policy? Our neighbor puts out ten bags without a single tag and all are picked. Mazur said the policy is on our website. Comadoll explained the driver is to be recording that and turning it in and they are to be charged. Mazur said they are charged. One bag without a tag gets you charged \$4.00 for that bag. If you have two or more extra

bags that charge is \$5.63 cubic yard. Prigge stated as long as rates doesn't go up I'm happy. Dr. Cordes said the rates are going to be going up and we will be put in a position we have to try to catch up. Mazur noted at \$25,000-\$40,000/year of operating expenses and in terms of years that would put us having to take a look at rates in another 10-15 years. As long as there no major industry changes or we have to do away with recycling. If tipping fees and recycling rates go up, that time will start to shrink to adjust rates. One bag was allowed to encourage more recycling, now recycling is not profitable. Durham stated he likes idea as long as rates will not be affected. Siclair noted her concern is that it would encourage more garbage. If you can put out two bags a week, will you? Probably. What would it take to reduce the fee or our general fee? Comadoll said our fee has been in place for a long time we have not increased anything since 2008. Mazur said we have a healthy reserve and balance. We do have to buy another truck probably within the next couple of years and that cost could be \$250,000 - \$280,000. You can table this and at the next meeting we should have the year-end numbers. I can put together a model and analyze what rates will bring in and what we think the extra bag will do. Comadoll asked if there any chance recycling will get too expensive for us to do? Mazur replied there's always a chance. We will look at adding a bag and also look at reducing the fee. Comadoll noted he spoke with a detective. Since we get money off recycling from unlimited pickups we need to have the Police Department site people going through junk. Last period our metals were down along with trips to recycling. When I worked we got more in one day than we did in one year. People are out junking. We need to have them enforce the policy.

**Motion to Table Refuse
Collection Rules**

Motion: Siclair
to table Refuse Collection Rules.

Second: Durham

Passed
Yea-3
Nay-0

Roll call vote on the above motion:
Yea-Siclair, Durham, Comadoll
Nay-

Motion to Adjourn

Motion: Durham
to adjourn the Water, Sewer, Refuse, Recycling and Litter Committee at 8:13 pm.

Second: Siclair

Passed
Yea-
Nay-

Roll call vote on the above motion:
Yea-Siclair, Durham, Comadoll
Nay-

Approved:

February 10, 2020

Jeff Comadoll, Chairman



City of *NAPOLEON*, Ohio

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2/10/20

To: Water, Sewer, Refuse, Recycling and Litter Committee Members

From: Joel L. Mazur, City Manager

**cc: Chad Lulfs, Public Works Director
Jeff Rathge, Operations Superintendent**

Subject: Refuse and Recycling Rules

Mayor
Jason Maassel

Members of Council

Joseph Bialorucki-President
Daniel Baer-President Pro-Tem
Jeff Mires
Lori Siclair
Kenneth Haase
Jeff Comadoll
Ross Durham

City Manager
Joel L. Mazur

Finance Director
Kelly O'Boyle

Law Director
Billy D. Harmon

Public Works Director
Chad E. Lulfs, P.E., P.S.

We discussed the option of allowing residents to dispose of two bags of refuse each week instead of only one to our codified ordinances at the last Committee meeting. We also discussed the options of reducing the refuse fee and/or reducing the bag tag fee. These options were proposed due to the sanitation fund balance being healthy and the removal of glass from being accepted in our recycling stream.

The Operations Superintendent accurately predicted the increased tonnage in refuse collection and decreased tonnage in recyclables collected when we eliminated glass from the recycling stream. Glass was removed due to the change in our recycling contract with Werlor Waste Control, Inc. since glass is now considered "contamination" and increases our cost to collect recyclables. This change has had a minimal impact on the cost to operate the refuse and recycling collections operation. Additionally, Napoleon Council approved of adding a Municipal Service Worker II (MSWII) position to the Operations staff in the 2019 budget.

After reviewing data collected from these changes and forecasting the operational cost increase for adding a bag for residents, we are recommending that we allow residents to dispose of two bags of refuse each week instead of only one. This will require a change to the codified ordinances.

Attached is a detailed information sheet showing the tonnage we collect and the costs for disposal. It also shows Napoleon's revenues generated from bag tag fees. Additionally, we have made some operational adjustments that should improve efficiencies and reduce operating expenses. With all of these changes, we are estimating that this will increase the net operational costs by approximately \$40,122 annually. We believe that adding a bag will provide the best value of service for residents that pay the refuse fees.

FUND 560 REFUSE 6400 - Details by Year

Excludes: Recycling, Seasonal, Mosquito, Yard Waste

| | EXTRA BAG 2019 | ACTUAL 2019 | 2018 | ACTUALS | | | 2015 |
|--------------------------------|-------------------|------------------|------------------|------------------|------------------|--|------------------|
| | | | | 2017 | 2016 | | |
| EXPENSES | | | | | | | |
| Salaries | \$142,858 | \$142,858 | \$130,486 | \$127,337 | \$104,954 | | \$101,410 |
| Fringe Benefits | \$62,025 | \$62,025 | \$62,363 | \$60,068 | \$48,266 | | \$43,762 |
| Subtotal % +/- Prior Year | 6.24% | 6.24% | 2.90% | 22.31% | 5.54% | | |
| Operating | \$16,985 | \$16,985 | \$28,903 | \$17,414 | \$17,027 | | \$14,519 |
| Truck | \$4,148 | \$4,148 | \$2,436 | \$3,541 | \$7,968 | | \$3,186 |
| Truck Fuel (7.5% increase) | \$19,476 | \$18,117 | \$17,916 | \$13,947 | \$11,379 | | \$14,088 |
| Disposal Fees (12.5% increase) | \$78,729 | \$69,981 | \$68,176 | \$61,225 | \$54,827 | | \$51,725 |
| Subtotal % +/- Prior Year | 1.62% | -6.98% | 22.16% | 5.40% | 9.20% | | |
| Admin Expenses | \$86,131 | \$86,131 | \$81,508 | \$77,243 | \$83,055 | | \$77,573 |
| Capital | \$20,000 | \$20,000 | \$20,000 | \$20,000 | \$20,000 | | \$20,000 |
| Subtotal % +/- Prior Year | 3.82% | 3.82% | 5.12% | -5.75% | 4.60% | | |
| Total Expenses | \$430,352 | \$420,246 | \$412,509 | \$380,781 | \$347,597 | | \$327,328 |
| % +/- Prior Year | 4.33% | 1.88% | 8.33% | 9.55% | 6.19% | | |
| REVENUES | | | | | | | |
| Sanitation-Tags (80% decrease) | \$7,504 | \$37,518 | \$36,644 | \$30,841 | \$28,720 | | \$26,210 |
| Sanitation-Special Pick Ups | \$5,815 | \$5,815 | \$4,570 | \$3,262 | \$2,755 | | \$1,970 |
| Subtotal % +/- Prior Year | -67.68% | 5.14% | 20.85% | 8.35% | 11.69% | | |
| Revised Total Expenses | \$417,033 | \$376,912 | \$371,295 | \$346,679 | \$316,122 | | \$299,148 |
| % +/- Prior Year | 12.32% | 1.51% | 7.10% | 9.67% | 5.67% | | |



CITY OF NAPOLEON

WASTEWATER TREATMENT

P. O. Box 151 Napoleon, OH 43545

Telephone: 419/592-3936 Fax: 419/599-8393

www.napoleonohio.com

February 10, 2020

Water & Sewer Committee: Wastewater Treatment Plant Project Progress Report

Staff has been moving forward in its planned phase approach for the rehabilitation of the Wastewater Treatment Plant (WWTP).

Originally, Stantec produced our Integrative Plan for the WWTP, which is a best practice that the Ohio EPA is encouraging wastewater treatment systems to implement. The original proposed scope of projects developed for the WWTP Rehab Project was broken down into three phases. Originally, we were planning to start with the Headworks facility. However, this priority changed as we have been handling the increased volume of solids from the Water Treatment Plant (WTP). The increase in solids has added stress on the aging WWTP facility equipment and treatment processes. As the project has moved forward with design, ongoing priority assessment, and treatment process improvement evaluations, it has been determined that we needed to make changes to the scope of the phases of the project. Although the changes are minor, we are still using the 3-phase approach.

Phase 1A: Digester Cleaning

The first phase of the project is the digester cleaning and inspection, deemed as Phase 1A. This will determine the scope of any rehabilitation needed before moving into the next step. It has already been determined that moving forward, the digestion process used for land application of the city's bio solids program will need to be converted from an anaerobic process to an aerobic process in order to satisfy the Ohio EPA 503 Sludge Regulations for land application.

Phase 1B: Sludge Dewatering Facility

The next step or Phase 1B includes the sludge dewatering process and building modifications. Though currently under design we have found that some of the interior walls, electrical, and plumbing will need evaluated and replaced with the rehabilitation and replacement of our existing sludge press's for dewatering. The proposed modifications are estimated at \$2.2 million including the replacement of the sludge dewatering equipment.

Phase 1C: New headworks, digester rehab, addition of primary clarifier and 4th screw pump

Phase 1C includes the new headworks facility, raw water pump (4th screw pump), the relocation of the plant storm water and septage/City Vac truck receiving location, along with several remaining plant rehabilitation items. This also will bring the rerouting of influent flows to the new headworks, Washington Street improvements and the continuation of the remaining Long-Term Control Plan items outside the plant improvement project scope.

Enclosed are the early Engineer's Estimates for the list of items needed for rehabilitation and an overview site map.

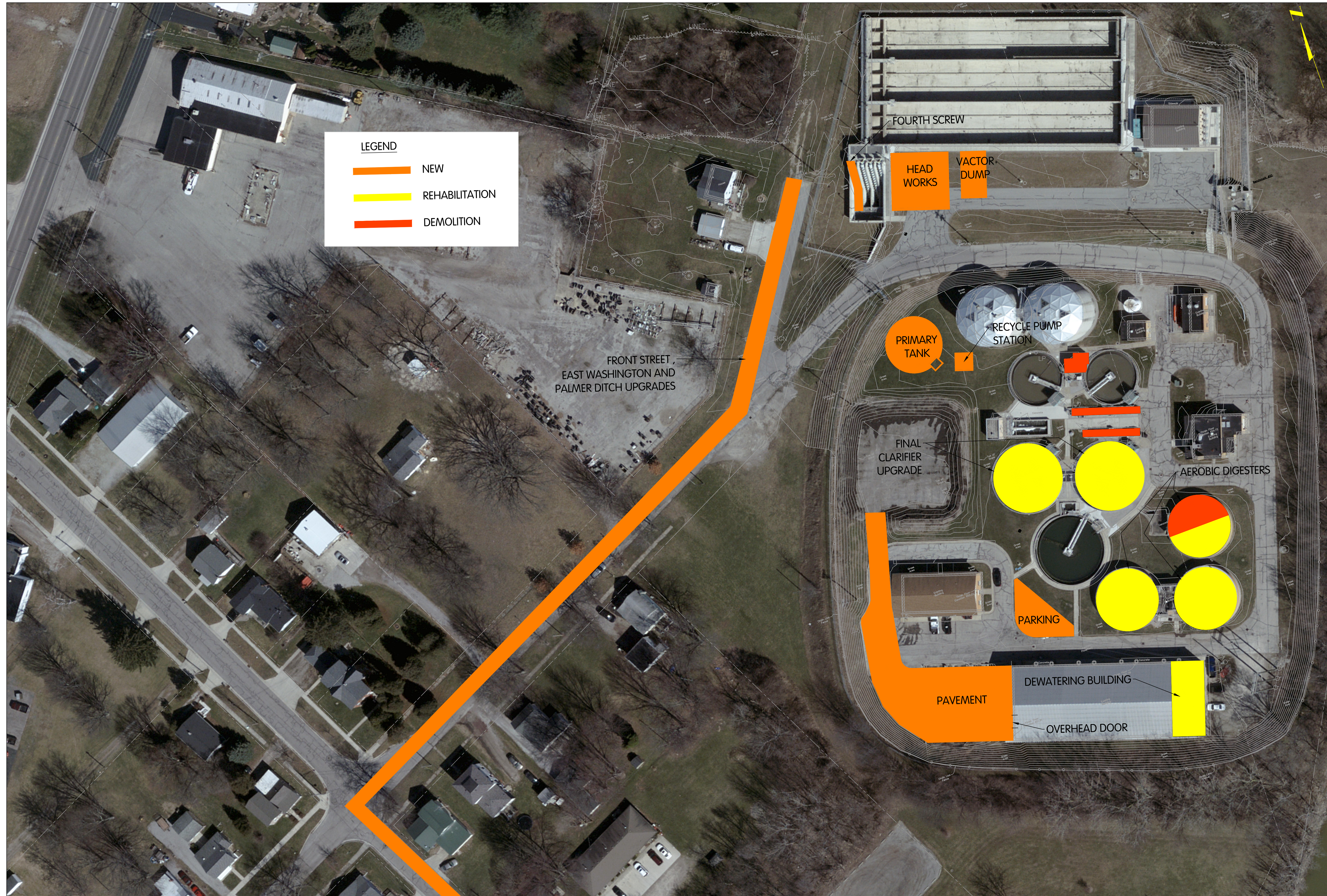
Future Outlook

In addition to the project, we have budgeted a sewer rate review for 2020 and have established a purchase order with Courtney and Associates to complete the rate review when we are ready to proceed. This will require staff and the Engineering firm to refine our estimates as we progress through the design phase. Additionally, we are approved for a loan from the Ohio EPA Division of Environmental and Financial Assistance (DEFA). The project is eligible for low interest loans and possibly loan forgiveness, up to 30% of the project and similar to the WTP Project. Staff is actively engaged in dialogue with DEFA representatives and other representatives with the EPA to see if we can secure the best rate with some loan forgiveness. At this time, we are seeking to complete this project without taking on debt higher than \$12.5 million.

Lastly, the project is being designed for future potential development of additional treatment processes. There is a potential that the U.S. and Ohio EPA will impose additional and stricter water quality standards in the coming years. The design will allow for easier implementation of additional and different treatment processes if this were to occur.

| Work Item Description | NPDES Compliance Schedule Requirement? (Yes / No) | Priority Level (1, 2 or 3) | Estimated Cost | |
|--|--|-------------------------------|-----------------------|-----------------|
| CRITICAL PROJECT COMPONENTS | | | | |
| DWF Building Modifications <i>(part of Dewatering Facility)</i> | No | 1 | \$2,234,960.00 | |
| DWF New Polymer Feed Equipment <i>(part of Dewatering Facility)</i> | No | 1 | \$0.00 | |
| DWF New Sludge Transfer Pumps <i>(part of Dewatering Facility)</i> | No | 1 | \$0.00 | |
| DWF Pave Drive for Dumpsters Unloading & Pickup <i>(part of Dewatering Facility)</i> | No | 1 | \$0.00 | |
| DWF Replace Existing Conveyors <i>(part of Dewatering Facility)</i> | No | 1 | \$0.00 | |
| DWF Replace Existing Presses <i>(part of Dewatering Facility)</i> | No | 1 | \$0.00 | |
| | | | | |
| Digester - Rehab. | No | 1 | \$861,840.00 | |
| Digester - Cleaning & Disposal | No | 1 | \$713,638.00 | |
| Digester - Replace Sludge Lines <i>(part of Digester Rehab.)</i> | No | 1 | \$0.00 | |
| | | | | |
| AM Concrete Coating to prolong life of Clarifiers | No | 1 | \$50,000.00 | |
| <i>AM Flood Protection Dike Rehab.</i> | No | 1 | <i>\$150,000.00</i> | |
| AM Rebuild Final Clarifiers 3 & 4 | No | 1 | \$450,000.00 | |
| <i>HW 4th Screw Pump & New Bearings</i> | Yes | 1 | <i>\$478,000.00</i> | |
| HW Influent Flow Meter <i>(part of Headworks)</i> | Yes | 1 | \$0.00 | |
| HW New Headworks Building | Yes | 1 | \$4,607,120.00 | |
| RC New Primary Clarifier <i>(part of Recirc. Chamber)</i> | Yes | 1 | \$0.00 | PRIORITY 1 |
| RC New Recirculation Building for Trickling Filters | Yes | 1 | \$2,400,000.00 | \$11,945,558.00 |
| | | | | |
| AM Final Effluent Clarifier Channel Wall Concrete falling out | No | 1A | \$25,000.00 | |
| AM New Sludge Pumps | No | 1A | \$250,000.00 | |
| AM Repaint Screw Pumps <i>(part of 4th Screw Pump)</i> | No | 1A | \$0.00 | |
| AM Replace Effluent Flow Meter | No | 1A | \$50,000.00 | |
| <i>HW Canopy Cover Over Screw Pumps</i> | No | 1A | <i>\$75,000.00</i> | |
| <i>HW EQ Basin Crack Repair</i> | No | 1A | <i>\$25,000.00</i> | 1 & 1A |
| <i>HW Site Drainage</i> | No | 1A | <i>\$250,000.00</i> | \$12,620,558.00 |
| ADDITIONAL PLANT NEEDS & PROJECTS | | | | |
| AM Any other Electrical Needs | No | 2 | <i>\$150,000.00</i> | |
| AM Repaint Trickling Filter Stairway | No | 2 | \$75,000.00 | |
| AM Replace Plant Generator | No | 2 | \$450,000.00 | |
| <i>AM Sludge Holding Tank Rehab.</i> | No | 2 | <i>\$150,000.00</i> | |
| CIP Overhead Door for Chlorine Building | No | 2 | \$25,000.00 | 1, 1A & 2 |
| CIP Pave Old Drying Beds <i>& OH Door at End of Building</i> | No | 2 | \$125,000.00 | \$13,595,558.00 |
| | | | | |
| CIP Automate Flushing Gates | No | 3 | \$50,000.00 | |
| AM Replace Trickling Media <i>& Distributor Arms</i> | No | 3 | <i>\$1,000,000.00</i> | |
| CIP Enclose UV Building | No | 3 | \$50,000.00 | |
| CIP Fiberoptic Lines to all Buildings | No | 3 | \$25,000.00 | |
| CIP Move I Beam Chainfall to Shop | No | 3 | \$10,000.00 | |
| CIP Relocate Parking by Office (Possibly done in House) | No | 3 | \$35,000.00 | |
| | | | | |
| CIP Relocate Septage Receiving Station/Vac Truck Dump Station | No | 3 | \$100,000.00 | 1, 1A, 2 & 3 |
| CIP Remove Underground Fuel Tank | No | 3 | <i>\$50,000.00</i> | \$14,915,558.00 |
| | | | | |

TOL-7550003CAPTION-FUTURE SITE PLAN
2/7/2020 10:19 AM - RNEIDMAN
2/7/2020 11:27 AM



| Credited: 1/15/20 | | Plotted: 2/7/20 | Scale: 1"=40' |
|-----------------------------------|-----------|-----------------|---------------|
| Drawn: RHN | Approved: | DWM | |
| Drawing Name: 7550003C40PTION.DWG | | | |

| No. | Date | Revision | Chkd. By |
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City of Napoleon
Engineering Department
255 West Riverview Avenue
Napoleon, Ohio 43545
Phone: (419) 592-4010
Fax: (419) 599-8393

Plans Prepared By: Jones & Henry Engineers, Ltd.

Fluid thinking®
www.jhenr.com
3103 Executive Pkwy.
Suite 300
Toledo, Ohio 43606

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NEW SITE PLAN

City of Napoleon, Ohio

BOARD OF PUBLIC AFFAIRS

Meeting Agenda (*Amended*)

Monday, February 10, 2020 at 6:15 pm

LOCATION: Council Chambers, 255 West Riverview Avenue, Napoleon, Ohio

JOINT MEETING WITH ELECTRIC COMMITTEE

1. Approval of Minutes: January 13, 2020 (In the absence of any objections or corrections, the Minutes shall stand approved)
2. Review/Approval of the Power Supply Cost Adjustment Factor for February 2020: Power Supply Cost Adjustment (PSCA) 3-month averaged factor \$0.01683; JV2 \$0.121125
3. Substations Update
4. Review of Issues for the APPA Legislative Rally
5. Electric Department Reports

JOINT MEETING WITH WATER/SEWER/REFUSE/RECYCLING & LITTER COMMITTEE

6. Refuse Collection Rules (Tabled)
7. Update on WWTP Phase 1 Improvements Project
8. Any other matters to come before the Board
9. Adjournment



Roxanne Dietrich

Executive Assistant to Appointing Authority/Clerk of Council

Wachtman continued at 480 they like to low dose to get their dollar at the utility scale. We are going to factor in to say we are going to allow for 50% or 30% over sized so we don't build these and wear them down. They know they can run at 100% capacity and it's only lasting ten years but it only cost so much to replace it.

DeWit said when we built the substations ours were double ended substations fed in the middle and you could feed out of both sides. That way if one side went down we could switch to the other side. I've never heard of substations getting changed. Maybe they got changed I only built the plants; but I usually knew about things that needed consistent maintenance. Mazur-it is a major cost. DeWit-a million-dollar cost is not a low dollar cost. Mazur-these are high dollar, even for Owens Corning, they are high dollar substations. DeWit they are expensive pieces but they don't change them out every ten years. I've never heard of rebuilding a substation. You can't rebuild, you can't take one of ours away and send it to a substation guru to check things out and change things. Wachtman-Yes you can. DeWit-why don't we do that?

Wachtman-it's called rewinding the transformer. They take the core out of it, set it on a truck and ship it to Virginia or California, they rewind it in their plant and ship it back and recommission it. All that extra manpower adds cost. The field service work to bring it back to a new transformer costs. A plant like Tenneco or Owens Corning could have it rewound by a thousand different facilities in the US. We are at 15-25 MBA the number of facilities that can rewind these is limited to twenty. The bigger you go the fewer people can work on it. One caveat with rewinding, if it is an aluminum winding on the core they will tell you it's worth its price in scrap. If it is copper winding, then they will talk to you. I know two substations out of the three are aluminum. So we have two transformers that are worth their weight in scrap. I'm not certain about the Industrial Substation.

DeWit-the article I read said you need to know how much risk we are at of going down, in other words, what is the chances of it dying? If it does die, what is the risk? The risk on the big one is major because you lose all your industry. Now if you lose your substation on Industrial, the transformer, can I still feed through the switch gear from the other two?

Wachtman-No. You would have to put the load onto the other two. We wouldn't use anything at Industrial anymore it would be coming from the feeders out of Glenwood and the south side.

DeWit-they are redundantly fed so we have feeders that are fed the same thing out of both of these. So, we don't need to go through, we don't need to feed the switch gear that's in Industrial. Wachtman replied correct. DeWit-are these multi-switch gear or is it one big switch that put it on the main line?

Wachtman-there are three feeders with a breaker out of each station. There is only one breaker coming from the transformers.

DeWit-we can carry the load on the two smaller ones for how long?

Wachtman-what is your risk level, you can put the load there indefinitely. What it does is now your exposure DeWit-we would not do that indefinitely. Industrial has the biggest load, if we drop the capacity of that load 100% we can still pick up the load for the whole entire facility? It would probably depend on whether it is hot out, our load will vary.

Clapp-the scenario we have is, as we grow and get more businesses may not be able to carry that load for very long. If you overload one, then you are down to one transformer and two-thirds of the City is out.

DeWit-I'm not saying we would not do anything. I want to understand the total risk we are looking at to determine what kind of necessity you have to go into action right away. If it looks like we can build one big one and then get the other ones online as we go. If we can pick up Industrial, we sure can pick up the south end substation, that is the one with the least load. Basically the one you feel has the highest risk is the Industrial Substation and that is the one you wanted to push first.

Wachtman-correct. DeWit-it has the biggest capacity? Wachtman-Yes and No, it has the most going on because of the generation we pump through there. DeWit-what is the capacity rating? Are they all rated the same?

Wachtman in capacity they are all rated the same, it's how we load them. Ours are all 15 MBA. DeWit-ours are all rated 15 MBA capacity. Are we going to stay with all 15's or are you going to 20 MBA on Industrial?

Wachtman said that was discussed. We are comfortable with 15 MBA, there is an option to go up to 18 or 20 MBA. The recommendation is to stay at 15 even based on future growth. Mazur-growth used to be projected at 5% a year. Now growth is projected at .5% a year, if even that. We are seeing more of a decrease.

DeWit-the only thing that becomes critical is if you get a heavy load in and you may or may not be able to feed it very quickly. Delivery for substation transformers is usually 52 weeks at best. Clapp-that's why we want to get started on a ten-year plan.

Dr. Cordes-what is the age of the three transformers? Wachtman-they are all forty years plus. Dr. Cordes-if we were to get new transformers today would you go with copper or aluminum? Wachtman-it would be copper. They are only aluminum because it was the 70's.

Sicclair-it's probably too late to make this decision now since they are already forty years old but, wouldn't it have been a better idea to stagger them?

Wachtman-back in the 70's there was some benefit to bringing them both on at the same time but somebody had to have asked do we need to put both in today? To stagger them, even constructing them, if we could push them five years apart. They definitely didn't do us any favors back then. Even though we are trying to stagger them over ten years, it would be nice to get into the Industrial Project and maybe see if we can re-evaluate and possibly we can push it out twelve years or so to where we can have a little bit more stagger to help us out down the road.

Mazur-Northside substation is up. In that respect it is staggered. Northside is the big substation on the north side and then you have the three little ones staggered evenly apart. Dr. Cordes-we are taking more risk now because all three substations are all the same age. If we had at least one that was new with better switches and everything was upgraded, then we wouldn't be in as precarious a situation because if one of the other two go down we have the newer substation. So we'd have time to stagger the others. Wachtman-that is why Northside is in this conversation because it is a twenty-year old substation. Mazur-ten years old. Wachtman-it was built in 1999 it's almost twenty, part of it was in 2008.

DeWit-what happens to the old transformer? If it's not being rebuilt what happens to the old transformer? Does it still work? Wachtman-Yes. DeWit - why would we scrap the old transformer until the last of the transformers is changed? It can become an operating spare while we are waiting to do numbers two and three.

Wachtman-you couldn't swamp them station-to-station. You can, if you had to, Mazur-I see what you are saying, to have a functional one set aside. Don't scrap it right away.

Dr. Cordes-do these degrade if you don't have energy running through them? Is it something that can sit there without being affected? Wachtman-if it sits it will collect moisture. Dr. Cordes so if it collects moisture is there any benefit? Is there any way you can seal it to keep the moisture out? Wachtman- no.

DeWit-I just thought it would make sense to keep it around until you do the third one.

Wachtman-there is no advantage it's the scrap market. You can set on it for a year if you think the scrap prices are going to go up. There's no harm to keep it or scrap it.

Prigge asked did I miss something? We were talking about turning everything over to AMP, now we are discussing rebuilding. DeWit-there will still be the question if we use our money or use other people's money and pay them for using their money and/or we get it for free. Prigge-here we are making decisions on what we want to do. If we turn it

over to them they are going to do what they want to do, correct? We lose all control. Dr. Cordes-we can it have in the contract about what we want.

Mazur-we have a say in which product we would prefer, they are not going to cheap us, there is no incentive for them to cheap out. We are going to do the maintenance and they will pay us for maintenance. It has minimal impact. DeWit-it will still be charged to our customers. Prigge asked how does that affect our bond rating if we give everything away? They own it. Are we turning distribution over to them? Pretty soon we are a City with just parks. Mazur-I would say it affects our bond rating more by taking on more debt if we are going to do the project ourselves. We will always have the option to buy it back whenever we want and the right of first refusal. Dr. Cordes-so if you have that buy back clause, we can say we want to buy it and they would have to sell it back.

Mazur-that's why it has to be in the contract. That's the way we should want it to be, to have that option available at any time we want to buy it back for net book value. If they are going to take the time, spend the money and do all the repairs, maintenance and upgrade to the facilities to the standard we want them to, a lot of that cost will get paid back to them through the rates, which we need to go through again and we have a meeting being scheduled coming around. DeWit - we don't have it scheduled yet, we have a three-day window. Mazur-the beauty of this is buying it back at book value. Let's say we go through AMP Transmission and five years from now we decide we want to buy it back because of regulation changes. Now we get five years of depreciation and we did not have to put together any of the staff and maintenance cost and all that going into running a project. That was all paid for out of the ATSI zone rates so that's another cost avoided plus five years of depreciation we get to buy back the product at the depreciated value. How does it affect our bond rating? I think taking on the debt would have more of a negative impact on our bond rating than owning old assets.

DeWit-the question would be for the accounting side of the function, why we did not set up a reserve for it. If you can tell me the life of this is 30 years, I can build that into the rates and at the end of thirty years I have enough money to buy a new one.

Mazur- In hindsight, that would have been sound planning. DeWit-I can't believe we didn't do that; but no one in the whole industry is doing it? Prigge- that is what is happening right now in the water. Now the water plants have to have an asset management plan reserving money for replacements. It's coming in a few years to wastewater. They wanted to spend money in other places, now the EPA is forcing Mazur interjected they wanted to keep rates lower. They didn't want to sock away money and raise rates. Dr. Cordes-Now stuff is getting so expensive they have to start planning. DeWit-we have robbed electrical a whole bunch of times. How much is in our reserve now, \$4 million? Mazur-there is an operating reserve and then there's the development fund. I think the combination is probably in the DeWit commented it should be four or five million dollars, right. Mazur-I think it's around the six million-dollar range. After we close the year out we will have a better number. DeWit-we wanted enough money in case of a sudden/catastrophic event we wanted to have enough money on hand. Mazur-personally I think we should be in the eight-million-dollar range in both of those funds. DeWit-we were at four million when we started a long, long time ago. We have lent out millions of dollars out of that fund. Whenever we had a new toy or a development we needed to develop. It was the electrical fund that paid for it because they figured it would bring new customers. Then we managed to put back in what we took out. Mazur-let me get back to you when we have the actual numbers we have in reserves in those two accounts. I know we did take a hit in the previous year because of the purchased power cost. When the hydros kicked on our cost of purchasing power went way up and we did not account for that big of a swing. So we were down plus we did pay off the solar field debt with that funding. That was almost 1.9 million dollars of debt we paid off. We did that to reduce rates, it was marginal, but it was something. I will get a firm answer on what we have in the reserve and can ask bond

counsel what affect this will have on our bond rating. My take is taking on debt will affect our bond rating more than not having them.

Durham-is it fair that AMP may say the clauses that you want are too sweet for the pot and we don't have any interest in picking you guys up? Mazur no, we are an AMP member. I brought it up to Ed that we want a buy back clause so we buy it back if we ever want to buy it back for book value. He did not seem to think that would be an issue. When I say we are a member community, AMP will always say this is the way it is. We work for you guys you tell us. They are not trying to bamboozle us here. We are all on the same team.

Wachtman-If there's going to be a hurdle, it would be at PJM, getting back to the RTO map, especially with the buyback clause. I know you are talking about five years from now, but there is a very real possibility here to get this project done in the PJM territory. Five years would actually be fast track. There are already 1,200 projects ahead of Napoleon. Depending on how they are categorized, to meet short term criteria it would have to be a liability factor. PJM has to want you to do this upgrade for a very good reason. If we are in the supplemental range for doing upgrades, it's a minimum five year wait because they want to build those in the rates. Say we are asking for 3.6 million for one, they are going to want to feather that in.

DeWit-is PJM or AMP going to own these transformers? Wachtman- AMPT would be the transmission owner. DeWit-does AMP or PJM write the check? Mazur-AMP would just like they did with Northside. DeWit-AMP is going to write the check if PJM tells them to. Mazur-No, AMP is going to write the check. The get a third party that says this is the net book value, they submit that to PJM and PJM says yep.

Wachtman-Once AMP buys it, they cut the check they are now the transmission owner. As the transmission owner, they go to PJM and say I have a good project in Napoleon, I'd like 3.6 million dollars to upgrade the Industrial Substation. Here's my application let's get this ball rolling. PJM is going to say great you are in our territory, you are a transmission owner, take it at 12:01. You are evaluated based on your application.

DeWit-What's the impact to PJM. Mazur-they do like a baseline analysis. They have baseline projects and supplemental projects. Supplemental projects are meant to be more on an emergency basis. That's the kind of stuff we are fighting.

DeWit-we might get pushed ahead of the line if we say there is nothing on the south side of the river with lights on. Mazur-They are turning out projects. There's a certain time period where they have to approve of these. DeWit-how did they get 1,200 back up if they are turning them around. Wachtman-they are submitted from all over the PJM territory. This is not the same vehicle how we sold the north side and right away there was this rate recovery. From day one AMP was making money, with this as a supplemental project, there's an application and waiting period. Mazur-but they will be recovering money. Wachtman-No. Mazur-Yes, because when they buy it they have it submitted in their rate. Wachtman-AMP does but this project to get it in as a supplemental in the PJM rate it's a five year wait. Mazur-well I'm not trying to sound contradictory here, but AMP has been loaning AMP Transmission money to get these projects going to purchase assets and to build projects. Knowing that when its built into the rates, so there won't be that pause so to speak. Because they are going to be borrowing money from AMP to start these projects. They are borrowing money from AMP to buy them and then assigning them as integrated transmission and then getting the rate recovery for when they purchase them. It's not like PJM is paying them 3.6 million dollars to go rebuild a substation. Wachtman-if you were to get the free money, that is the scenario. PJM would, like they did at Northside, it's a rate recovery right now and this would not do that. If it's not our debt, it is going to be AMP's debt until they can get it back on PJM's plate. DeWit-If and when PJM says yes. Wachmen-right. There's a lot bigger hurdle with PJM. When AMP takes this to PJM DeWit said it takes five years to build it or we can build it tomorrow do we worry how we get AMP paid, do we have five years to worry about that or does AMP start charging us right away? I'm thinking AMP is

going to want their money back. Mazur-they are not. It is going to go back to the rate recovery. We are not paying AMP Transmission anything. They are going to pay us for the assets and they will pay us to maintain those assets. DeWit-they will charge us an increased rate for transmission. Mazur said they are not going to charge us anything. AMPT will not charge the City of Napoleon anything. DeWit-can we have them sign something like that? Mazur-I know, it sounds too good to be true, they did it with the Northside substation. Are they charging us anymore? No, but they paid us a million dollars and they are paying us to maintain the equipment. In the ATSI zone everybody is paying for any improvements and purchases of transmission equipment that a transmission owner makes. It is rolled into the rates. Remember all the metal poles that were replaced on Road 11. That was a transmission project and everyone in the ATSI zone is paying for that. It's socialized.

DeWit-nobody paid for our transmission line that came from high voltage gym. We paid for that ourselves. Mazur-that's correct because we own it. Wachtman from Northside into Napoleon, that would be a different voltage level. At 69kV that would not be on the radar for transmission. When they say transmission, it's above 100kV.

First Energy submitted Road 11 as a supplemental project. So they just had to prove to PJM, it was not transmission. That's the big difference between Northside and Industrial. Northside is straight up transmission, we are connected at 138kV. We cleared all sorts of hurdles by being that high of voltage. By being at 69kV that is what makes it supplemental. There are longer recovery periods and different procedures. DeWit-when was Northside built? Clapp-in 1999 then the second transformer was added after that. Wachtman-there is only so much that relates between Northside and here so just be very careful how many parallels you draw between the two. Mazur- that is a federally regulated transmission line. The question is, why are they allowed to consider the 69kV substations as transmission? It's because they are interconnected. Another point I want to make sure we are all clear on, we are talking about starting with Industrial Substation. That one is actually connected to the First Energy 69kV transmission line. So they can consider that integrated transmission even though it's not federally under the NERC regulatory umbrella where they have to do the reporting, there is no compliance piece to it other than normal distribution compliance we have to do now. In order to move on the other ones, they would have to integrate, own those other 69kV lines to the other substations. That's why going through this process it's important to remember that there are different options here. We can do it all at once, we can do it one substation at a time as needed as they get rebuilt just know the transmission line, the 69kV lines in-between would need to go with it to be integrated. DeWit-now they are going to own the three substations. We own the line going between it. Wachtman- if you do not own a station you cannot own a line. DeWit-so the lines between won't be ours either. Mazur-there's a connection from Industrial that is still connected to that transmission line heading out. Wachtman-that 69kV we already paid to build you can't own the middle points without selling in-between. DeWit-so all three of the substations they are going to own all three pieces and they are going to buy back the wires that run between the three? Wachtman-they would have to buy the 69kV system that includes the wire. DeWit-they pay us for that too? Mazur-yes, that is integrated transmission is rate recoverable. DeWit-who determines how much of that needs replaced, if any? Mazur-I don't think anything needs replaced, they need to value it at netbook value. They pay for it and that cost is spread out. Since the Industrial Substation is tied to the First Energy line, they would be able to own and tie to the substation, right. First Energy has their own substation and line coming in? Clapp-there's not transformer there, it's a tie point into the 69kV line that feeds Campbell Soup. Mazur-we will get clarification. We can piecemeal, transfer one substation and see how it goes and then move on. DeWit-if you do that who owns the 69kV feed then? They are basically buying the 69kV. Mazur-only what they need to consider it integrated. The Industrial Substation is connected to the 69kV feed that comes in from First Energy. Clapp-that was our original

feed before we built the 138kV at Northside. DeWit-you mean the old one with steel poles and we tore down the poles. We haven't pulled from that since we built the Northside. Mazur-we haven't but if they are a transmission owner that electricity still comes through there. That 69kv feed, I know we are getting into the weeds here. DeWit-no we aren't getting into the weeds, we were told that they would not give electric backup electricity from that line. Wachtman-they still won't, you can't run the City off of that. DeWit-and they told us flat out that we should not use that as backup because they were not going to supply us and consider that a backup. We hadn't bought any power from them on that line for twenty years now. Wachtman-it shows the connection on paper but what they can't see is the loadability of the line but on paper it's the interconnection. DeWit-but it is connected? Wachtman-yes. Clapp-it's an open breaker it could give you power if you wanted it. DeWit-it's a connection but it's not connected. I have another question, if they own the substation then who owns the backup to the substation? We are buying generators we've got diesel generators. Mazur-those are part of our JV units. The JVs were there before they were actual AMP projects. AMP owns the solar field but the members own the units. There are two gas combustion turbines on Commerce, there are three diesel generators on the back of the building and they were three generators off of Riverview that have been removed. DeWit-we have the ability to turn them on if the lights go off. Mazur-we would hope they would come in and do black start. DeWit-that was part of an agreement when they were put in there. You have full confidence they would come do and do it? Wachtman-yea. Mazur suggested having a conversation with them. DeWit-AMP is slowly working into this, we are second. Mazur said we are the first. Bowling Green has a construction contract, there are 22 other communities looking to get into this. The list is growing. They do not have enough people to evaluate all the projects. Dr. Cordes-if we do it we are going to want to do it sooner than later. DeWit-that's what everyone wants. Mazur-that's what they do want and that's what they are doing right now. You are talking about socializing the cost over a large footprint. DeWit-and everyone wants to use OPM. You are paying a percentage and it's such a tiny percentage we don't care. So in essence if we can get all three, I would agree if it works. Mazur-and they are going to pay us to do the maintenance. DeWit-eventually our distribution costs will go so high, it will save on generation costs. Mazur-that's what we have been fighting in Washington. We are getting into the game. We've been paying for First Energy and everyone else's and now is a chance for us to socialize our cost. AMPT will not take projects unless they can get rate recovery, that's the whole objective. If AMPT does not get a rate recovery, then we have to hussle and start the engineering of the project and do it ourselves. Siclair-if we do it ourselves we can start right away. If we go through AMPT we have to take whatever amount of time we take to make a decision and then we have a five year wait or so. Mazur-I would make that statement I would have AMP Transmission representatives make that statement. Wachtman-the only way they can get around that and this would be up to them, is to have the bank roll with their money. If you want the free money it's a five year wait, that's right on the PJM website. Like Mazur said if they are willing to say *I know this will get approved, I'll bank roll the 3.6 million and get paid when the project is approved* but that's on them. Our favorite way is free money, AMPT's favorite way is rate recovery. Mazur added which is getting paid back plus 10%. Siclair-it's in our best interest to be quicker than slower, what do you suggest we do? Mazur suggested we have AMP come in next month for discussion. If want to do with full Council and BOPA we can do that however you want to do.

Electric Department Reports

Clapp passed out the Electric Department Reports from December 2019. Due to the time, he stated if anyone has any questions to contact him.

Update on WWTP Phase I Improvements Project

Mazur stated we are under Findings and Orders from the EPA to comply with certain items. Displayed on the screen is a compliance summary that we renegotiated with the EPA. There was an estimated 31 million dollars of sewer projects removed from the LTCP. The five projects that are still on the Long Term Control Plan (LTCP) list includes: **Williams Pump Station**, estimated cost 1.5 million dollars, and is under construction now. **VanHynning Pump Station Replacement Project** estimated at two million dollars. DeWit asked where is VanHynning? Mazur replied that is on Riverview by Automatic Feed. **East Washington Street Interceptor** was added. Mazur said we wanted projects in the LTCP that would help with operating the collections system. The pump stations are aging and starting to have issues.

Glenwood SSO rather than having the sewer overflow to the river, the overflow will go back into the sewer interceptor and feed back down the line into a combined sewer.

Haley SSO this one will dump into another combined sewer rather than dumping into the river and later on will close.

Wastewater Treatment Plant (WWTP) is a 12.5 million-dollar project.

We have been cleaning and televising all the city sewer lines. This is a ten-year project that spot repairs and replacements that need to be made. The goal is to have no overflows but in older cities with older systems that is not feasible. We are at a 98% collection rate. There will always be overflows at the plant as we will always have those *what if* scenarios. DeWit stated the main part of City the sewers are 30' deep. Mazur replied that is why it is important to have the WWTP in the LTCP. We are now eligible for different loans at a low percentage and are also eligible for grants. We will be actively pursuing low interest rates and grant money for the WWTP. That project is needed. East Washington Street was added to the schedule. There is a bottle in the downtown at Reiser Street. It's an 18" line, there are a lot of sewers that surcharge back and bottlenecks right at that spot. The design phase of the WWTP is well underway with Jones & Henry. I would like to have this as a standing item on the agenda. The WWTP is an old facility and things are starting to break down.

We cannot not digest sludge properly and have to landfill until we get the digesters rehabbed. The headworks are being rerouted. Just the cleaning digesters is a \$750,000 cost. The WWTP has not been maintained in the way operating specs would suggest. The WWTP is deferred maintenance. Budgeted for this year is a rate review with Courtney and Associates. The last time we looked at sewer rates was in 2017. At that time Courtney had old Long Term Control Plant information and the Water Treatment Plant was estimated at 11.5 million dollars, we are now at 12.5 million for that project. There is a lot of underground piping and is a safety factor to identify where things are and to have things flowing properly. The WWTP is old and has had processes added. Dr. Cordes asked if there is a better solution for ACH? We are getting so much ACH from the Water Treatment Process. Mazur replied the cheapest and best solution is to treat it at the WWTP. Siclair asked if the Haley Project is the same as Park Street? Mazur said that is in the same vicinity and it might be added onto the Park Street Phase IV project. It would make sense to combine the two projects into one. Prigge asked if this was due to permit modifications or NPDES permit? Mazur said it's from two years of permit modifications that drug out to a new NPDES permit. DeWit asked if there will be a press release stating we dodged \$31 million additional projects that the EPA wanted us to do? Mazur said really, if you total is all up is like \$20 million and that does not include the WWTP. DeWit asked if negotiations with Liberty Center are looking more favorable? Mazur responded will see when we have a meeting with them. Their contract expires soon and both sides want to see something that mutually benefits both.

Refuse Collection Rules

Comadoll pointed out over the years we have charged our citizens an outrageous amount for picking up garbage. That fund is healthy and I would like to propose instead of one bag, we have a two bag system. Everyone is putting out two, three, four bags. I don't know how much that would hurt the bag and tag system. Mazur said we have

estimates saying we'd lose of 75% bag tags that the revenue would drop down to \$12,000. We could see an uptick in tonnage, there'd be more trips to the landfill and uptick rates could increase also. Overall, we estimated a \$25,000-\$40,000 increase in more expenses, depending on the year. The recycling contract fee went up three years ago, that contract is now up. Glass has been eliminated from recycling. Our recycling volumes have come down. Recycling is not profitable, anymore. The amount of tonnage collected in garbage bags has went up. Overall we don't think there'd be a big impact on operational cost, we do caution even though we have a healthy balance in the sanitation fund. If the rates go up, we'd have to account for that and we'd also have to account for any increasing rates for recycling. There is no guarantee we'd see an increase in fees we have to pay for. Will it impact the operational costs and the bag and tag collection? We could see an increase in tonnage and we may have more recyclables being thrown away. Fees going up will have an impact, the operational cost difference and bag and tag collecting increase in tonnage. People may start throwing more recyclables away and tonnage will go up. DeWit stated no one wants recycled products anymore. Prigge asked what is the policy? Our neighbor puts out ten bags without a single tag and all are picked. Mazur said the policy is on our website. Comadoll explained the driver is to be recording that and turning it in and they are to be charged. Mazur said they are charged. One bag without a tag gets you charged \$4.00 for that bag. If you have two or more extra bags that charge is \$5.63 cubic yard. Prigge stated as long as rates doesn't go up I'm happy. Dr. Cordes said the rates are going to be going up and we will be put in a position we have to try to catch up. Mazur noted at \$25,000-\$40,000/year of operating expenses and in terms of years that would put us having to take a look at rates in another 10-15 years. As long as there no major industry changes or we have to do away with recycling. If tipping fees and recycling rates go up, that time will start to shrink to adjust rates. One bag was allowed to encourage more recycling, now recycling is not profitable. Durham stated he likes idea as long as rates will not be affected. Siclair noted her concern is that it would encourage more garbage. If you can put out two bags a week, will you? Probably. What would it take to reduce the fee or our general fee? Comadoll said our fee has been in place for a long time we have not increased anything since 2008. Mazur said we have a healthy reserve and balance. We do have to buy another truck probably within the next couple of years and that cost could be \$250,000 - \$280,000. You can table this and at the next meeting we should have the year-end numbers. I can put together a model and analyze what rates will bring in and what we think the extra bag will do. Comadoll asked if there any chance recycling will get too expensive for us to do? Mazur replied there's always a chance. We will look at adding a bag and also look at reducing the fee. Comadoll noted he spoke with a detective. Since we get money off recycling from unlimited pickups we need to have the Police Department site people going through junk. Last period our metals were down along with trips to recycling. When I worked we got more in one day than we did in one year. People are out junking. We need to have them enforce the policy.

Motion to Table Refuse Rules

Motion: Prigge
to table Refuse Collection Rules

Second: Dr. Cordes

Passed

Roll call vote on the above motion:

Yea-3

Yea-Dr. Cordes, Prigge, DeWit

Nay-0

Nay-

Other Matters

None.

Motion to Adjourn BOPA Meeting

Motion: DeWit
to adjourn the Board of Public Affairs at 8:13 pm

Second: Dr. Cordes

Passed
Yea-3
Nay-0

Approved

February 10, 2020

Roll call vote on the above motion:
Yea-Dr. Cordes, Prigge, DeWit
Nay-

Michael J. DeWit-Chair

DRAFT

City of Napoleon, Ohio

**MUNICIPAL PROPERTIES, BUILDINGS, LAND USE, AND ECONOMIC DEVELOPMENT
COMMITTEE**

MEETING AGENDA

Monday, February 10, 2020 at 7:30 pm

LOCATION: Council Chambers, 255 West Riverview Avenue, Napoleon, Ohio

- 1) Approval of Minutes: January 13, 2020 (In the absence of any objections or corrections, the Minutes shall stand approved)
- 2) Murals within the City
- 3) Any other matters currently assigned to the Committee
- 4) Adjournment



Roxanne Dietrich

Executive Assistant to Appointing Authority/Clerk of Council

MUNICIPAL PROPERTIES, BUILDINGS, LAND USE, AND ECONOMIC DEVELOPMENT COMMITTEE

MEETING MINUTES

Monday, January 13, 2020 at 7:30 PM

| | |
|--|---|
| PRESENT | |
| Members: | Jeff Mires-Chair, Jason Maassel, Lori Siclair |
| City Manager | Joel Mazur |
| Executive Assistant to Appointing Authority/Clerk of Council | Roxanne Dietrich |
| Others | Brian Koeller-Northwest Signal Jerry Tonjes |
| ABSENT | |
| Committee Member | Joseph D. Bialorucki |
| Call to Order | Mires, Chair of the Municipal Properties, Building, Land Use and Economic Development Committee called the meeting to order at 8:15 pm. |
| Approval of Minutes | Hearing no objections or corrections, the minutes from the November 11, 2019 meeting stand approved as presented. |
| Murals on Downtown Buildings | <p>Mazur started there has been a lot of talk about murals being put on buildings and on exterior walls specifically in the downtown. There has been artwork painted on walls here in Napoleon in the past. One in particular was the one by Spenglers that is not there anymore. The point is, since we do have someone that would like to put a mural up, we do not have a committee to review and our code does not address murals. The sign code addresses signage for advertising but not murals. I'm bringing this up to you to make sure it is done properly to make sure people are not caught by surprise. We do not have anything on the books to address if someone was to put up a mural that is either offensive or something. Is this committee interested in being the review committee for murals or do you want to set up a review committee for murals? Just in case it does come up. There would be verbiage and definition rules and responsibilities of the committee. I know Jerry Tonjes has a mural he wants to put up on his building. Do you have anything to say? Tonjes voiced his displeasure that you are now changing the rules and regulations when I am close to having the mural put on my building. The cost is \$10,000 with \$7,000 raised and a \$5,000 grant from the Ohio Arts Council. The last time I came to the City and asked <i>what do I need to put mural on side of my building?</i> Zimmerman was still here and told me I needed a sign permit. Now I have to go through a review to make sure this is correct? I have an artist hired. We are first on his list to start in the spring. Now there is all of these rules. I'm beside a church and showed it to that church council and they liked it and asked what they could do to help get it on the building. I'm looking at the economic part to help the City. The artist informed me the impact of people following his murals and him is huge. Will it benefit me no, it's just on the side of my building. If you</p> |

make this too complicated people will just say *no*. Mazur said we appreciate you coming here Jerry. I have seen the mural and it looks good me. My point of bringing it up is to make sure there is a review of murals going up in case something offense goes up. Siclair stated if Emmanuel was in favor I don't know why you are concerned with a committee looking at it here. You have the City's best interest at heart; but, I don't know that everyone would. To come in and say you have Emmanuel's blessing and the mural is not offensive to the general population of the City I don't know that is adding another layer. Tonjes said it is you have to go to the committee, I've already asked Mark Spiess and Tom Zimmerman what do we have to do. Maassel asked, you don't want to go to Council and say here's the mural I want to put up? Tonjes said he sent a letter to the City about a month ago. Mazur replied he didn't see that. Mires cited he saw design at the presentation to Napoleon Alive. Mazur said that is why this is on the agenda, it came about Napoleon Alive is looking at doing murals. Siclair said we talked about this two years ago. Mires expressed he did not find the mural offensive in anyway. I can guarantee you will not have a problem getting the mural approved. Maassel asked if Tonjes could send a rendering of the mural and it will be presented to Council at the next meeting. We want to make sure everyone agrees with what it is. To have this committee take a quick look at it and then recommend to Council is that too much red tape? Siclair did not think so. Tonjes said if we can present it to you is fine but don't put any rules and regulations. Mazur explained the purpose of the committee and council is not to get into the artistic design. Their purpose is to make sure the design is not offensive or an advertisement. Tonjes agreed then. This committee could stop a mural in its track Maassel continued if it is offensive or a majority of advertisement. Mazur said for instance the 7Up logo painted on logo is more historic than advertisement. Tonjes stated people who donate money may want some type of acknowledgement, is that advertising for them? Maassel said you could call it a Wildcat painting in the middle of downtown since 1981 an advertisement for Napoleon Area Schools if you want to get technical. If you come and it is mostly advertising or offensive to many people, it's not going to pass. We can stop it right here. Tonjes totally agreed with that. I warned the church from what the artist has been telling me your parking lot will be utilized more with people stopping and taking pictures. It is a proven fact in a study and they were totally fine with that because it is helping the downtown area. We are hoping its brings business to town, let's give them a reason to stop rather than just driving through. Siclair said I think it just beautifies the city. Tonjes said they are working on two other projects with the State of Ohio Arts Council and we are up for another grant. Siclair clarified I would like it to be coordinated, there needs to be some knowledge ahead of time because people can take advantage saying of its my building or it's my property and we can end up with a mess. It may not necessarily be offensive but not the image we want to project. Does that seem like too many rules? Maassel suggested taking them on a case-by-case basis. It should stop at this committee and if we approve then it goes to full body of council. I don't know if we will stop a mural from going up. I don't know if we'll slow people down from doing it. Mazur asked Tonjes how long has he been planning doing this? Tonjes replied for ten years. Mazur said these don't happen overnight. Tonjes said the

**Motion Muni Prop
Comm. Review
Board for Murals**

Passed
Yea-3
Nay-0

Other Matters

Motion to Adjourn

Passed
Yea-3
Nay-0

Approved

February 10, 2020

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Understanding the First Amendment Limitations on Government Regulation of Artwork

Vol. 40 No. 2

By Brian J. Connolly

Brian J. Connolly is an associate with the Denver, Colorado, firm of Otten Johnson Robinson Neff + Ragonetti, P.C.

This article is adapted from portions of "Chapter 4: Government Regulation of Art and Architecture" in the forthcoming book Local Government, Land Use, and the First Amendment: Protecting Free Speech and Expression, edited by Brian J. Connolly and published by ABA Publishing. The book will be released in 2017.

Local government control of art¹ arises frequently: for example, in the regulation of murals as a form of outdoor signage or advertising, in graffiti abatement, or in government selection of artwork for display in public parks or public buildings. These controls present many familiar First Amendment concerns. Because art has been characterized by the courts as a form of First Amendment-protected speech, regulations pertaining to artwork must be content neutral, contain adequate procedural safeguards, and may not be unconstitutionally vague. Artwork differs from other forms of speech, however, particularly signage, in one critical respect: in the case of artwork, the medium is commonly the message. While a written message on a sign could theoretically be conveyed regardless of the height, size, location, color, materials, or brightness of the sign structure, artwork is different. In many cases, the size, orientation, color, or materials comprising the work are of critical importance to the piece's communicative intent. Thus, while local government aesthetic regulatory interests are implicated in the regulation or control of art, the appropriateness of aesthetic interests in regulating artwork is debatable under the First Amendment.

While the First Amendment broadly applies to artistic media, First Amendment concerns regarding the regulation of architecture are still in an antenatal state. Few court cases have considered First Amendment challenges to local design review requirements, building design mandates, or ordinances that restrict the extent to which buildings may look similar or different from one another.

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Because First Amendment protections have generally expanded since the Constitution was ratified, First Amendment challenges to architectural controls may increase in the coming years.

This article reviews First Amendment issues associated with regulation of artwork. The government practitioner, however, should review the First Amendment doctrines applicable to regulations of all forms of speech, such as content neutrality. The case law pertaining to local government controls of artwork and architecture is actually quite sparse. Cases generally applicable to speech regulation and, as discussed further herein, the government speech doctrine and public forum law, provide additional guidance in this area.

Forms of Local Government Regulation of Art and Architecture

Local governments regulate or control artwork in myriad ways. On private property, art regulation frequently arises via zoning codes, sign regulations, and nuisance abatement controls. Murals, paintings, and other two-dimensional works of art located on private property and that may be affixed to building walls, on signposts, or elsewhere are frequently regulated specially as “murals” or other forms of artwork, or as a form of signs under local sign regulations. Three-dimensional works of art located on private property, including sculptures or statuary, may be regulated by zoning regulations that restrict the placement or size of structures, or by building or fire codes. Additionally, artwork may be regulated by local governments pursuant to their general authority to regulate nuisances; for example, many local governments prohibit graffiti and other nontraditional forms of artwork under their nuisance control codes. In some circumstances, nuisance regulations such as those prohibiting the location of trash or junk cars on private property may limit displays of artwork. Some local governments completely exempt works of art on private property from regulation under zoning or sign codes.

Similarly, local governments may have ordinances or other laws controlling private individuals’ use and placement of objects, including artwork, within public property. Local governments may also control artwork on public property through procurement and selection processes for art displays in public buildings. Some local jurisdictions have additionally initiated programs that *require* public art, or cash payments into public art funds, in connection with private development applications. Some such ordinances require review of private developments’ public art installations by local art committees. Additionally, recognizing the benefits of publicly-accessible art, many local governments have adopted “percent-for-art” ordinances, requiring that governmental expenditures on public works include public art.

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First Amendment Application to and Protections for Art

Courts frequently err in favor of affording artists' subjective viewpoints significant latitude in determining the First Amendment's application to artwork.² Music, theater, film, and visual art—including paintings, prints, photographs, and sculpture—as well as several other forms of expressive conduct, including tattooing, have been found to merit First Amendment protection.³ One court observed that "[v]isual art is as wide ranging in its depiction of ideas, concepts and emotions as any book, treatise, pamphlet or other writing, and is similarly entitled to full First Amendment protection."⁴ A particular work need not be immediately and obviously identifiable as a work of art, i.e., it could be fairly abstract, to be protected.⁵

The scope of First Amendment protection for artwork, while expansive, is not boundless. The same carve-outs from First Amendment protection applicable to other media of speech, including for obscenity, fighting words, and incitement, exist with respect to artwork. The First Amendment does not protect obscenity.⁶ The Supreme Court has defined obscenity as "works which, taken as a whole, appeal to the prurient interest in sex, which portray sexual conduct in a patently offensive way, and which, taken as a whole, do not have serious literary, artistic, political, or scientific value," as determined by an "average person, applying contemporary community standards."⁷ The foregoing test does not provide bright-line clarity as to what types of artwork are obscene for constitutional purposes. The Supreme Court has found "hard core" pornography⁸ and child pornography⁹ to be outside of the scope of First Amendment protection, but courts have struck down local ordinance limitations on speech and expressive conduct as they related to poetry with a sexual content,¹⁰ pornography that may be understood as degrading toward women,¹¹ depictions of animal cruelty,¹² virtual depictions of child pornography,¹³ films or artwork in which obscene images are paired with non-obscene material, and parody material.¹⁴ Artwork that depicts nudity, violence, or thought-provoking portrayals containing sexual content is not likely to fall outside the scope of First Amendment protection. But, to the extent art exhibits material of a vulgar, pornographic nature, it may not enjoy First Amendment protections.

As with artwork of an obscene nature, artwork containing elements of "fighting words," incitement, or defamation also falls outside the umbrella of First Amendment protection. When a work of art is intended to counsel viewers toward criminal violence, it may lack First Amendment protection. But, when an artist does not intend for her work to provoke unlawful action, and when the risk of such unlawful action is not great, the work would presumably be constitutionally protected.¹⁵

An artist's free speech rights may be limited additionally by state common law limitations on "verbal torts," including defamation—slander or libel—as well as torts such as intentional infliction of emotional distress.¹⁶ Specifically, when defamatory speech is on a matter of private concern and involves private individuals, the First Amendment generally does not protect the defendant speaker.¹⁷ Conversely, when speech critical of another relates to a matter of public concern¹⁸ or when such speech involves a public figure,¹⁹ the speaker may have a First Amendment defense against a tort claim. Thus, artwork that criticizes a public figure or addresses a matter of public concern would likely carry First Amendment protections that would be unavailable if the work criticized or parodied a private individual on a matter of private concern.

While the foregoing exceptions relate to all speech, another exception to First Amendment protection pertains specifically to artwork. In recent decades, courts have established boundaries between art meriting First Amendment protection and commercial merchandise that is not protected speech.²⁰ Many of these cases arise in the context of street vendors of clothing or other souvenirs that claim that local licensing requirements interfere with protected speech. Commercial merchandise lacking "a political, religious, philosophical or ideological message" falls outside the scope of the First Amendment's protections.²¹

However, artwork does not lose its First Amendment protection simply because it is commercial in nature.²² Commercial speech receives First Amendment protection, albeit less than noncommercial speech.²³ Commercial speech has been defined by the Supreme Court as "expression related solely to the economic interests of the speaker and its audience,"²⁴ or speech that otherwise proposes a commercial transaction.²⁵ Art in the form of commercial advertising, which bears the logo or trademark of a particular business or firm, or that otherwise proposes a commercial transaction, retains First Amendment protection.

First Amendment Limits on Regulation of Art

The First Amendment's application to specific works of art is based in large part on the ownership—public or private—of the underlying property where the artwork is being displayed. Regardless of whether artwork is displayed on public or private property, developing code definitions that meet First Amendment limitations is the most important and difficult task in regulating artwork. Many local regulations contain definitional distinctions between signage and artwork. Because it is almost impossible to distinguish between signage and artwork without reference to the content of the message, these provisions defining artwork are likely content based and may be legally questionable following *Reed v. Town of Gilbert*.²⁶

Art on Private Property

Artwork on private property that is subject to local regulation typically falls into two categories: two-dimensional artwork such as wall murals or signage displaying murals or paintings and three-dimensional artwork such as sculpture or statuary. Graffiti is another form of artwork that frequently occurs on private property.

The First Amendment doctrine relating to regulation of artwork located on private property mirrors the doctrine associated more generally with signage on private property. In reviewing local regulations applicable to art, courts will generally look first to whether a regulation of noncommercial artwork on private property is content and viewpoint neutral,²⁷ and if so, whether it is tailored to serve a significant governmental interest and whether ample alternative channels of communication are available.²⁸ If the regulation is content based, strict scrutiny applies, requiring a compelling governmental interest and least restrictive means of achieving that interest.²⁹ For commercial works, courts apply the *Central Hudson* test requiring such regulations to serve a substantial governmental interest, directly advance that regulatory purpose, and not restrict more speech than is necessary.³⁰

Other concerns that might arise in the regulation of artwork on private property include whether the regulation effects an unconstitutional prior restraint,³¹ or whether the regulation is vague³² or overbroad.³³ If a local regulation is content based, the government has failed to establish a substantial regulatory interest, or the regulation is not appropriately tailored to the regulatory interest, it will most likely be invalidated.³⁴ Similarly, if the regulation does not provide adequate procedural safeguards, such as a concrete review timeframe, or if the regulation leaves administrative officers with unbridled discretion to approve or deny the display of certain artwork, the regulation may be an unconstitutional prior restraint.³⁵ Moreover, if the regulation is vague or overbroad,³⁶ or if the regulation suppresses too much speech,³⁷ it may also be found unconstitutional.

Avoiding Content Bias: Definitions and Other Problems.

Content concerns arise in many areas of art regulation, but the most common problems relate to definitions of “sign,” “mural,” “art,” or “artwork.” In *Neighborhood Enterprises, Inc. v. City of St. Louis*,³⁸ the owner of a mural protesting alleged eminent domain abuses by St. Louis, Missouri, challenged the city’s enforcement of its sign ordinance against the mural. The Eighth Circuit held that the city’s definition of “sign,” which exempted from its definition all flags, civic crests, and similar objects, was content based because the code’s application to the mural rested on the message of the mural.³⁹ A similar problem arose when the Norfolk, Virginia, sign ordinance exempted from regulation “works of art which in no way identify or specifically relate to a product or service.”⁴⁰ The Fourth Circuit found, “On its face, the former sign code was content-based because it applied or did not apply as a result of content, that is,

‘the topic discussed or the idea or message expressed.’”⁴¹ The court went on to find that the city’s differential regulation of works of art was not narrowly tailored, since artwork could have the same detrimental impact on community aesthetics or traffic safety that garish signage might have.⁴²

Case law also provides an example of content neutral treatment of artwork. In *Peterson v. Village of Downers Grove*,⁴³ the court upheld a local government’s ban on “painted wall signs.” The court found the ban content neutral because it did not contain references to the message on a given sign.⁴⁴ *Peterson* is instructive for local governments regarding the need to establish code definitions that do not create content based distinctions, particularly in the arena of regulating artwork on private property. After *Reed*, it will be challenging for a local government to distinguish between, say, a “mural” and a “sign,” or between a “sculpture” and a “structure,” in a content neutral manner, although it may be possible to identify specific media of artwork in the same manner as was done in *Peterson*.

Content neutral regulations of artwork should focus on the non-communicative aspects of the artwork. Examples of content neutral regulation of art include regulating the size, height, placement, or lighting of works of art.⁴⁵ Unlike with signage, however, regulating some of the locational aspects of art may give rise to claims of content discrimination, particularly when a particular work of art is alleged to be context- or location-specific.⁴⁶ Similarly, regulation of materials or color may be problematic, as the materials and colors used in the creation of a work of art are often central to the message of the particular work.⁴⁷ More broadly, regulating noncommercial artwork differently from other forms of noncommercial speech may violate the First Amendment. When a local sign code contains different size, height, or other display limitations on murals as compared with political signage, that code is at risk of being found to be content based.⁴⁸

Analysis of Content Neutral Regulations of Artwork. Content neutral regulations must be supported by a substantial or significant regulatory interest, and the regulation must be narrowly tailored to that interest.⁴⁹ In the context of sign and visual display cases, the Supreme Court has found both aesthetic and traffic safety significant and/or substantial as they relate to sign regulation.⁵⁰ But there is scant case law on the governmental interests supporting regulation of artwork. While traffic safety may suffice as a governmental interest for purposes of regulating works of art, aesthetics is likely less sound given that the aesthetic concerns of a local government may be at odds with the message of a particular work of art. If the government is in the business of making the community beautiful, can the government prohibit “ugly” artwork whose ugliness is a critical part of its message? A local government’s restriction on the size, height, or color of

murals for aesthetic purposes may directly conflict with the central message of a muralist's work. Similarly, whereas many sign codes regulate the placement of signs within property and with respect to street right-of-ways in order to preserve a particular community character, an artist's placement of a sculpture or mural—if the artwork is site-specific—may help to articulate the message that the artist wishes to convey with his or her work.⁵¹

Furthermore, building safety, nuisance control, and other purposes underpinning zoning and building restrictions have not been widely reviewed for whether they are significant governmental interests in First Amendment litigation. In *Kleinman v. City of San Marcos*,⁵² a Texas city had an ordinance prohibiting property owners from keeping junked vehicles on their properties. A novelty store placed a wrecked Oldsmobile 88 in its front lawn, planted it with vegetation, and painted the car colorfully with the message "Make Love Not War." After ticketing the property owner and the commencement of litigation, the city stipulated to the fact that the car planter had some artistic expressive value. The Fifth Circuit found that the car's expressive value was secondary to its utility as a junked vehicle.⁵³ Applying the intermediate scrutiny test for expressive conduct, the court found that the junked vehicle ordinance was content neutral in purpose and narrowly tailored to serve the government's interest in preventing attractive nuisances to children, prevention of rodents and other pests, and reducing urban blight, vandalism, and depressed property values.⁵⁴ While the city's interests in blight prevention and preserving property values may have had some aesthetic component, the court did not analyze whether aesthetic interests alone could support prohibiting the creative car-planter as a form of artwork.

Narrow tailoring requires that the regulation in question directly advance the interest(s) asserted by the government. In the context of artwork, problems may arise where local codes treat murals differently from other forms of noncommercial speech, and where the regulatory interests at stake are not directly served by the differential treatment.

Distinguishing Between Non-Commercial and Commercial

Artwork. When a municipal code requires a property owner to obtain a permit for a commercial wall sign, but does not require a permit for a non-commercial mural, how does one address artwork displayed on the wall of a building that contains images of products sold inside the building? Business owners often use blank wall space on the side of a building to advertise products sold inside the building, beautify the premises of their properties, or to convey non-commercial or political messages. Determining whether such images constitute commercial or non-commercial speech is rarely simple.⁵⁵

Case law provides several illustrations of this problem. When a city attempted to prohibit a fuel station owner's mural depicting "the

geography, indigenous plants, and archaeology of Mexico, [the] social advancements of the Mexican people in contemporary society as well as reflections upon a colonial period of Mexican history,” placed in an effort to beautify the property and to attract customers to the station, a California court found the mural to be noncommercial speech.⁵⁶ And when a shop that sold fishing equipment, including bait and tackle, displayed a painted wall mural depicting fish and other aquatic plant and animal species, the mural was determined to be noncommercial speech: “[A]s the evidence demonstrate[d] . . . it reflects a local artist’s impression of the natural habitat and waterways surrounding [the subject shop], and also alerts viewers to threatened species of fish.”⁵⁷

Conversely, a mural in Ohio depicting a “mad scientist” outside of a shop that sold nitrous oxide for racing cars was found to constitute commercial speech.⁵⁸ In arriving at that conclusion, the court stated, “the crucial inquiry is whether the expression depicted in the appellants’ mural either extends beyond proposing a commercial transaction or relates to something more than the economic interests of the appellants and their customers.”⁵⁹ The court found that “[t]he sign plainly is intended to attract attention to [the racing shop], which directly relates to that company’s economic interests.”⁶⁰ In another case, a Virginia pet day-care owner displayed a mural depicting dogs playing on the side of the building, in plain view of a dog park. The Fourth Circuit concluded that the mural was commercial speech because the mural was intended to attract attention of potential customers, it depicted images relating to services provided on the premises, and the owner had an economic motivation for displaying the mural.⁶¹

Courts are generally more deferential to governmental regulations of commercial speech as compared with regulations of non-commercial speech, in part because the commercial speech doctrine does not require an initial determination regarding the content neutrality of the regulation in question. But local governments should take care to define the boundary between commercial and non-commercial speech, using distinctions found in case law applicable to the local government.

Special Considerations. An area that has been mostly unexplored in case law relates to local anti-graffiti ordinances. Many local governments have taken measures to prevent graffiti, based primarily on aesthetic concerns and an interest in preventing vandalism and property-related crime. In a 2007 case, a group of graffitiists challenged New York City’s prohibitions on the sale of aerosol paint cans and broad-tipped markers to persons under 21 years of age, and persons under 21 from possessing such objects in public places, which were intended to control unwanted graffiti in the city.⁶² The Second Circuit upheld the district court’s determination that regulation was content neutral, but also agreed with the conclusion that the ordinance provisions burdened more

speech than was necessary to achieve the city's goals.⁶³ Earlier cases found similar restrictions to pass constitutional muster, although not on First Amendment grounds.⁶⁴ To the extent anti-graffiti ordinances regulate in a content neutral manner and do not burden more speech than necessary, they are likely to be upheld by courts. Local governments should beware, however, that many current anti-graffiti ordinances likely contain content based definitions of the term "graffiti." An example of a definition of "graffiti" that likely passes muster is one that references graffiti based on its unauthorized nature.⁶⁵

Another area that has received little judicial attention relates to public art programs in private development projects. Some local governments require that private development projects include public art, require dedications of money or artwork in connection with private development projects, or undergo design review of artwork. The constitutionality of these arrangements has not been fully vetted. In a case originating in Washington state, a federal district court found that the city's requirement that signs be of a Bavarian style was not content based, did not constitute forced speech, and that a design review board charged with reviewing signs and architecture in the community did not constitute an unlawful prior restraint despite having "somewhat elastic" criteria for review.⁶⁶ Similarly, the Oregon Court of Appeals held that the City of Portland's design review process as applied to billboards did not constitute an overbroad regulation or unconstitutional prior restraint due to the narrow construction of the design review board's purview.⁶⁷

Private Art on Public Property

The regulation of artwork on public property carries different considerations than artwork on private property. Two special problems arise in the regulation of artwork on public property: the sale or display of artwork on public property such as parks, sidewalks, or streets and government selection of artwork for public property, including government buildings, plazas, and parks.

Sale or Display of Private Artwork by Private Individuals on Public Property. Many local codes prohibit the sale of commercial products or the solicitation of business on public property. Some of these code provisions create express exemptions for nonprofit organizations or other forms of noncommercial speech. In cases addressing such regulations, courts first review where the property falls within the public forum doctrine, i.e., whether the property is a traditional, designated, limited, or non-public forum.⁶⁸ If the property is a traditional or designated public forum, restrictions must be content neutral and narrowly tailored to serve significant governmental interests, and these restrictions may regulate only the time, place, and manner of speech.⁶⁹ If the property is a limited public forum or a non-public forum, the restrictions must only be viewpoint neutral and reasonable, a far more deferential

standard than that which is applied in traditional and designated public fora.⁷⁰

In a 2000 case, *St. Augustine, Florida*, attempted to enforce its ordinance prohibiting “selling, displaying, offering for sale or peddling any goods, wares or merchandise” on public property, including streets and sidewalks, against a street artist displaying and selling newspapers and art that contained political messages.⁷¹ The code provision exempted nonprofit and religious organizations, but did not contain any exemption for political speech. In a cursory analysis, the court found that the artist’s visual art and newspapers were protected by the First Amendment, and found that the public property regulated by the ordinance was a traditional public forum, thus requiring the regulation to be content neutral and narrowly tailored to a significant governmental interest.⁷² Because the ordinance favored nonprofit and religious organizations over other forms of non-commercial speech, the court held the restriction content based.⁷³

Similarly, a New York City law requiring street vendors to obtain a license for the sale of items on city sidewalks was found not to be narrowly tailored or to provide sufficient alternative channels for communication.⁷⁴ The restriction capped the total number of licenses available to sidewalk vendors citywide.⁷⁵ After finding that the works being sold by sidewalk vendors were subject to First Amendment protection⁷⁶ and that the traditional public forum analysis applied to the case,⁷⁷ the Second Circuit found that the license requirement and cap were not narrowly tailored to the city’s goals of reducing congestion and ensuring clear passage on the sidewalks.⁷⁸ The court reasoned that the city could have employed time, place, and manner restrictions to ensure clear passage on the sidewalks while still offering vendors the opportunity to obtain a license, and that exceptions to the licensing cap called into question the rule’s tailoring.⁷⁹ The court also found that the restriction did not provide ample alternatives, and that the sale of artwork on the street was more accessible than sales in galleries or elsewhere.⁸⁰

To the extent local governments prohibit the sale or display of commercial products on sidewalks or other public properties, exceptions made for non-commercial speech, including non-commercial artwork, should not distinguish among forms of non-commercial speech. Moreover, an outright ban or severe limitations on the display of non-commercial artwork in traditional public fora, such as streets or sidewalks, is likely to fail the narrow tailoring part of the intermediate scrutiny test. Time, place, and manner restrictions are permissible where necessary to ensure safe passage for pedestrians along public sidewalks, or to limit traffic congestion along public streets. Additionally, where the regulation of artwork is taking place in a limited or nonpublic forum,

restrictions and prohibitions can be much broader, so long as they are viewpoint neutral.

Government Selection of Artwork for Public Property.

Government agencies, from federal agencies to local governments, often beautify public properties through the use of artwork, including murals, sculpture, and other works of art. In some cases, these works of art are commissioned by the government, and in other cases, they are selected through an artwork selection process. Generally, the government has wide latitude to choose artwork for government properties and to relocate or remove that artwork in the event the government chooses to redevelop or otherwise modify government properties.

Cases addressing questions of government acquisition and placement of artwork have generally held that artwork acquired by the government for display on public property becomes the property and expression of the government,⁸¹ or alternatively, that the government's acquisition and display of artwork creates a nonpublic forum, where the acquisition process need only be viewpoint neutral and reasonable.⁸² One court found that a sculpture located on the grounds of a federal government building constituted the expression of the government, and could be relocated freely without the consent of the artist.⁸³ That court additionally found that even if the sculpture's location had been a public forum, the sculpture's relocation was a time, place, and manner restriction because the government's purpose in relocating the sculpture was related to free passage of pedestrians on the plaza where the sculpture was located.⁸⁴ Other cases have held that government acquisition of artwork for display in public buildings or galleries creates a nonpublic forum, and government decisions to reject or remove artwork that could be offensive or critical are permissible when the purposes of the forum are undermined by the artwork's offensive or critical nature.⁸⁵

The foregoing judicial approach to government control of artwork on government property was recently reaffirmed by the First Circuit in the case of *Newton v. LePage*.⁸⁶ There, the Maine labor department sought to remove a mural from a waiting room within its offices on the grounds that the mural did not depict evenhanded treatment of organized labor issues. In its analysis, the court did not rely on the public forum doctrine, but rather on the government speech doctrine, which was articulated by the Supreme Court just three years earlier.⁸⁷ Although the court did not conclude that the mural was government speech, it nonetheless deferred to the government's choice to remove the mural and concluded that there was no First Amendment violation in so doing.⁸⁸

The government speech doctrine, which carves out from First Amendment application any speech promulgated by the government, lends additional support to local governments

engaged in the selection and ownership of artwork on public property.⁸⁹ With the adoption and expansion of the government speech doctrine by the Supreme Court, it can be expected that government decisions regarding the acquisition, display, relocation, and removal of works of art on public property will be subject to even lesser scrutiny.⁹⁰ The Supreme Court has found that donated monuments in a public park constitute government speech,⁹¹ as do specialty license plates.⁹² Given this recent case law, artwork selected by the government for display on public property is likely to be considered by a court to be government speech.

Conclusion

This article's review of artwork through a First Amendment lens occurs on the frontier of constitutional jurisprudence. Yet as First Amendment protections expand, we may be witnessing an expansion of First Amendment applicability that may sweep up previously unchecked governmental controls on artwork and architecture. Local governments are therefore advised to carefully consider how their zoning codes and other regulations affect the ability of artists and architects to speak through their work and to ensure that local efforts to make regulations content neutral and otherwise consistent with the First Amendment preserve free speech rights of all speakers.

Endnotes

1. For purposes of this article, "art" or "artwork" primarily means any form of physical artistic media, including for example, print media such as painting or photography, or sculpture, carpentry or other three-dimensional forms of artwork.
2. See, e.g., *Cohen v. California*, 403 U.S. 15, 25 (1971).
3. See, e.g., *Ward v. Rock Against Racism*, 491 U.S. 781, 790 (1989) (music); *Southeastern Promotions, Ltd. v. Conrad*, 420 U.S. 546, 557–58 (1975) (theater); *Joseph Burstyn, Inc. v. Wilson*, 343 U.S. 495, 501–02 (1952) (film); *Anderson v. City of Hermosa Beach*, 621 F.3d 1051, 1060 (9th Cir. 2010) (tattooing); *White v. City of Sparks*, 500 F.3d 953, 956 (9th Cir. 2007) (paintings); *Bery v. City of New York*, 97 F.3d 689, 695 (2d Cir. 1995) (finding visual art to be entitled to First Amendment protection on par with written or spoken words).
4. *Id.*
5. See *Hurley v. Irish-American Gay, Lesbian and Bisexual Grp. of Boston*, 515 U.S. 557, 569 (1995).
6. *Roth v. United States*, 354 U.S. 476, 485 (1957).
7. *Miller v. California*, 413 U.S. 15, 24 (1973).
8. *Id.* at 36.
9. *New York v. Ferber*, 458 U.S. 747, 764 (1982).

Napoleon, OH Code of Ordinances

CHAPTER 1138
Preservation District

- 1138.01 Definitions. (Repealed)**
- 1138.02 Creation of Preservation District.**
- 1138.03 Purposes.**
- 1138.04 Establishment of District in Zone Map.**
- 1138.05 Certificate of Appropriateness required.**
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- 1138.09 Administrative hearing procedures.**
- 1138.10 Appeal of Preservation Commission final order.**

CROSS REFERENCES

Preservation Commission - see ADM. Ch. 181

1138.01 DEFINITIONS. (REPEALED)

(EDITOR'S NOTE: See Definitions in Section 1101.01.)

1138.02 CREATION OF PRESERVATION DISTRICT.

Council hereby declares as a matter of public policy that distinctive areas of the City where structures tend to be more than fifty (50) years of age exemplify a predominant architectural style, possess historical significance, and/or portray the early development of the City collectively contribute to the economic, cultural, and educational development of the City; further, Council hereby declares as a matter of public policy that the preservation and enhancement of such historic buildings and areas in the City is a public necessity and is required in the interest of the health, safety, and welfare of the people; moreover, Council hereby declares the necessity to identify areas, places, buildings, structures, sites, objects, and works of art based upon historic, architectural, archaeological, or cultural significance related to the historical development of the City for establishment as a preservation district; finally, Council hereby declares the necessity to have a Preservation Commission and shall establish the same along with procedures for the enforcement of historic design review guidelines whereby historic, architectural, archaeological, and cultural resources within a duly designated preservation district are afforded protection from actions that would be detrimental to their preservation, enhancement, and continued use, as well as to prevent inappropriate or incompatible construction within the preservation district. Purely residential structures are expressly exempt from regulation under this chapter.

(Ord. 032-09. Passed 5-21-09.)

1138.03 PURPOSES.

The purposes of this chapter are:

- (a) To establish procedures whereby certain specified areas of the City are afforded protection from actions that would be detrimental to preserving established historic and cultural resources in the community, and to pursue the following objectives:
 - (1) Maintain and enhance the distinctive character of historic buildings and historic areas;
 - (2) Safeguard the architectural integrity of historic properties and resources within designated districts;
 - (3) Seek alternatives to demolition or incompatible alterations within designated areas before such acts are performed; and,
 - (4) Encourage development of vacant properties in accordance with the character of the designated districts.
- (b) To contribute to the economic, cultural and educational development of the City by:
 - (1) Protecting and enhancing the City's attractions to prospective residents, businesses, and visitors;
 - (2) Providing support and stimulus to business and industry;
 - (3) Strengthening the economy of the City by stabilizing and improving property values; and,

- (4) Facilitating reinvestment in and revitalization of certain older districts and neighborhoods.
(Ord. 032-09. Passed 5-21-09.)

1138.04 ESTABLISHMENT OF DISTRICT IN ZONE MAP.

The preservation district shall be established on the official zoning map as an overlay district encompassing all commercial buildings in the downtown of the City. As an overlay district, the requirements of both the preservation district and the underlying zoning district shall apply. (Ord. 032-09. Passed 5-21-09.)

1138.05 CERTIFICATE OF APPROPRIATENESS REQUIRED.

(a) Within the boundaries of any preservation district established, a certificate of appropriateness shall be required from the Preservation Commission, regardless of any other rule, regulation or law governing the same or similar matter before any owner of property used for commercial purposes may receive a zoning permit or commence work for any proposed construction, reconstruction, alteration, replacement, repair, modification, or demolition of a structure, exterior wall, or exterior architectural feature of any building or structure, including installation or visible changes to fences, signs, or other visible exterior improvements.

(b) Exclusions.

- (1) Normal maintenance and repair. Now or hereafter in the preservation district, nothing in this section shall be construed to prevent any normal maintenance or repair of a structure or architectural feature which does not involve a change in material, architectural design, arrangement, or texture. At this time, no review of color is required.
- (2) Demolition after substantial damage. Any structure that has been burned or damaged by an event not within the landowner's control and where more than fifty (50%) percent of the structure is substantially "affected," may be demolished, regardless of the building's significance.
- (3) Emergency orders. Nothing in this section shall be construed as to prevent the alteration, change, construction, reconstruction, or demolition of any structure or architectural feature which any governmental authority designates as being unsafe or presents a dangerous condition as may be required for the public safety pursuant to any applicable City code.

(Ord. 032-09. Passed 5-21-09.)

1138.06 HISTORIC DISTRICT GUIDELINES.

This section provides design review standards for buildings and structures within the preservation district which have been designated as a historic resource by Council or where such designation has been recommended by the Preservation Commission and is pending Council approval, as well as standards for new or existing buildings and structures which do not qualify as a historic resource. These standards are designed to promote redevelopment of historic structures and compatible new development within the preservation district.

- (a) Standards for Historic Resources. In reviewing proposed alterations or changes to property, the Preservation Commission shall use as evaluative criteria the most recent update of the "United States Secretary of the Interior's Standards and Illustrated Guidelines for Rehabilitating Historic Buildings" by Morton, Hume, Weeks, and Jandl (U.S. National Park Service, Preservation Assistance Division, 1991, as reprinted in 1997). These standards and guidelines are referenced and made a part of this planning and zoning code. The ten (10) standards are restated herein:
- (1) A property shall be used for its historic purpose or be placed in a new use that requires minimal change to the defining characteristics of the building and its site and environment.
 - (2) The historic character of a property shall be retained and preserved. The removal of historic materials or alteration of features and spaces that characterize a property shall be avoided.
 - (3) Each property shall be recognized as a physical record of its time, place, and use. Changes that create a false sense of historic development, such as architectural elements from other buildings, shall not be undertaken.
 - (4) Most properties change over time; those changes that have acquired historic significance in their own right shall be retained and preserved.

- (5) Distinctive features, finishes, and construction techniques or examples of skilled craftsmanship that characterize a historic property shall be preserved.
- (6) Deteriorated historic features shall be repaired rather than replaced. Where the severity of deterioration requires replacement of a distinctive feature, the new feature shall match the old in design, color, texture, and other visual qualities and, where possible, materials. Replacement of missing architectural features shall be substantiated by documentary, physical, or pictorial evidence.
- (7) Chemical or physical treatments, such as sandblasting, that cause damage to historic materials shall not be used. The surface cleaning of structures, if appropriate, shall be undertaken using the gentlest means possible.
- (8) Significant archeological resources affected by a project shall be protected and preserved. If such resources must be disturbed, mitigation measures shall be undertaken.
- (9) New additions, exterior alterations, or related new construction shall not destroy historic materials that characterize the property. The new work shall be differentiated from the old and shall be compatible with the massing, size, scale, and architectural features to protect the historic integrity of the property and its environment.
- (10) New additions and adjacent or related new construction shall be undertaken in such a manner that if removed in the future, the essential form and integrity of the historic property and its environment would be unimpaired.
- (b) Standards for Properties Not Designated as Historic Resources. For property, except purely residential structures, which is not a designated or recommended historic resource, the Preservation Commission shall determine appropriateness by whether the proposed activity will have a negative effect on the historic character and visual integrity of the preservation district. Building architecture, materials, and height should be designed to complement and coordinate with historic resources in the preservation district. If new materials are to be used for buildings that are architecturally undistinguished, they should be selected to coordinate with neighboring structures and to complement the design of the structure. Color selection shall not be subject to review.
- (c) New Construction Design Standards. Any proposed new construction in the preservation district shall not be limited to any one historical period or architectural style, but shall seek to be evocative of the general architectural styles, historic character, and preserve the architectural integrity of existing historic resources in the district. For example, new buildings should maintain the repetitive storefront widths along established block facades to create a unified street wall. On traditional storefront buildings, recessed entrances are encouraged.
- (d) Vacant Structure Maintenance Required. The owner of an historic structure or any structure within preservation district, if such structure is vacant and uninhabited, shall provide sufficient maintenance and upkeep for such structure to ensure its perpetuation and to prevent its destruction by deterioration.
- (e) Demolition Applications. Subject to Section 1138.05(b), and subject to an administrative review before the Preservation Commission, demolition of a structure in the preservation district shall only be approved when the structure contains no features of architectural or historic significance, where the structure does not contribute to maintaining the character of the preservation district, and where the applicant allows for reasonable salvage of significant architectural features prior to the issuance of the demolition permit. Factors for consideration may include: the building's historic, architectural, and urban design significance; whether the building is one of the last remaining examples of its kind in the neighborhood, the City, or the region; whether the structure has historic events or persons associated with it; and the building's condition. If the building is not properly secured and is lost during this period due to fire or other causes, then the action is treated as an unlawful demolition.

(Ord. 032-09. Passed 5-21-09.)

1138.07 ZONING ADMINISTRATOR.

The Zoning Administrator of the City shall receive all applications for Certificates of Appropriateness. The Zoning Administrator shall ensure that any application for a Zoning Permit, where a Certificate of

Appropriateness is also required, shall first receive a Certificate of Appropriateness from the Preservation Commission prior to Zoning Permit application review. The Zoning Administrator shall enforce all approvals issued by vote of the Preservation Commission by including any conditions in a Certificate of Appropriateness as part of the conditions of a subsequent Zoning Permit.
(Ord. 032-09. Passed 5-21-09.)

1138.08 APPLICATION FOR CERTIFICATE OF APPROPRIATENESS.

(a) Application Requirements. Blank applications for a Certificate of Appropriateness shall be available at the City's principal office or other places as deemed appropriate by the Zoning Administrator.

(1) The application must be completed in full and shall include:

- A. Address of the property for which the Certificate of Appropriateness is being requested;
- B. Property owner's name, phone number, mailing address;
- C. Tenant's name and mailing address, if applicable;
- D. A narrative which clearly describes the proposed activity subject to Preservation Commission review.

(2) An application for a Certificate of Appropriateness shall be accompanied by:

- A. Color photos of each building elevation of an adequate size, detail, and clarity for reasonable use by the Preservation Commission;
- B. Sketches of proposed new construction facades, or changes to each exterior wall, or proposed installation or visible changes to signs, fences, and/or other visible exterior improvements. Sketches shall be drawn as near as possible to scale and be easily understandable. Sketches shall depict and fully describe using notations all proposed changes and additions, including:
 - 1. Structural changes which impact the exterior of the building;
 - 2. All windows and doorways;
 - 3. Roof lines;
 - 4. Signage;
- C. A description of the proposed materials to be used;
- D. A request for a Certificate of Appropriateness shall be accompanied by any applicable fees as may be directed by ordinance of Council.

(b) Determination of Completeness. Upon receipt of a request for a Certificate of Appropriateness, the Zoning Administrator shall make a determination the application is complete. The applicant shall be informed of any omissions to the application. The determination that an application is "complete" shall be noted on the face of the application by the Zoning Administrator. Complete applications shall be forwarded to the Clerk of the Preservation Commission.

(Ord. 032-09. Passed 5-21-09.)

1138.09 ADMINISTRATIVE HEARING PROCEDURES.

(a) Hearing Date for Certificate of Appropriateness. An application for a Certificate of Appropriateness shall require review by the Preservation Commission at an administrative hearing.

- (1) General applications. Upon receipt of a "complete" application for a Certificate of Appropriateness from the Zoning Administrator, the Clerk for the Preservation Commission shall contact the Chairman to set the date and time for an administrative hearing to review the application. The administrative hearing shall be designated neither less than ten (10) days nor more than forty-five (45) days from the date of application. The Clerk shall forward complete applications to the members of the Preservation Commission as soon as possible.

(2) Hearing date for demolition applications.

- A. Where a structure has not been reviewed for designation as a Historic Resource, but the building or structure at issue is found to be both "significant" and "preferably preserved," review for demolition may be delayed up to ninety (90) days to allow for a determination of historical or architectural merit.
- B. Where a structure has been recommended as a Historic Resource by the Preservation Commission and is pending Council approval, the hearing date shall be delayed and the status quo preserved pending designation to prevent anticipatory demolitions.

C. Where a structure is designated as a Historic Resource by Council, a hearing on the demolition application may be delayed up to twenty-four (24) months to allow the Preservation Commission, preservation organizations, concerned citizens, and others to explore alternatives to demolition, such as finding a purchaser for the structure or raising money for its rehabilitation.

(b) Public Notice of Hearing. The public shall be given notice of: the date, time, and place of the administrative hearing; a short description of the purpose, location of the subject property, and the review body involved; and informed that a copy of the application, together with all maps, plans, and reports submitted with reference thereto, shall be on file for public examination in the office of the Zoning Administrator. Notice shall be provided as follows:

(1) First class mail. The Zoning Administrator shall cause to be provided written notice by first class mail or hand delivery to the applicant and all property owners within two hundred (200) feet of the subject property at least ten (10) days in advance of the date the Preservation Commission is to convene to review the request. Such notice shall also be sent by first-class mail to any person who within the past twelve (12) months has submitted a written request to the Zoning Administrator to be notified of any application for a Certificate of Appropriateness.

(2) Sign. Notice shall also be posted by a sign placed by the Zoning Administrator on the subject property and visible from the public right-of-way for at least ten (10) days prior to the date of the hearing.

(c) Administrative Hearing Proceedings. All administrative hearings of the Preservation Commission shall be open to the public.

(1) Upon convening a public hearing, the Chairman shall:

A. State the application pending, indicate the dates and methods public notice was provided, and state the standard set forth in this chapter for the granting of the application.

B. The Chairman shall recognize any City staff report and recommendation prepared on the application.

C. Administer the oath to each person presenting testimony to the Preservation Commission at the hearing. The oath may be given on an individual basis or to all persons present; however, where the oath is given as a group, the Chairman shall verify that each person who presents testimony was present and gave an affirmative response.

D. The applicant and any other proponent parties in interest shall be invited to give testimony prior to opponent parties in interest. Any party in interest may be represented by an attorney or expert witness. All testimony shall be subject to cross-examination.

E. Prior to dismissing a witness, the Chairman shall recognize members of the Preservation Commission with questions or comments regarding the testimony. Members of the Preservation Commission should examine and compare the application and testimony against the applicable Historic Design Review Guidelines established for the Preservation District, and probe to separate fact from opinion and lay opinion from expert opinion. All questions and responses shall be directed through the Chairman.

F. Where additional time or information not available at the hearing is required, the Chairman may continue a hearing to a date, time, and place announced at the time the hearing is continued. Such a continuance shall not require additional public notice.

G. Upon the presentation of all relevant testimony, the Chairman shall close the administrative hearing and the Preservation Commission shall deliberate upon the application and reach a decision.

(2) The Preservation Commission shall first determine if the structure is identified by the City as a Historic Resource or has the potential for designation as a Historic Resource. If the property has the potential for designation as a Historic Resource, the Preservation Commission shall recommend it to Council and proceed with review of the

application according to the Historic Design Review Guidelines as if the property has been identified as a Historic Resource. If the application does not involve a Historic Resource, the Preservation Commission shall proceed with review according to the Historic Design Review Guidelines for properties not designated as Historic Resources.

(d) Decision by the Preservation Commission. Regardless of any continuances of the hearing, the Preservation Commission shall make every reasonable effort to render a decision on the application within forty-five (45) days after the application was received, unless an extension of time is agreed to by the applicant.

(1) The Preservation Commission shall consider the application(s), plans and specifications, and determine whether the proposed construction, reconstruction, alterations, or demolition is appropriate, or whether it has an adverse effect upon the purposes of the Preservation District. The Preservation Commission shall issue its decision in the form of a written Final Order in which it expressly sets forth the findings and conclusions of fact used as the basis or rationale for the decision.

(2) Approval. If the applicant has proven by the preponderance of the evidence on the whole record that the proposed activity will have no adverse effect on a Historic Resource or the historic character or architectural integrity of all or a portion the Preservation District, then the Preservation Commission shall vote to grant the application and cause the Chairman to endorse a Certificate of Appropriateness and return the plans and specifications to the applicant, retaining a copy thereof to the extent that is used for deliberation in the hearing. All evidence and record of the proceedings may be maintained by the office of the Zoning Administrator, subject to disposal in accordance with a record retention schedule.

A. Approval Subject to Modifications. The Certificate of Appropriateness may include any reasonable conditions placed upon the approval regarding the proposed activity. Such conditions shall be made part of the Certificate of Appropriateness and of any subsequent zoning approval. Receiving a Certificate of Appropriateness does not negate requirements to adhere to all other City zoning regulations and City, County and/or State building regulations.

B. Demolition. A Certificate of Appropriateness may be issued for demolition upon a finding that:

1. The structure itself, or in relation to its environs, has no significant historical, architectural, aesthetic or cultural value in its present restored condition; or,
2. Realistic alternatives (including adaptive uses) are not economically viable because of the nature or cost of work necessary to preserve such structure or realize any appreciable part of such value. Such finding shall require the applicant to submit sufficient evidence to meet the burden of proof that "bona fide," reasonable, and unsuccessful efforts to locate a purchaser for the building or structure who is willing to preserve, rehabilitate or restore the building or structure; or,
3. The demolition is consistent with, or materially furthers, the criteria and purpose of this chapter; or,
4. The applicant has agreed to accept a Demolition Permit on specified conditions approved by the Preservation Commission.

C. Additional Demolition Instruction. When a Certificate of Appropriateness is issued for demolition, the applicant shall receive further instruction that new in-fill construction in the Preservation District is subject to review by the Preservation Commission.

D. Termination. The Certificate of Appropriateness will be valid for one (1) year from the date of approval.

(3) Denial. If however, the Preservation Commission determines that the proposed construction, reconstruction, alteration, or demolition will have an adverse effect on the District and violates the spirit and purposes of these regulations, then the Preservation

Commission shall deny issuance of the Certificate of Appropriateness. If the Certificate of Appropriateness is denied, the applicant shall be notified in writing of the following:

- A. The reasons for denial, and recommendations for a subsequent resubmission of a modified application, if any.
- B. The Preservation Commission shall offer to undertake continuing and meaningful discussions with the applicant over a period of at least thirty (30) days, but not to exceed six (6) months, from the date of denial, during which time the Preservation Commission shall search for an acceptable compromise proposal that would allow for approval.
- C. Denial of Application for Demolition. In the case of a denial of an application for demolition, in addition to the offer to undertake continuing and meaningful discussions in paragraph "B" above, the Preservation Commission shall offer to investigate financial and other opportunities for the preservation of the subject property, including purchase by a third party. The Preservation Commission shall offer to continue to schedule good faith discussions at least every forty-five (45) days after the initial administrative hearing.
 1. If a compromise proposal is accepted by both parties, or if the Preservation Commission later determines that preservation of a structure proposed for demolition is not feasible, the Preservation Commission may henceforth reverse its Final Order and issue a Certificate of Appropriateness.
 2. If the applicant fails to meet with the Preservation Commission in good faith at the time specified, then discussions may terminate. Upon termination for any reason, the Preservation Commission shall inform the applicant in writing of the termination of such good faith discussions and that the Final Order for denial of the application shall stand.
 3. If, after holding such good faith discussion over the continued discussion period, no alternative property use is developed or no offer to preserve the structure or architecturally significant features is made by the applicant, a third party, or the City, then the Preservation Commission may also consider whether failure to issue a Certificate of Appropriateness will create a situation where, because of the character of the property, it cannot be used and the result would be a taking, violating the owner's Constitutional rights. If such a finding is made, the Preservation Commission shall further determine whether a Certificate of Appropriateness may be issued without substantial detriment to the public welfare and without substantial derogation from the purposes of this Ordinance. In such event, the Preservation Commission may reverse its Final Order and grant the application, with or without modifications.

(Ord. 074-10. Passed 12-20-10.)

1138.10 APPEAL OF PRESERVATION COMMISSION FINAL ORDER.

An applicant who has received an approval subject to modifications or has been denied a Certificate of Appropriateness by the Preservation Commission may appeal the decision to Council, Council acting as an Administration Hearing Board.

- (a) Any such appeal shall be made within thirty (30) days of the date of the Final Order or the date of termination of good faith discussions by the Preservation Commission.
- (b) Grounds for the appeal shall be given by the applicant in the papers submitted and the grounds shall be limited to procedural errors by the Preservation Commission, failure by the Preservation Commission to consider the entire record presented to the Preservation Commission with respect to the application, an incomplete explanation for the decision reached by the Preservation Commission, or where there has been a clear misapplication of the Historic Design Review Guidelines.

- (c) When considering an appeal, the Council shall review the entire record before the Preservation Commission.
- (d) The Council may request additional information from the Preservation Commission and/or from the applicant.
- (e) The Council may by two thirds vote of its current members and by motion, affirm, reverse, or modify the Preservation Commission's decision. If the Council affirms the decision, the denial of the Certificate will stand. If the Council reverses or modifies the decision of the Preservation Commission, it shall state the reasons for the reversal or modification.

(Ord. 032-09. Passed 5-21-09.)



City of Napoleon, Ohio

255 West Riverview Avenue, P.O. Box 151
Napoleon, OH 43545
Telephone: (419) 592-4010 Fax: (419) 599-8393
www.napoleonohio.com

Memorandum

To: Board of Zoning Appeals, City Council, Mayor, City Manager, City Law Director, City Finance Director, Department Supervisors, News media
From: Roxanne Dietrich, Executive Assistant to Appointing Authority/Clerk of Council
Date: February 6, 2020
Subject: BZA – Cancellation

The regularly scheduled meeting of the Board of Zoning Appeals set for Tuesday, February 11, 2020 at 4:30 pm has been CANCELED due to lack of agenda items.



City of Napoleon, Ohio

255 West Riverview Avenue, P.O. Box 151

Napoleon, OH 43545

Telephone: (419) 599-1235 Fax: (419) 599-8393

www.napoleonohio.com

Memorandum

To: City Council, Mayor, City Manager, City Law Director, City Finance Director, Department Supervisors, News media


From: Roxanne Dietrich, Executive Assistant to Appointing Authority/
Clerk of Council

Date: February 6, 2020

Subject: Planning Commission – Cancellation

The regularly scheduled meeting of the **PLANNING COMMISSION** for Tuesday, February 11, 2020 at 5:00 pm has been *canceled* due to a lack of agenda items.

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Legislative Bulletin

February 7, 2020

OML UPDATE AT-A-GLANCE

Here are the top three things you need to know from this past week:

- The Bureau of Workers' Compensation (BWC) has announced the board has approved a substantial expansion of the Safety Grants program. The grants will be increased by 75%, or an additional \$30 million for FY 20-21. Both public and private employers are eligible for up to \$40,000 for training and equipment to reduce risk of workplace illness and injury. To find out more, click [HERE](#).
- Seven grants totaling approximately \$7 million have been awarded by the Ohio Diesel Emissions Reduction Grant (DERG) Program to replace 29 older diesel transit buses with buses powered either by electricity or compressed natural gas. For more information about the grant program, click [HERE](#).
- Ohio Secretary of State Frank LaRose announced that 80 of all 88 Ohio counties are now 100 percent compliant with his election security directive, while seven more intend to become compliant over the next two weeks before the start of early voting. The Van Wert County Board of Elections has been placed under administrative oversight due to its lack of a plan to become compliant.

HOUSE PASSES BILL OVERHAULING SCHOOL VOUCHERS AND ELIMINATING SCHOOL TAKEOVERS BY STATE

This week, the House passed SB 89, sponsored by Sen. Huffman (R - Lima), with amendments creating a new school voucher system and dissolving all academic distress commissions. (Link: <https://bit.ly/3biveMI>). This is the most recent bill in a series of legislative efforts to make substantial changes to school vouchers in Ohio.

Much of the ongoing debate centers around the Ohio Education Choice Scholarship (EdChoice) Program, which gives students in designated public schools the opportunity

to attend participating private schools while also providing scholarship opportunities to low-income students from kindergarten through 12th grade.

Currently, 517 public schools are eligible for EdChoice vouchers list. Eligibility is determined by school performance; if a school is identified as failing, students are able to instead attend private school. If the legislature does not make any changes to the current program, 1,227 schools will become eligible for the voucher program in the next school year.

In late January, HB 9, sponsored by Rep. Jones (R - Freeport) and Rep. Sweeney (D - Cleveland) and written to modify eligibility for the EdChoice Program, was amended in Conference Committee by the Senate. (Link: <https://bit.ly/2H38qCA>). The number of eligible schools was capped at 420 schools and the qualifying limit of income-based vouchers was increased to 300% of the Federal poverty level, which is \$78,000 for a family of four. The House then refused to concur on the Senate's changes.

Also in late January, the Governor signed another education bill, SB 120, sponsored by Sen. McColley (R - Napoleon) and Sen. Rulli (R - Salem). (Link: <https://bit.ly/378XUUV>). That bill was initially drafted to allow the Auditor of State to conduct performance audits on institutions of higher education. Before it was signed, several amendments were passed by the House, including a temporary 60-day delay for the voucher application process and a \$10 million appropriation to cover new vouchers if a fix to the EdChoice program is not made.

The House-passed version of SB 89 replaces the EdChoice program with the Buckeye Opportunity Scholarship Program, which determines eligibility by family income instead of school performance grade. The bill would also dissolve the academic distress commissions (ADCs) for Easy Cleveland, Lorain and Youngstown, thus preventing the state takeover of those school districts. No more ADCs could be created until 2024. The Senate has adjourned for the near future and it is not clear what action they will take on these changes. We will continue to keep our members updated as this issue progresses.

BILL ENABLES MUNICIPALITIES TO ENCOURAGE AFFORDABLE HOUSING

This week, a substitute bill was adopted for a bill that would allow municipalities to encourage new home construction and existing home renovations.

SB 212, sponsored by Sen. Schuring (R - Canton), would authorize townships and municipal corporations to designate areas within which new homes and improvements to existing homes are wholly or partially exempted from property taxation. (Link: <https://bit.ly/389b5GM>). During its fourth hearing before the Senate Ways and Means Committee, a substitute bill was adopted that does the following:

- Stipulates the ordinance or resolution adopted by the municipality or township designating the Neighborhood Development Area (NDA) must include findings that demonstrate that there is a current lack of adequate housing and that the NDA will encourage new construction and home improvement that would not have occurred without it;

- Requires the ordinance or resolution to provide a projection of how the NDA will enhance property values and thereby ultimately generate additional tax revenues;
- Mandates that the municipality or township must notify the school district within the NDA that it is seeking a 100% property tax exemption for qualified projects within the NDA. It also requires that the township or municipality to attempt in good faith to negotiate with the school district a mutually acceptable agreement for the 100% exemption. If after 60 days of the notice to the school district an agreement hasn't been reached, the exemption shall be 70%.

The executive vice president of the Ohio Home Builders Association, Vince Squillace, said during his proponent testimony that the bill would generate the construction of affordable housing. His testimony cited statistics demonstrating a drop in Ohio housing over the decade from 2007 to 2017 and said that in central Ohio alone, there is an approximate shortage of 50,000 houses.

The League is grateful to Sen. Schuring for his work helping Ohio's cities and villages encourage the construction and renovation of affordable housing. We will continue to update our members as this bill moves through the legislative process.

ODOT EXPANDS FUNDING FOR LOCAL GOVERNMENT SAFETY PROJECTS

Thanks to July's increase in the motor fuel tax, the Ohio Department of Transportation (ODOT) will no longer require a 10 percent local contribution for safety projects, but will now cover 100 percent of the project costs.

While funding requests usually range from \$200,000 to \$5 million, ODOT will consider funding requests up to \$10 million. Eligible projects include adding turn lanes, reconstructing rural curves and upgrading signs, signals and pavement markings.

Applications are accepted twice a year with deadlines on April 30 and September 30. Abbreviated applications are accepted any time during the year for projects totaling \$500,000 or less. For more information and to apply, click [HERE](#).

ODOT will also allocate an additional \$10 million to the Pedestrian Safety Improvement Program, which targets safety improvements for pedestrians or bikers in large urban areas. Eligible projects could include improvements to curb ramps, raised crosswalks, pedestrian refugee islands, pedestrian countdown signals, street lights, pavement markings and signage for crosswalks. Interested applicants should contact the safety coordinator in their ODOT district.

NEW BILLS OF MUNICIPAL INTEREST

Here is a new bill that would impact municipalities that was introduced this week:

- HB 490 - VEHICLE FEES. Sponsored by Rep. Greenspan (R - Westlake) and Rep. Sheehy (D - Oregon), would provide for the proration of the plug-in electric and hybrid motor vehicle registration fees. The League is still looking into this legislation.(Link: <https://bit.ly/387fom1>)

COMMITTEE UPDATE: BILLS OF MUNICIPAL INTEREST

Here are the bill impacting municipalities that received committee hearings this week:

- SB 190 - INCOME TAX CREDIT. Sponsored by Sen. Schaffer (R - Lancaster), would allow an income tax credit for law enforcement officials who purchase safety or protective items to be used in the course of official law enforcement activities. During its third hearing before the Senate Ways and Means Committee, the bill was amended to narrow the list of items law enforcement could use the tax credits to purchase. Westerville Police Chief Charles Chandler also testified in support of the bill. The League is supportive of this legislation. (Link: <https://bit.ly/2H1uSMY>)
- HB 421 - LOCAL GOVERNMENT. Sponsored by Rep. Smith (R - Germantown), and Rep. Blair (D - Weathersfield), would provide a municipal corporation or county immunity from civil and criminal liability in any action that arises from a hospital police officer acting directly in the discharge of the person's duties as a police officer and that occurs on the premises of the hospital or its affiliates or subsidiaries or elsewhere in the municipal corporation or county. During its second hearing before the House Civil Justice Committee, a representative from the UC Health system testified in support of the bill. The League is supportive of this legislation. (Link: <https://bit.ly/2Svfw8y>)
- HB 425 - CONCEALED WEAPONS. Sponsored by Rep. Wiggam, (R - Wooster), would modify the requirement that a concealed handgun licensee must notify a law enforcement officer that the licensee is authorized to carry a concealed handgun and is carrying a concealed handgun when stopped. During its second hearing before the House Federalism Committee, the bill's sponsor explained the bill changes the law to require a carrier of a concealed handgun to notify law enforcement that he has a concealed handgun license when asked to produce state identification. The League is neutral on this legislation. (Link: <https://bit.ly/31Bflaq>)
- SB 39 - INSURANCE TAX. Sponsored by Sen. Schuring (R - Canton), would authorize an insurance premiums tax credit for capital contributions to transformational mixed use development projects. During its fifth hearing before the House Economic and Workforce Development Committee, a substitute bill was adopted make the Ohio Tax Credit Authority the program administrator instead of the director of the Development Services Agency, sunset the law on June 30, 2022 and grant lien rights to commercial real estate brokers. The League is supportive of this legislation. (Link: <https://bit.ly/39aVITZ>)

AMP Update for Jan. 31, 2020

American Municipal Power, Inc. <webmaster@ampppartners.org>

Fri 1/31/2020 4:34 PM

To: Roxanne Dietrich <rdietrich@napoleonohio.com>

Having trouble viewing this email? [Click here to view web page version](#)



January Board meeting update

By Marc Gerken, P.E. - President/CEO

The AMP Board of Trustees held its monthly meeting, Jan. 16. Below is a brief, high-level update of the meeting

Legislative

Staff reported on the latest activity in statehouses and Congress, including the recently proposed carbon legislation framework in the House referred to as the Climate Leadership and Environmental Action for Our Nation's Future Act - CLEAN Future Act - that sets a goal of economy-wide net-zero GHG emissions by 2050 and includes several policy areas important to members, including clean energy standards and energy conservation. Discussion also took place on the APPA Resolution: Principles for federal Climate Change Legislation that will be offered at the APPA L&R Committee meeting in February.

The Board was updated on the upcoming APPA Legislative Rally in DC on Feb. 24-26. Members should have received their information packets in recent weeks and all are encouraged to attend.

Member Services

The Board was updated on mutual aid that was provided by Clyde to Monroeville, and Piqua to Dayton Power & Light, during the final days of 2019.

Board members also heard updates on the "20 Careers in Public Power in 2020" campaign and an update on the Public Power Certification program which begins Feb. 4.

Efficiency Smart

Staff provided an update on the program subscription and noted that at this point in the contract cycle, this is the highest subscribed revenue in the voluntary era. Updates were also provided on several successful projects in participating communities.

Transmission and RTO

The AMP Board received updates regarding AMP's and APPA's efforts to combat FERC's Dec. 19 Order expanding the MOPR in PJM to new public power self-supply resources. Additionally, updates were provided on MISO, PJM and transmission owners (TO). At MISO, AMP has been dealing with RTO efforts to increase capacity costs through its Resource Availability and Need (RAN) initiative with a focus on making LMR rules more restrictive, and MISO's TOs have proposed 480 projects at a cost of \$4 billion. At PJM, AMP has been dealing with the stakeholder process to develop operating

agreement language to have TO end of life replacement projects planned by PJM rather than the individual TOs.

For the year, AMP participated in 260 PJM meetings and 152 MISO meetings.

Power supply and generation projects

Generation Project committees and Power Supply and Generation Committee met and received informational updates. Prairie State performance for December was above original forecasts with plant availability at 94 percent. Prairie State finished 2019 setting new records for highest annual equivalent availability, highest annual net capacity factor and highest annual net generation along with best annual safety performance. Hydro generation performance for the month of December overall was below projections due to river high flow conditions primarily on the lower Ohio with Cannelton, Greenup and Smithland below anticipated production. However, Belleville, Meldahl and Willow Island were at or above anticipated production for the month. Solar production during the month was better than projections. AFEC generation performance for December was below projections for the month due to extension of the October/November planned outage as a result of issues with STG generator coupling reassembly and CT1 startup issues. AFEC Participants Committee and the Board were provided an update on a CT1 electrical generator failure event occurring on Jan. 5. The AFEC Participants Committee and the Board approved allowing AMP to proceed with contracts and expenses that are reasonably necessary to promptly return CT1 to service.

If you have any questions or need additional information about the Board meeting, please contact me at mgerken@amppartners.org or 614.540.1111.

House Committees release legislative outlines addressing carbon and infrastructure

By Jolene Thompson - AMP executive vice president of member services and external affairs and OMEA executive director

This week, Democratic leadership from the House released two massive legislative proposals dealing with their ambitions on clean energy and infrastructure. The Energy and Commerce Committee released legislative text of their draft *Climate Leadership and Environmental Action for our Nation's (CLEAN) Future Act*, which sets new standards economy wide to achieve net-zero greenhouse gas emissions by 2050. The act would direct all federal agencies to use their existing authorities to meet that goal, and includes provisions for the energy, building and transportation sectors.

In the 600-page draft, there are several key provisions that we are reviewing. The proposal will certainly come with significant costs to the economy, so it is worth noting the inclusion of a National Climate Bank aimed to help states, municipalities and companies make the transition.

We plan to file comments and will provide AMP and OMEA members with more details in the coming weeks.

The House Committee on Transportation and Infrastructure released their draft framework of legislation to overhaul the nation's infrastructure, which shares an underlying environmental focus. The proposal is being referred to as *Moving America and the Environment Forward*.

The framework covers \$760 billion of investments over five years for roads, transit, rail, aviation, broadband, wastewater and drinking water infrastructure. Beyond simply improving existing infrastructure, the framework outlines benefits of the plan to include new transformative projects that create an estimated 10 million jobs, reduce carbon pollution, improve safety and spur economic activity.

The framework breaks down the proposal's investments into dollar figures by sector as follows

- Surface transportation: \$434 billion
- Rail transportation: \$55 billion
- Airport and airway infrastructure: \$30 billion
- Harbor maintenance trust fund: \$19.7 million
- Water resources investments: \$10 billion
- Clean water: \$50.5 billion
- Brownfields restoration and reinvestment: \$2.7 billion

Economic Development updates

By Alexis Fitzsimmons - director of economic and business development

AMP has engaged an independent economic development consulting firm to assist with lead generation throughout the AMP membership footprint. The focus is to identify qualified leads and companies looking to site a project within the next 1-3 years. The goal is to bring projects to our member communities to stimulate growth in load, investment and employment, while also promoting the benefits and value of public power.

On Jan. 23, 2020, AMP launched a digital outreach campaign / electronic newsletter designed to connect with site selection, economic development and real estate professionals. The enewsletter, published monthly, markets industrial sites and buildings in AMP member communities. If you have sites or buildings available for industrial development that you would like to highlight in one of the enewsletters, or would like to be added to the email list, please contact me directly.

AMP is continuing outreach efforts to both state and regional economic development agencies across the AMP footprint; recent connections have included Michigan Economic Development Corporation, the Kentucky Cabinet for Economic Development and JobsOhio. Fostering relationships within each state allows for more promotion of the benefits of public power and AMP member communities.

For questions or assistance with AMP's Economic Development program please contact at me at 614.540.0994 or afitzsimmons@amppartners.org.

Hudson and Westerville named to ICF Smart21 Communities of 2020, Top 30 Intelligent Communities for Sustainability

By Zachary Hoffman - communications and public relations specialist

The cities of Hudson and Westerville have been named Intelligent Community Forum's (ICF) Smart21 Communities and were named number five and number six respectively in ICF's list of the Top 30 Intelligent Communities for Sustainability. Learn more about the ICF and their awards [here](#).



The Smart21 designation consists of the 21 communities that the ICF deems most ready for the 21st century, making them semifinalists for the Intelligent Community of the Year Award. This is the second straight year that Hudson and Westerville have made the list.

Seven of the Smart21 communities will be named Top7 Intelligent Communities on Feb. 10, with a final community being named Intelligent Community of the Year at the 2020 ICF Global Summit in Dublin, Ohio, on June 16. To see the full list of Smart21 communities, click [here](#).

The Top 30 Intelligent Communities for Sustainability list consists of the most sustainable communities that have been designated as Intelligent Communities by the ICF in the past. Sustainability is one of the six key factors defining Intelligent Communities in the ICF Method. To see the full list, click [here](#).

Congratulations to Hudson and Westerville on these outstanding achievements! We will be rooting for both communities to advance in the coming months.

AMP holds part two of customer service webinar

By Jennifer Flockerzie - manager of technical services logistics

On Jan. 28, AMP held the second webinar of the two-part *Strategies for Successful Customer Service Operations* webinar series. The webinar, held through the APPA's Academy, explored how to create a culture of commitment to excellence in customer service across all areas of utility management, operations and customer interactions.

Forty-five individuals from Berea, Bryan, Carey, Clyde, Coldwater, Cuyahoga Falls, Edgerton, Front Royal, Grove City, Hatfield, Jackson Center, Lansdale, Marshall, Milan, Montpelier, Piqua, Quakertown, St. Marys and Wadsworth tuned in. A recording of the webinar can be viewed on the [member extranet](#) (login required).



AMP will be holding the *Economic Development Best Practices: Site Selection and Megatrends* webinar on Feb. 18, 10:30 a.m. to noon. Members are encouraged to sign up. See the full course description [here](#).

If you have questions or would like to register for this webinar, please contact me at jflockerzie@amppartners.org.

Members encouraged to utilize APPA's *Get to Know Public Power* guide

By Holly Karg - director of media relations and communications

The American Public Power Association (APPA) has made the *Get to Know Public Power* guide for utility board and council members available for use by APPA members. APPA membership is provided to all AMP member communities.

The guide, which explains what public power is and its many benefits, is a helpful resource for newly elected and appointed officials within your community to become better acquainted with public power. Members are also encouraged to utilize this guide as a leave behind for meetings with legislators, regulators and other decision makers, as it can help to better understand our industry.



To download the guide, click [here](#). If you have questions, please feel free to contact me at hkarg@amppartners.org or 614.540.6407.

Energy market update

By Jerry Willman - assistant vice president of energy marketing

March 2020 is now trading as the prompt month and the natural gas contract decreased \$0.036/MMBtu to close at \$1.829 yesterday. The EIA reported a withdrawal of 201 Bcf for the week ending Jan. 24, which was slightly below market expectations of -203 Bcf. The year-ago withdrawal was 171 Bcf and the five-year average was -143. Storage is now 2,746 Bcf, 24 percent above a year ago and 7.6 percent above the five-year average. The winter withdrawal running total of -986 Bcf compares to the five-year average of -1177.

On-peak power prices for 2021 at AD Hub closed yesterday at \$29.90/MWh, which decreased \$1.35/MWh for the week.

On Peak (16 hour) prices into AEP/Dayton hub

Week ending Jan. 31

| MON | TUE | WED | THU | FRI |
|---------|---------|---------|---------|---------|
| \$25.27 | \$24.17 | \$27.73 | \$27.26 | \$25.31 |

Week ending Jan. 24

| MON | TUE | WED | THU | FRI |
|---------|---------|---------|---------|---------|
| \$27.24 | \$27.89 | \$21.85 | \$21.67 | \$21.41 |

AEP/Dayton 2021 5x16 price as of Jan. 30 — \$29.90

AEP/Dayton 2021 5x16 price as of Jan. 23 — \$31.25

AFEC weekly update

By Jerry Willman

The AMP Fremont Energy Center (AFEC) operated in 1x1 configuration for the week, CT1 remained offline for repairs. PJM cleared the plant offline overnight Saturday based on day-ahead economics but the plant remained online for real-time operations. For the week, the plant generated at a 48 percent capacity factor (based on 675 MW rating).

Security tip - Goodbye Windows 7, hello social engineering scams

By Jared Price - vice president of information technology and CTO

Recently, Microsoft announced they will no longer be supporting their Windows 7 operating system. This means there will be no further updates to Windows 7. The bad guys are using this situation to their advantage. They will randomly contact you by phone, emails or pop-ups, trying to convince you to pay yearly fees or insisting that they need remote access to your computer so they can install "necessary" software. You will lose your money if you mistakenly pay the fake fees, but if you grant the scammers access to your computer, your personal information and identity are at risk.



Follow the tips below to help protect yourself from these types of scams:

- Microsoft support does not call customers. If anyone calls you and claims that they are from Microsoft, this is a big red flag. Hang up the phone and ignore the request. If you want to speak with a legitimate customer support agent, go to Microsoft's website and find the company's customer support phone number.
- If a computer pop-up urgently claims that your computer needs an update to its version of Windows 7, do not fall for it! The bad guys add flashy pop-ups to websites to trick you into thinking your computer is at risk. Do not click on the pop-up or call any numbers that are listed. This is a scam!
- Do not share your credit or debit card information with anyone that calls you. Never use a debit card to make online purchases, and only give someone your credit card data when you have initiated the phone call and you're sure the number is valid.

Meet the intern



KEN SPECK

.....
Transmission Intern



School: University of Cincinnati

Major: Electrical Engineering
Technology

Hometown: Wellington, Ohio.

Pastimes: I like riding my
motorcycle and playing
videogames.



Interest in the position and working in public power: My
parents always told me not to play with power outlets so
I decided to make a career of it. It also gives me an
opportunity to learn more about my hometown public
power utility.

FOCUS FORWARD 2020 WEBINAR SERIES

Register by clicking this schedule or contact Erin Miller, director of energy policy and sustainability at 614.540.1019 or by email at emiller@amppartners.org.



March 9, 2-3 p.m.

Communicating with Customers — social media and more

May 14, 2-3 p.m.

EVs for Your Fleet

July 21, 2-3 p.m.

Beyond Electrons — social engineering services for customers

September (during AMP/OMEA Annual Conference)

Rate Design — what do customers want and need

November 10, 2-3 p.m.

EV Rate Design and Managing Demand

The Focus Forward Advisory Council has identified these topics to help educate and inform AMP's members about emerging industry trends and to prepare for further integration of distributed energy resources.



THE ACADEMY
Webinars

AMERICAN PUBLIC
POWER ASSOCIATION

2020

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for Webinars**

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coupon code **AMP** to
receive the member rate.





DON'T FORGET TO REGISTER

APPA 2020
Legislative Rally
Feb. 24-26
Washington, D.C.

AMP TRAINING SERIES:

Register for these upcoming courses

Economic Development Best Practices webinar

Date: Feb. 18

Disaster Workshop

Prerequisite: None

Date: March 31

Class length: One day

Location: Quest Conference Center, 8405 Pulsar Place, Columbus

AMP Technical Services Conference

Date: April 1

Class length: One day

Location: Quest Conference Center, 8405 Pulsar Place, Columbus

Cost: \$120

Journeyman Refresher - Transformers

Prerequisite: Must be a lineworker for three years

Date: May 27-28

Class length: Two full days

Location: AMP Headquarters – Columbus

Size: Limited to 20

Cost: \$500

For a complete schedule and full details of the 2020 training courses, see the 2020 AMP Training Catalog at: www.amppartners.org/services/technical-services.

To register contact Jennifer Flockerzie, manager of technical services logistics, at 614.540.0853 or jflockerzie@amppartners.org



Classifieds

Members interested in posting classifieds in Update may send a job description with start and end advertisement dates to zhoffman@amppartners.org. There is no charge for this service.

City of Dover seeks applicants for licensed power plant maintenance worker

The City of Dover is seeking applicants for the position of licensed power plant maintenance worker. This position requires a Stationary Engineer's License, Third Class issued by the State of Ohio. Under the direction of the operating engineer or stationary fireman, in the absence of the superintendent or assistant superintendent, performs work connected with the operation of a power plant on an assigned shift. Takes hourly temperature and pressure readings of equipment in the condenser room. Checks pumps and equipment in the condenser room. Checks and cleans trash screens at the cooling water inlet. Assists the operating engineer and stationary firemen in starting and stopping boilers and turbines. Reports any irregularities to the engineers or firemen. Runs lab tests on water samples. Operates dump truck, operates coal handling equipment, operates water treatment equipment, pulls ashes and performs lubrication maintenance on all equipment. Ability to follow orders as given and exercise good judgment in emergencies.

The position requires some knowledge of common labor methods and practices, some knowledge of existing hazards and safety precautions of the work and a desire to learn the duties inherent in the operation of a power plant. Ability to carry out verbal and written instructions and to establish and maintain a good working relationship with others. Pay rate is \$24.43 per hour. Deadline to submit applications is Feb 14. Learn more [here](#).

City of Orrville seeks applicants for lineworker

The City of Orrville Department of Utilities is seeking applicants for the position of lineworker. This position will act as ground person, prepare materials for higher level lineworkers, observe activities around energized circuits, work on dead or low voltage circuits, stock trucks and handle other duties related to construction and maintenance of power lines. Candidates must be willing to attend training to prepare to advance. Civil Service position, filled by application for written and practical exam only. High school diploma or equivalent, must have special training/experience in linework including verifiable training in climbing, valid Ohio drivers license, must obtain CDL within six months of hire. Military preference with DD-214. The exam is open to all citizens and those who have legally declared their intentions of becoming citizens.

City of Orrville application must be completed and returned the City of Orrville Human Resources Office, 207 N. Main St, Orrville, by Feb. 10, 5 p.m. Applications and more details available at www.orrville.com. \$22.76-\$28.46 plus benefits. The City of Orrville will not consider for employment nor hire any individual who smokes or uses any form of tobacco products.

City of Oberlin seeks applicants for journeyman lineworker

The City of Oberlin is accepting applications for a journeyman lineman position in the Distribution Division of the Oberlin Municipal Light & Power System (OMLPS)/Electric Department. Duties include the operation, maintenance and routine construction of the electric distribution system.

Minimum Qualifications include a high school diploma or equivalent, successful completion of journey line worker apprenticeship program, and four years of experience as apprentice lineman, or an equivalent combination of education and experience which provides the skills and abilities necessary to perform the job. Valid State of Ohio Driver's License, valid Ohio Class A Commercial Driver's License and Journeyman Line Worker Certification required. Starting Hourly Rate is \$27.35-\$34.19/Hour, depending on qualifications.

Applications and full job description are available at www.cityofoberlin.com and at Oberlin City Hall (85 S. Main St., Oberlin, Ohio 44074). Applications may be returned via email to: hr@cityofoberlin.com Or mailed to: City of Oberlin Human Resources Department, 85 S. Main St., Oberlin, OH 44074.

City of Cleveland seeks applicants for electric transmission SCADA engineer

The City of Cleveland is seeking applicants for the position of electric transmission SCADA engineer. Under the direction of the superintendent of purchase power, maintains Cleveland Public Power's (CPP) supervisory control and data acquisition (SCADA) system and associated systems. Interfaces with CPP's SCADA maintenance contractor, maintains current system licenses, troubleshoots, as well as installs and integrates hardware and software updates and enhancements. Develops, designs, programs and troubleshoots applications specific to the CPP SCADA system and associated systems. Prepares and delivers related training materials for transmission operators. Troubleshoots and maintains local desktops and other peripheral equipment as well as remote SCADA equipment including remote terminal units and associated communications systems. Troubleshoots and maintains functionality relating to recording power flows in and out of the CPP system. Schedules wholesale power deliveries and communicates with PJM Interconnection, the regional transmission authority. Troubleshoots and maintains SCADA functions relating to trouble operations such as opening and closing circuits and starting generators and other equipment. Performs other related duties as required. Salary: \$31,200-\$101,920 annually.

A high school diploma or GED is required. A bachelor's degree in engineering, information technology or computer science is required. Three years of full time paid experience designing, implementing, documenting and maintaining SCADA and control systems and components for electric power and distribution networks is required (Substitution: Two years of full time paid experience may substitute for each year of college education lacking). Must be knowledgeable and experienced in working with computer networks and their configurations, communications systems technology, data management and infrastructure security. Must have demonstrated experience troubleshooting and resolving issues on critical equipment. Must be able to be on call to assist in system emergency operations at all hours. A valid State of Ohio driver's license is required.

Town of Bedford seeks applicants for assistant right-of-way supervisor

The Town of Bedford is seeking applicants for the position of assistant right-of-way supervisor. Applicants must be experienced in trimming, climbing and working around electric hazards. Class A CDL required and the ability to operate a bucket truck, chain saws and other right-of-way clearing equipment. Ability to supervise right-of-way crew and promote on the job safety. Compensation based on experience and skill level. Salary up to \$45,760 annually with benefits package to include health insurance, retirement, life insurance and annual leave.

Applications are available online at www.bedfordva.gov. Submit a completed town application online or mail to: Human Resources, 215 E. Main St., Bedford, VA 24523. Applications will be accepted until the position is filled. Resumes alone are not accepted and must be sent in with application. EOE

Qualifications

Must have a Class A CDL (or obtain a CDL in first year of employment) and be experienced right-of-way trimmer.

Borough of Grove City truck for sale by bid

The Borough of Grove City offers the following truck for sale by bid: 2000 model year Ford F750 chassis with Altec D845A Digger/Derrick. The truck has 10,101 miles on the chassis and is in good condition. Most recent ANSI and Dielectric test on Jan. 15, 2019. Front bumper mounted winch and take up reel.

For more information please contact Tanya Pollard, Grove City Borough secretary by calling 724.458.7060 extension 105 or by email at Tanya@GroveCityOnline.com.



City of Marshall seeks applicant for assistant director of electric utilities

The City of Marshall is a quaint Norman Rockwell style community with a population of 7,068 in lower, central Michigan. Located less than one hour from the campuses of the University of Michigan and Michigan State University, two hours from Detroit and beautiful Lake Michigan, and three hours from Chicago. The City has installed a fiber to the premise system to every property in the city with symmetrical speeds up to 10 mbps.

The community is seeing unusual growth with over \$1 billion of industrial growth. Click [here](#) to view the Choose Marshall video. Located at the intersection of I-94 and I-69, the crossroads of international highways, the city is preparing for large industrial and residential growth with a 1,000-acre mega industrial site. The downtown district is 97 percent commercially occupied. The city has the largest National Historic Landmark District in Michigan with many neighborhoods of historic homes.

In the next three years, it is anticipated a peak-demand growth from 23 MW to 123 MW. The city will be constructing infrastructure to meet this demand. A privately developed dual unit 500 MW gas fired power plant is proposed in the city. A complete job description can be found at www.cityofmarshall.com

Qualifications for the Assistant Director of Electric Utilities position include a degree in electrical engineering or a closely-related field, and a minimum of three to five years of experience working for an electric utility with supervisory or executive leadership responsibilities. A State of Michigan licensed professional engineer desired. Annual salary of \$80,000 with excellent benefits.

To apply for this position, submit a cover letter, resume and professional references to HumanResources@cityofmarshall.com.

The City of Marshall is an Equal Opportunity Employer. Position open until filled.

Opportunities available at AMP

AMP is seeking applicants for the following positions:

Director of risk and internal controls

Systems engineer (AMI/MDMS)

American Municipal Power, Inc.

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www.amppartners.org

American Municipal Power, Inc., 1111 Schrock Road, Suite 100, Columbus, OH 43229

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