

**CITY OF WINTER PARK
UTILITIES ADVISORY BOARD**

**Regular Meeting
Welcome Center
151 W. Lyman Ave.**

**April 3, 2013
12:00 pm**

REVISED MINUTES

Present: Greg Seidel, John Reker, David Smith, Linda Lindsey, Michael Smith, Ronald Ellman, Mike Whiting, Donald Doyle

Absent: Katherine Johnson, Dan Swanson

City of Winter Park Staff: Jerry Warren, Director, Electric Utility; Clarissa Howard, Director, Communications Dept.; Wes Hamill, Director, Finance Dept.; Terry Hotard, Electric Utility, Gary Heller, Wastewater Division Chief; Delsia Margraf, Utility Service Manager; Debbie Wilkerson, Recording Secretary

I. **CALL TO ORDER.** Chm Seidel called the Utility Advisory Board meeting to order at 12:08 pm.

II. **ADMINISTRATIVE ITEMS**

Approval of Minutes:

Chm Seidel asked for approval of the minutes from the March 6, 2013, regular meeting. Mr. Whiting made a motion to approve the minutes as presented; Ms. Lindsey seconded the motion. Motion carried unanimously by a vote of 8-0.

III. **NEW BUSINESS**

Meeting Date Change

At the March meeting Mr. Reker introduced for discussion the possibility of changing the meeting date from the first Wednesday of the month to another day that would allow more time to review sales data for presentation to the Board.

After checking with the Chamber on availability the Board received a spreadsheet indicating the proposed date change. The meeting room was not available on the requested date so an alternative date, the second Tuesday of each month was proposed. After Board discussion Mr. Reker made a motion to approve the new meeting date of the second Tuesday of each month starting with the May meeting, Ms. Lindsey seconded the motion. Motion carried unanimously by a vote of 8-0.

Blake Yard

Chm. Seidel commented that he drove past the electric utility storage yard on Blake Street and its fence is in need of repair due to graffiti and rips. Mr. Warren asked Mr. Mulholland to take care of cleaning up its appearance.

Mr. Warren also reported that Blake Street is going to be closed at the request of Sun Rail. They believe that it is a safety issue when the commuter trains start running.

IV. **ACTION ITEMS**

Edyth Bush Charitable Foundation Project Update

No update.

V. **REPORTS**

Financial Report

Mr. Hamil reviewed the report document which covers electric, water and wastewater.

Water/Wastewater

- Water sales are down 2½ % from last year
- Revenue is on track with budget
- Operating expenses are on track with last year
- Positive bottom line
- Ms. Lindsey asked about the possibility of seeing budgeted or forecast sales in terms of quantity, thousands of gallons, similar to what Electric does with kwh. Such a forecast is not currently available. Discussion ensued regarding developing the report and the value of this type of report. Since Mr. Zusi is not in attendance discussion of developing the report will be placed on the May agenda.
- Discussion of the Capital Improvement Plan

Electric

- Mr. Hamil reviewed the report and explained the changes in the electric financial report.

Mr. Hamil responded to questions. The Board complimented Mr. Hamil on the financial reports he developed to meet the needs of the Board.

Usage Graphs, Electric and Water and Wastewater

Mr. Reker presented graphs and provided the following updates:

Water – Mr. Reker presented graphs and reviewed the information in the following:

- *Water* – Water Sales, Irrigation Sales, Monthly % Change Irrigation Sales from Prior Year’s Month, Monthly % Change in Water Sales from Prior Year’s Month, Consumptive Use Permit (CUP) vs Actual Total Water Draw.
- *Electric* - Monthly % Change in kWh consumption from Prior Year’s month, Moving Total 12 Months kWh Sales, and Residential kWh vs Heating and Cooling Degree Days: Dec – Feb Fiscal Year 2006-2013 Mr. Reker responded to questions

Electric Utility Report

Reliability Indicators

Mr. Warren reviewed the reliability indicators, SAIDI, MAIFI CAIDI, nothing unusual to report this month. Mr. Warren explained the reason CAIDI is higher that he would like to see it and compared Winter Park’s statistics with other utilities.

Energy Conservation

Mr. Warren provided and reviewed graphs that indicated the number of audits completed monthly and a breakdown of the rebates awarded. Ms. Howard explained how the program is advertised in city publications. Mr. Margraf reported that Utility Billing will be serving as the initial contact for residents wanting an audit.

February F/A Update

| | August |
|-------------------------|-------------|
| Fuel Revenues Collected | \$1,103,633 |

| | |
|--|------------------|
| Fuel Cost Purchased Power | 1,150,203 |
| Over/(Under) Collected | (46,570) |
| Cumulative to date (Includes balance of NEIL refunds) | \$481,197 |

Rate Comparison 1,000 kWh Residential Monthly F/A Update

| | WPE Jan-Mar | PEF Jan-Dec | Difference | |
|------------------------------------|--------------|--------------|--------------|---------------|
| | | | \$ | % |
| Base Bill | \$74.20 | \$79.23 | +\$5.03 | +6.8% |
| Fuel Adjustment | <u>43.79</u> | <u>33.93</u> | <u>-9.86</u> | <u>-22.5%</u> |
| Electric Bill * | 117.99 | 113.16 | -4.83 | -4.3% |
| * Excludes franchise fee and taxes | | | | |

Mr. Warren review Progress Energy’s rates vs Winter Park Electric. He commented that for the whole year Winter Park rates look very good.

Undergrounding Update

Mr. Warren reported that he received useful City Commission input at the workshop held on March 11. No public input was taken at the workshop. The Commission had a clear consensus on 3 of 6 policy issues. There was no consensus on the underground serve issue. Below is the chart of the major policy issues recommendation. Discuss ensued including development of a **GIS MAP showing the master plan to determine projects that may be strung together or demonstrates why they are not..**

| Policy Issue | UAB | Staff | CC |
|---|--------------------------|--------------------------|-----------------------------|
| Include decorative lighting? | No | No | No |
| Require customers to underground wires to homes? | No | No | No consensus |
| Should recent pruning affect UG ranking? | ? | No | No |
| How should undergrounding be funded? | Defined Source/Surcharge | Defined Source/Surcharge | From Rev 5 year commitments |
| Should Commercial Projects have funding mechanism to advance? | Yes- Dev. Funded | Yes- Dev. Funded | Yes- Dev. Funded |
| Completion goal? | 15 yrs | 15 yrs | ? |

Mr. Doyle left at 1:15

Bulk Power Supply Solicitation

Mr. Warren reviewed previous information provided for the Bulk Power Supply Solicitations. He updated the Board on progress with the power supply negotiations.

- Received 11 Responses
- Solar energy response from Clean Footprint
- Partial Requirements responses from:
 - FPL SEC
 - PEF FMPP
 - TEA OUC
 - JEA
- Base Load (must takes)
 - Covanta
 - GRU
 - SEC
- Peaking
 - TEC

- Initial screening eliminated JEA (three wheels made proposal uncompetitive)
- Inclusion of Clean Footprint (solar) proposal is being deferred since proposal does not provide firm capacity
- Evaluation of TEC peaking proposal is being deferred until power supply portfolio is firmed up

Qualitative Considerations

OUC

- Tie at distribution voltage has strategic implications
- Independence from PEF transmission, (cost is dramatically increasing)
- OUC may serve as additional source for services
- Possible future expansion of ties, to ~ 30 MW

FPL

- Has most efficient plants in the state
- Longer term a plus
- Need to work on prices in out-years
- Guarantees reasonable comparability with state price

Other Considerations

Covanta

- 10 year term is a plus
- Covanta prices fixed and independent of gas prices (provides fuel price diversity)
- Long term contract provides term diversity
- Covanta price escalation is 4.55 % annually, current gas escalation 4.9%

GRU

- 6 year term, provides some term diversity from Covanta
- GRU prices also fixed and independent of gas prices
- Although on 20 % of capacity, two base load contracts provide 38 % of energy

- GRU has not confirmed prices in writing

Original Objectives

- Term Diversity
 - Covanta 10 year
 - GRU 6 years
 - FPL 5-6 years
 - OUC 5 years
- Energy price diversity
 - Covanta & GRU fixed energy prices
 - FPL primarily based on gas prices
 - OUC mixture of coal and gas

Mr. Warren provided graphs that compared partial requirements and base load. Mr. Warren commented that he hopes to bring a detailed analysis and recommendations to the next meeting. Mr. Warren responded to questions.

Water/Wastewater Report

Mr. Heller reporting for David Zusi stated that data had been submitted for the SJRWMD Water Conservation Analysis. He also reported that Lake Island Park is off potable water which will about 2 million gallons a year. Dinky Dock is next on the list to get off potable water, Utilities is looking at installing a well, which will save about 1 million gallons. They are looking at irrigating from the pond for Lake Midget Park. Mr. Heller responded to questions.

Utility Billing

Ms. Margraf reported that customer service representatives will begin training on rebate program.

Communications

Ms. Howard reported on interviews and articles published locally, nationally and globally quoting City staff regarding the electric utility. She announced the following events, hazardous waste drop off day, Earth Day, and Spring Clean Up. Ms. Howard responded to questions.

Mr. Warren updated the Board on Interlachen T-2, reporting that the transformer has been thoroughly testing and so far they haven't found anything. He outlined the strategic for moving forward to identify the problem.

Action Items

- ❖ Edyth Bush Foundation Project update
- ❖ Update on Undergrounding and Power Supply

ADJOURNMENT

Chm. Seidel adjourned the meeting at 2:03 p.m. Next regular meeting date May 14, 2013.

Respectfully submitted,

Debbie Wilkerson

Debbie Wilkerson, Recording Secretary

Approved 5/14/13