



UTILITIES COMMISSION MEETING AGENDA

City of New Prague

Monday, March 25, 2024 at 3:30 PM

Power Plant - 300 East Main St

1. **CALL TO ORDER**
2. **APPROVAL OF AGENDA**
3. **APPROVAL OF MINUTES**
 - a. February 26, 2024, Utilities Meeting Minutes
4. **UTILITY AND SMMPA BILLS**
 - a. Approval of accounts payable in the amount of **\$120,933.79** and the SMMPA billing of **\$458,820.82**.
5. **FINANCIAL REPORTS**
 - a. Investment Report
 - b. Financial Report
 - c. Water and Kilowatt Hours Sales
6. **STAFF ASSIGNMENT CHANGE**
 - a. Interim Water Supervisor
7. **SMMPA BOARD OF DIRECTORS MEETING**
 - a. February 14, 2024
8. **GENERAL MANAGER'S REPORT**
9. **OTHER BUSINESS**
10. **ADJOURNMENT**

NEXT COMMISSION MEETING – Monday, April 29, 2024



UTILITIES COMMISSION MEETING MINUTES

City of New Prague

Monday, February 26, 2024 at 3:30 PM

Power Plant - 300 East Main St

1. CALL TO ORDER

The meeting was called to order by Commission President Dan Bishop on Monday, February 26, 2024, at 3:30 p.m.

Commissioners present: Dan Bishop, Dick Jordan, Tom Ewert, and Paul Busch

Commissioners absent: Bruce Wolf

Staff present: GM Reimers, EOS Ken Zweber, Finance Director Robin Pikal, and Administrative Coordinator Kim Lee

2. APPROVAL OF AGENDA

GM Reimers requested to add 5B. Approval of Mailing Machine Lease to the agenda. Motion made by Commissioner Jordan, seconded by Commissioner Ewert, to approve the agenda with the addition of 5B. Motion carried (4-0).

3. APPROVAL OF MINUTES

a. January 29, 2024, Utilities Meeting Minutes

Motion made by Commissioner Ewert, seconded by Commissioner Busch, to approve the January minutes. Motion carried (4-0).

4. UTILITY AND SMMPA BILLS

a. Approval of accounts payable in the amount of **\$151,621.36** and the SMMPA billing of **\$492,817.06**. Motion made by Commissioner Ewert, seconded by Commissioner Jordan, to approve the utility and SMMPA bills. Motion carried (4-0).

5A. FINANCIAL REPORTS

a. Investment Report

b. Financial Report

c. Water and Kilowatt Hours Sales

Motion made by Commissioner Busch, seconded by Commissioner Ewert, to approve the financial reports as presented. Motion carried (4-0).

5B. APPROVAL OF MAILING MACHINE LEASE

Motion made by Commissioner Busch, seconded by Commissioner Ewert, to approve a 63-month lease with American Mailing Machines for a monthly fee of \$146.95. Motion carried (4-0).

6. SMMPA BOARD OF DIRECTORS MEETING

a. January 11, 2024

GM Reimers informed the commission on the following matters that were discussed at the February meeting:

- Generation programs are moving forward with the board to make final decisions on capacity payment rates at the March meeting.
- SMMPA staff have been working with Austin Utilities on the possibility of them extending their capacity purchase agreements to 2050.

7. GENERAL MANAGER'S REPORT

GM Reimers informed the commission on the following:

- The electric department has been installing fault detection devices on all switches throughout the distribution system. This will improve the troubleshooting process when underground faults occur on the system.
- The electric department has also been converting streetlights over to LED lamps and fixtures primarily on the highway sections of the street lighting system. This will greatly improve efficiency and the quality of light in these areas.

8. OTHER BUSINESS

None.

9. ADJOURNMENT

Motion made by Commissioner Jordan, seconded by Commissioner Busch, to adjourn the February 26, 2024, meeting at 4:05 p.m. Motion carried (4-0).

NEXT COMMISSION MEETING – Monday, March 25, 2024

Respectfully Submitted,

Bruce Reimers
General Manager



Southern Minnesota Municipal Power Agency
 500 First Ave SW
 Rochester MN 55902-3303
 United States

Power Sales

Section 4, Item a.

#INV1269
 2/29/2024

Bill To

New Prague Municipal Utilities
 118 N Central Avenue
 New Prague MN 56071
 United States

Due Date: 3/25/2024

BILLING PERIOD	kWh	kW	DATE / TIME
Feb 2024	5,236,987	9,250	Feb 28, 2024 11:00:00 AM
SOLAR PRODUCTION	0	0	
TOTAL	5,236,987	9,250	
BASE RATE BILLING DEMAND CAP	N/A	0	
SUMMER SEASON BASE RATE DEMAND	N/A	15,667	Aug 23, 2023 5:00:00 PM
BASE RATE RATCHET DEMAND	N/A	11,594	Aug 23, 2023 5:00:00 PM

Description	Quantity	Rate	Amount	TOTAL
BASE RATE POWER SUPPLY				
Demand Charge (kW)	11,594	\$10.95	\$126,954.30	\$126,954.30
On Peak Energy Charge (kWh)	2,470,862	\$0.06431	\$158,901.14	\$158,901.14
Off Peak Energy Charge (kWh)	2,766,125	\$0.04808	\$132,995.29	\$132,995.29
Cost Adjustment (kWh)	6,076,702	\$-0.000228	\$-1,385.49	\$-1,385.49
BASE RATE SUBTOTAL				\$417,465.24
TRANSMISSION				
Transmission Charge - CP (kW)	11,594	\$1.00	\$11,594.00	\$11,594.00
Transmission Charge - Ratchet (kW)	15,667	\$1.934234	\$30,303.64	\$30,303.64
OTHER CHARGES				
Purpa - Solar Charge Under 40 kW	9,067	\$0.08435	\$764.80	\$764.80
Purpa - Reimbursement (kW)	0		\$-1,306.86	\$-1,306.86

Total \$458,820.82

NEW PRAGUE UTILITIES COMMISSION

SMMPA

02/28/2024

		PURCHASED	ENERGY	2024			PURCHASED	ENERGY	2023
MONTH	KWH	POWER	COST ADJ	Price/KWH	MONTH	KWH	POWER	COST ADJ	Price/KWH
January	6,076,702	\$ 492,817.06	\$ (14,666.30)	\$ 0.08351	January	6,074,429	500,013		\$ 0.08231
February	5,236,987	\$ 458,820.82	\$ (1,385.49)	\$ 0.08788	February	5,418,152	470,219		\$ 0.08679
March					March	5,727,100	501,121	\$ 12,245.02	\$ 0.08536
April					April	5,245,499	477,287	\$ 18,251.67	\$ 0.08751
May					May	5,710,038	496,162	\$ (7,480.08)	\$ 0.08820
June					June	6,997,617	574,274	\$ (10,614.96)	\$ 0.08358
July					July	7,101,113	608,890	\$ 14,338.12	\$ 0.08373
August					August	7,423,203	639,770	\$ 5,368.44	\$ 0.08546
September					September	6,153,035	543,661	\$ 20,673.62	\$ 0.08500
October					October	5,407,912	428,039	\$ (52,140.82)	\$ 0.08879
November					November	5,340,198	458,753	\$ (7,798.21)	\$ 0.08737
December					December	5,662,663	523,376	\$ 42,107.46	\$ 0.08499
Total	11,313,689	951,637.88	(16,051.79)	0.08411	Total	72,260,959	6,221,566	\$ 34,950.26	\$ 0.08610

Vendor Name	Net Invoice Amount
AMAZON CAPITAL SERVICES	
FIRST AID SUPPLIES	\$1.74
OFFICE SUPPLIES	\$29.38
PAPER CLIP	\$4.00
PHONE CASE	\$24.99
POST ITS	\$8.24
RETURNED OFFICE SUPPLIES	\$6.66-
BEVCOMM	
TELEPHONE	\$314.84
TELEPHONE/COMMUNICATIONS	\$119.90
COMPUTER TECHNOLOGY SOLUTIONS	
COMPUTER SUPPORT	\$1,811.82
OFFICE 365 / FIREWALL	\$303.33
GOPHER STATE ONE CALL	
LINE LOCATES	\$22.95
LAKERS NEW PRAGUE SANITARY	
TRASH - ELECTRIC	\$17.34
TRASH - POWER PLANT	\$88.98
TRASH - WATER	\$17.33
LEAGUE OF MN CITIES INSURANCE	
2024 WORKERS COMP	\$32,680.24
METRO SALES INC	
COPIER LEASE	\$49.50
NEW PRAGUE UTILITIES	
ELECTRIC UTILITIES	\$936.57
WATER UTILITIES	\$33.74
QUADIENT LEASING USA INC.	
POSTAGE MACHINE LEASE	\$76.20
QUILL CORPORATION	
COPY PAPER	\$73.00
SPECIAL NEWSLETTER	\$97.95
ROSS NESBIT AGENCIES INC.	
AGENCY FEE	\$372.60
SCHILLING SUPPLY COMPANY	
FLOOR CLEANER	\$120.72
ST LOUIS MRO INC	
PRE-EMPLOYMENT TESTING	\$20.00
TRENCHERS PLUS INC	
WOOD CHIPPER BLADES	\$22.35
WOOD CHIPPER BLADES & ROPE	\$150.13
US BANK EQUIPMENT FINANCE	
COPIER LEASE	\$385.95
VERIZON WIRELESS	
IPADS	\$115.12
TELEPHONE	\$601.29
ZORO TOOLS INC.	
DIESEL FUEL SUPPLEMENT	\$37.80
Grand Totals	\$38,531.34

Section 4, Item a.

Vendor / Description	Invoice Amount
1000 BULBS.COM	
CORN COB LED LAMP, 80W, 4000K	\$1,656.96
ACE HARDWARE	
SUPPLIES	\$246.06
ACME TOOLS	
BANDSAW BLADES	\$131.68
BLADES	\$101.00
ALTERNATIVE TECHNOLOGIES INC	
OIL SAMPLES	\$55.00
AMARIL UNIFORM COMPANY	
FR CLOTHING - BRADY	\$153.92
AMAZON CAPITAL SERVICES	
CALENDAR	\$9.99
CALENDAR PLANNER	\$9.84
DOT REFLECTIVE TAPE	\$15.99
LAUNDRY DETERGENT	\$39.88
TEFLON TAPE	\$12.99
TIRE WEIGHTS	\$9.98
ARVIG ANSWERING SOLUTIONS	
ANSWERING SERVICE	\$118.76
BOLTON & MENK INC.	
WATER SYSTEM UPDATES	\$2,982.60
BORDER STATES ELECTRIC SUPPLY	
SEAL, TRANSFORMER KEYLOCK(KEY #046	\$1,049.16
WIRE, 1/0-2-1/0 AL URD 600V URD (BR	\$1,390.24
C L BENSEN COMPANY INC	
FILTERS - 16X20X4	\$54.12
CENTERPOINT ENERGY	
NATURAL GAS	\$4,856.45
COMPUTER TECHNOLOGY SOLUTIONS INC	
E-READER	\$359.00-
WEST SUB CAMERA	\$1,251.45
DALCO	
PAPER ORDER	\$943.17
DENNY / DOTTY VONBANK	
CLEANING RAGS	\$120.00
DeZURIK INC.	
FILTER PLANT #2 -8" BUTTERFLY VALVE	\$1,289.19
EGAN COMPANY	
WEST SUB PLC REMOVAL	\$13,530.00
FERGUSON ENTERPRISES LLC #1657	
8" BLIND FLANGE	\$134.39
8" SLIP FLANGE	\$162.14
FRANK BISEK	
PRESCRIPTION SAFETY GLASSES	\$60.00
GRAINGER	
BATTERIES	\$68.55
BORING MACHINE - FITTING	\$48.23
CHEMICAL GLOVES	\$35.76
HOSE ADAPTER - BORING MACHINE	\$48.23
MOP HEADS	\$70.08
HACH COMPANY	
TESTING SUPPLIES	\$231.88
HAWKINS INC	
WATER PURIFICATION	\$9,772.98
INDUSTRIAL PNEUMATIC SYSTEMS	
AIR COMPRESSOR LINE	\$495.36

Section 4, Item a.

Vendor / Description	Invoice Amount
KING ELECTRICAL MFG. CO.	
ELECTRIC HEATER, KING KBP2406	\$5,210.80
LAKER'S NEW PRAGUE SANITARY	
FEBRUARY REFUSE BILLING FEE	\$532.80-
FEBRUARY REFUSE REIMBURSEMENT	\$15,152.80
LEAGUE OF MN CITIES INS TRUST	
WORKERS COMP - R.HRABE	\$1,289.69
LUBE-TECH & PARTNERS LLC	
DELVAC 1640 ENGINE OIL	\$4,651.52
MCMASTER-CARR SUPPLY CO	
BORING MACHINE FITTINGS	\$134.02
HAND BROOMS	\$89.43
MID AMERICA METER INC.	
METER TESTING	\$2,812.00
MN DEPT OF COMMERCE	
2024 4TH QTR INDIRECT ASSMNT	\$946.70
MPCA	
ANNUAL WATER PERMIT FEE	\$345.00
NORTHLAND CHEMICAL CORP.	
HAND SOAP DISPENSER	\$28.50
POSTMASTER OF NEW PRAGUE	
POSTAGE PERMIT	\$320.00
RESCO	
VT PACK HARNESS 12'	\$158.00
RIVER COUNTRY CO-OP	
FORKLIFT PROPANE	\$35.75
GAS	\$1,395.71
SALTCO	
MONTHLY SALT	\$35.00
SILHOUETTES	
EMBROIDERY	\$47.25
STAR GROUP LLC.	
BATTERIES	\$213.35
BRAKE CLEANER	\$32.33
SWITCH	\$20.00
STUART C. IRBY CO.	
BLANKET TESTING	\$78.85
HARNESS- VT PACK	\$130.00
US BANK EQUIPMENT FINANCE	
COPIER LEASE	\$16.75
UTILITY CONSULTANTS	
WATER SAMPLES	\$196.47
VOYAGER FLEET	
FUEL	\$542.11
WATER HEATERS ONLY	
100 GAL ELECTRIC WATER HEATER	\$3,668.00
80 GAL ELECTRIC WATER HEATER	\$3,144.40
WESCO RECEIVABLES CORP.	
VT HARNESS	\$1,196.20
ZORO TOOLS	
BORING MACHINE - CLAMPS	\$67.78
BORING MACHINE - FITTINGS	\$133.38
CREEPER	\$46.43
Grand Totals	<u><u>\$82,402.45</u></u>

NEW PRAGUE UTILITIES COMMISSION			
INVESTMENT SUMMARY			
1/31/2024			
First Bank and Trust			
Checking - Cash Balance			
Electric		\$	1,672,697.64
Water		\$	1,070,925.28
Subtotal		\$	2,743,622.92
Money Market		\$	2,011,595.13
Wells Fargo			
F.I.S.T. (Market Value per Wells Select report)		\$	3,199,737.00
Electric <i>(74% of account)</i>	\$	2,367,805.38	
Water <i>(26% of account)</i>	\$	831,931.62	
Total		\$	7,954,955.05
Invested			
F.I.S.T. original investment - 6/21/2012	\$	1,050,000	
F.I.S.T. Add'l investment - 7/19/2012	\$	730,000	
F.I.S.T. Add'l investment - 8/22/2014	\$	470,000	
F.I.S.T. Add'l Investment - 7/31/2015	\$	500,000	
F.I.S.T. Add'l Investment - 11/16/2015	\$	100,000	
	\$	2,850,000	

February 15, 2024

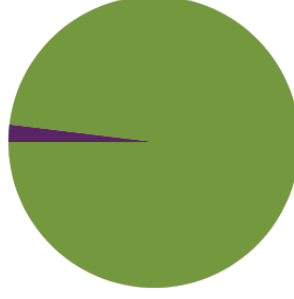
Trade Date Basis
NEW PRAGUE UTILITIES
COMMISSION
221880

Investment Objective Is Fixed Income

Managed Asset Allocation Summary

As of February 14, 2024

	MARKET VALUE	TOTAL COST	UNREALIZED G/L	EST ANNUAL INCOME	EST ANNUAL YIELD	ALLOCATION
Cash Alternatives	61,454	61,454	0	3,189	5.19	1.9
Fixed Income	3,138,283	3,341,116	(202,833)	98,601	3.14	98.1
Total Portfolio	\$3,199,737	\$3,402,570	\$(202,833)	\$101,790	3.18%	100.0%



NEW PRAGUE UTILITIES COMMISSION, MINNESOTA
STATEMENT OF REVENUES AND EXPENSES
BUDGET AND ACTUAL
WATER FUND (UNAUDITED)
January 31, 2024

WATER FUND						
<i>8.33% of year completed</i>						
REVENUES	2023 Thru 1/31/2023	Current Month	Actual Thru 1/31/2024	2023/2024 Variance YTD	2024 Fiscal Budget	% Received or Expended Based on Actual Budget
Unbilled Accounts Receivable	(6,611.41)	3,294.90	3,294.90	9,906.31	-	0.00%
Residential	\$ 96,069.66	\$ 96,832.04	\$ 96,832.04	\$ 762.38	\$ 1,167,088.00	8.30%
Commercial	36,162.08	27,141.84	27,141.84	(9,020.24)	619,473.00	4.38%
Water Hook-up Fees	\$ -	\$ -	\$ -	\$ -	\$ 20,000.00	0.00%
Interest Income	809.10	719.30	719.30	(89.80)	15,000.00	4.80%
Other Income	\$ 10,376.20	\$ 3,473.28	\$ 3,473.28	\$ (6,902.92)	\$ 56,400.00	6.16%
TOTAL REVENUES	\$ 136,805.63	\$ 131,461.36	\$ 131,461.36	\$ (5,344.27)	\$ 1,877,961.00	7.00%
EXPENSES						
Power Used	8,686.24	8,764.68	8,764.68	78.44	117,500.00	7.46%
Purification	326.17	2,276.03	2,276.03	1,949.86	58,000.00	3.92%
Distribution	3,753.70	37.92	37.92	(3,715.78)	70,500.00	0.05%
Depreciation	36,241.92	43,778.10	43,778.10	7,536.18	431,460.00	10.15%
Debt & Other Interest	52,164.80	55,491.52	55,491.52	3,326.72	101,948.00	54.43%
Salary & Benefits	37,787.93	45,593.36	45,593.36	7,805.43	647,468.00	7.04%
Admin & General	\$ 13,890.16	\$ 11,658.82	\$ 11,658.82	\$ (2,231.34)	\$ 163,028.00	7.15%
TOTAL EXPENSES	\$ 152,850.92	\$ 167,600.43	\$ 167,600.43	\$ 14,749.51	\$ 1,589,904.00	10.54%
EXCESS REVENUES OVER EXPENSES	\$ (16,045.29)	\$ (36,139.07)	\$ (36,139.07)	\$ (20,093.78)	\$ 288,057.00	

CITY OF NEW PRAGUE, MINNESOTA
STATEMENT OF REVENUES AND EXPENSES
BUDGET AND ACTUAL
ELECTRIC FUND (UNAUDITED)
January 31, 2024

Section 5, Item b.

ELECTRIC FUND						
						<i>8.33% of year completed</i>
REVENUES	2023 Thru 1/31/2023	Current Month	Actual Thru 1/31/2024	2023/2024 Variance YTD	2024 Fiscal Budget	% Received or Expended Based on Actual Budget
Unbilled Accounts Receivable	\$ (42,949.24)	\$ 5,688.02	\$ 5,688.02	\$ 48,637.26	\$ -	0.00%
Residential Revenue	\$ 417,761.19	\$ 349,788.51	\$ 349,788.51	\$ (67,972.68)	\$ 4,230,849.00	8.27%
Commercial	\$ 59,908.26	\$ 51,777.09	\$ 51,777.09	\$ (8,131.17)	\$ 606,240.00	8.54%
Small Industrial	\$ 166,751.33	\$ 156,486.91	\$ 156,486.91	\$ (10,264.42)	\$ 1,837,352.00	8.52%
Industrial	\$ 206,229.70	\$ 192,630.98	\$ 192,630.98	\$ (13,598.72)	\$ 2,374,761.00	8.11%
Streetlights	\$ 8,165.04	\$ 6,853.27	\$ 6,853.27	\$ (1,311.77)	\$ 58,529.00	11.71%
Other Departments	\$ 11,137.62	\$ 11,837.61	\$ 11,837.61	\$ 699.99	\$ 162,901.00	7.27%
SMMPA LOR Reimbursement	\$ 21,400.70	\$ 16,907.30	\$ 16,907.30	\$ (4,493.40)	\$ 180,000.00	9.39%
SMMPA O&M Revenue	\$ 66,655.33	\$ 45,146.41	\$ 45,146.41	\$ (21,508.92)	\$ 654,740.00	6.90%
Reimbursement - SMMPA Rebates	\$ 1,283.08	\$ -	\$ -	\$ (1,283.08)	\$ -	0.00%
Interest Income	\$ 3,019.48	\$ 2,688.74	\$ 2,688.74	\$ (330.74)	\$ 25,000.00	10.75%
Other Income	\$ 7,022.47	\$ 142,076.03	\$ 142,076.03	\$ 135,053.56	\$ 343,700.00	41.34%
TOTAL REVENUES	\$ 926,384.96	\$ 981,880.87	\$ 981,880.87	\$ 55,495.91	\$ 10,474,072.00	9.37%
EXPENSES						
Production	\$ 516.52	\$ 985.88	\$ 985.88	\$ 469.36	\$ 26,000.00	3.79%
Purchased Power	\$ 500,013.36	\$ 492,817.06	\$ 492,817.06	\$ (7,196.30)	\$ 6,401,508.00	7.70%
SMMPA O&M Expenses	\$ 31,081.60	\$ 8,278.14	\$ 8,278.14	\$ (22,803.46)	\$ 486,740.00	1.70%
Distribution/Transmission	\$ 4,237.75	\$ (21,730.66)	\$ (21,730.66)	\$ (25,968.41)	\$ 114,000.00	-19.06%
Energy Conservation - Rebates	\$ 1,283.08	\$ 2,645.44	\$ 2,645.44	\$ 1,362.36	\$ 12,500.00	21.16%
Depreciation	\$ 57,157.41	\$ 63,110.81	\$ 63,110.81	\$ 5,953.40	\$ 680,160.00	9.28%
Salary & Benefits	\$ 77,343.41	\$ 91,820.70	\$ 91,820.70	\$ 14,477.29	\$ 1,697,681.00	5.41%
MVEC LOR Payment	\$ 42,801.40	\$ 33,814.60	\$ 33,814.60	\$ (8,986.80)	\$ 357,793.00	9.45%
Admin & General	\$ 31,387.92	\$ 28,508.34	\$ 28,508.34	\$ (2,879.58)	\$ 260,278.00	10.95%
Payment in Lieu of Taxes	\$ 3,333.37	\$ 3,333.33	\$ 3,333.33	\$ (0.04)	\$ 40,000.00	8.33%
TOTAL EXPENSES	\$ 749,155.82	\$ 703,583.64	\$ 703,583.64	\$ (45,572.18)	\$ 10,076,660.00	6.98%
EXCESS REVENUES OVER EXPENSES	\$ 177,229.14	\$ 278,297.23	\$ 278,297.23	\$ 101,068.09	\$ 397,412.00	

Note: "Other Income" includes metal recycling

NEW PRAGUE UTILITIES COMMISSON					
ELECTRIC SALES KWH					
		ACCUM			ACCUM
MONTH	2024	2024	MONTH	2023	2023
JAN	5,506,685	5,506,685	JAN	7,167,597	7,167,597
FEB	5,637,032	11,143,717	FEB	5,749,576	12,917,173
MAR			MAR	5,309,337	18,226,510
APR			APR	5,593,759	23,820,269
MAY			MAY	4,902,810	28,723,079
JUNE			JUNE	5,925,918	34,648,997
JULY			JULY	6,929,204	41,578,201
AUG			AUG	6,782,693	48,360,894
SEPT			SEPT	6,923,879	55,284,773
OCT			OCT	5,971,226	61,255,999
NOV			NOV	4,829,240	66,085,239
DEC			DEC	5,387,440	71,472,679
TOTAL	11,143,717		TOTAL	71,472,679	

***Monthly Kwh totals are not final until year-end**

AGENDA ITEM: 5C									
NEW PRAGUE UTILITIES COMMISSION									
WATER PUMPED-SOLD-USED									
2024									
YR/MO	2024	2024 YTD	2023	2023 YTD	YR/MO	2024	2024 YTD	2023	2023 YTD
JANUARY	12/8/23-1/8/2024		12/8/22-1/10/2023		JULY	6/9/2024-7/11/2024		6/9/2023-7/11/2023	
GAL PUMPED	18,004	18,004	17,529	17,529	GAL PUMPED		35,515	44,904	160,021
GAL SOLD	15,411	15,411	14,793	14,793	GAL SOLD		30,390	41,150	142,482
GAL USED	280	280	337	337	GAL USED		623	981	3,391
GAL(LOSS)/GAIN	(2,313)	(2,313)	(2,399)	(2,399)	GAL(LOSS)/GAIN	0	(4,502)	(2,773)	(14,148)
PERCENTAGE	12.8%	12.8%	13.7%	13.7%	PERCENTAGE	#DIV/0!	12.7%	6.2%	8.8%
FEBRUARY	1/8/2024-2/7/2024		1/10/2023-2/8/2023		AUGUST	7/11/2024-8/9/2024		7/11/2023-8/9/2023	
GAL PUMPED	17,511	35,515	17,060	34,589	GAL PUMPED		35,515	38,624	198,645
GAL SOLD	14,979	30,390	15,323	30,116	GAL SOLD		30,390	35,725	178,207
GAL USED	343	623	325	662	GAL USED		623	579	3,970
GAL(LOSS)/GAIN	(2,189)	(4,502)	(1,412)	(3,811)	GAL(LOSS)/GAIN	0	(4,502)	(2,320)	(16,468)
PERCENTAGE	12.5%	12.7%	8.3%	11.0%	PERCENTAGE	#DIV/0!	12.7%	6.0%	8.3%
MARCH	2/7/2024-3/9/2024		2/8/2023-3/9/2023		SEPTEMBER	8/9/2024-9/8/2024		8/9/2023-9/8/2023	
GAL PUMPED		35,515	15,950	50,539	GAL PUMPED		35,515	37,180	235,825
GAL SOLD		30,390	14,555	44,671	GAL SOLD		30,390	34,643	212,850
GAL USED		623	368	1,030	GAL USED		623	601	4,571
GAL(LOSS)/GAIN	0	(4,502)	(1,027)	(4,838)	GAL(LOSS)/GAIN	0	(4,502)	(1,936)	(18,404)
PERCENTAGE	#DIV/0!	12.7%	6.4%	9.6%	PERCENTAGE	#DIV/0!	12.7%	5.2%	7.8%
APRIL	3/9/2024-4/8/2024		3/9/2023-4/8/2023		OCTOBER	9/8/2024-10/10/2024		9/8/2023-10/10/2023	
GAL PUMPED		35,515	17,103	67,642	GAL PUMPED		35,515	30,086	265,911
GAL SOLD		30,390	15,509	60,180	GAL SOLD		30,390	27,240	240,090
GAL USED		623	311	1,341	GAL USED		623	452	5,023
GAL(LOSS)/GAIN	0	(4,502)	(1,283)	(6,121)	GAL(LOSS)/GAIN	0	(4,502)	(2,394)	(20,798)
PERCENTAGE	#DIV/0!	12.7%	7.5%	9.0%	PERCENTAGE	#DIV/0!	12.7%	8.0%	7.8%
MAY	4/8/2024-5/10/2024		4/8/2023-5/10/2023		NOVEMBER	10/10/2024-11/8/2024		10/10/2023-11/8/2023	
GAL PUMPED		35,515	18,946	86,588	GAL PUMPED		35,515	17,838	283,749
GAL SOLD		30,390	14,860	75,040	GAL SOLD		30,390	14,855	254,945
GAL USED		623	373	1,714	GAL USED		623	330	5,353
GAL(LOSS)/GAIN	0	(4,502)	(3,713)	(9,834)	GAL(LOSS)/GAIN	0	(4,502)	(2,653)	(23,451)
PERCENTAGE	#DIV/0!	12.7%	19.6%	11.4%	PERCENTAGE	#DIV/0!	12.7%	14.9%	8.3%
JUNE	5/10/2024-6/9/2024		5/10/2023-6/9/2023		DECEMBER	11/8/2024 - 12/8/2024		11/8/2023 - 12/8/2023	
GAL PUMPED		35,515	28,529	115,117	GAL PUMPED		35,515	17,948	301,697
GAL SOLD		30,390	26,292	101,332	GAL SOLD		30,390	15,465	270,410
GAL USED		623	696	2,410	GAL USED		623	331	5,684
GAL(LOSS)/GAIN	0	(4,502)	(1,541)	(11,375)	GAL(LOSS)/GAIN	0	(4,502)	(2,152)	(25,603)
PERCENTAGE	#DIV/0!	12.7%	5.4%	9.9%	PERCENTAGE	#DIV/0!	12.7%	12.0%	8.5%



New Prague Utilities Commission

In the Counties of Scott & Le Sueur

Section 6, Item a.

118 CENTRAL AVENUE NORTH • NEW PRAGUE, MINNESOTA 56071 •
PHONE (952) 758-4401 • www.ci.new-prague.mn.us • FAX (952) 758-1149

Bruce Reimers
General Manager

MEMORANDUM

TO: New Prague Utilities Commission
FROM: Bruce Reimers, Utilities General Manager
DATE: March 18, 2024
SUBJECT: Staff Assignment Change

Due to a resignation effective March 8th, 2024, the Water Supervisor position was vacant. The Utilities General Manager discussed the open position with current water operators, of which one, Travis Scheffler, expressed interest in the supervisor position.

Mr. Scheffler has worked in the Water Department since 2017 and his competency in the department has proven his ability to successfully meet the needs of the Water Supervisor. This position will be filled by Mr. Sheffler on an interim basis, not to exceed six months.

Recommendation: Commission approves the assignment of Interim Water Supervisor to Travis Scheffler effective March 11th, 2024.

SOUTHERN MINNESOTA MUNICIPAL POWER AGENCY
Minutes of the Board of Directors' Meeting
February 14, 2024

President Reimers called the meeting to order at 9:00 a.m. at the Redwood Area Community Center in Redwood Falls, Minnesota.

Mr. Halvorson, Redwood Falls Public Utilities Superintendent, welcomed the members to Redwood Falls.

Board Members Present:

President Bruce A. Reimers, New Prague; Vice President Peter T. Moulton, Saint Peter; Secretary Roger E. Warehime, Owatonna; Treasurer James R. Bakken, Preston; T. Scott Jensen, Lake City; and Timothy M. McCollough, Rochester.

Board Member Absent:

Mark E. Nibaur, Austin.

Others Present:

David P. Geschwind, Executive Director & CEO; Miles Heide, Fairmont; Keith R. Butcher, Princeton; Jason Halvorson, Redwood Falls; Chris Rolli, Spring Valley; Beth A. Fondell, Naomi A. Goll, Joseph A. Hoffman, and Mark S. Mitchell of the Agency staff.

Others Present Via Conference Call:

Alex Bumgardner, Austin; Julie Zarling, Fairmont; Shane Steele, Grand Marais; Michael B. Geers, Litchfield; and Joe Kohlgraf, Mandi Yoder, Mora.

#1 Agenda Approval:

Mr. Bakken moved to approve the agenda, seconded by Mr. Moulton, passed upon a unanimous vote of the board members present.

#2 Consent Agenda:

Mr. Jensen moved to approve the consent agenda, seconded by Mr. Warehime, passed upon a unanimous vote of the board members present.

APPROVED the January 11, 2024 board meeting minutes.

APPROVED the Rutland Substation Oil Containment Project. (Attachment A.)

#3 Quick Start Program-Mitchell:

Mr. Mitchell reported on the Quick Start Program.

The Agency's resource planning has identified a long-term need for 63 MW of dispatchable generating capacity with a focus on a 49 MW natural gas plant and 14 MW of diesel generation. Previous discussions about a new Quick Start program offering to members identified a possible capacity payment for new member units of \$7.50/kW-month based on estimates for installed costs for new diesel generation developed in the fall of 2023. Recent cost estimates for new diesel units are considerably more expensive than the previous estimates. Depending on the number of units and the installation configuration, the new costs range from approximately \$9.50 to \$10.50/kW-month.

Mr. Mitchell presented updated cost estimates and discussed the costs for various options for additional capacity. He reported that MISO's Cost of New Entry for generation for the 2024-2025 planning year is \$10.38/kW month, which is consistent with the Agency's estimate for new natural gas generation. He also presented information on the cost of capacity-only batteries that could be used to meet the Agency's capacity needs, but do not provide any energy value. Those costs range from \$7.50 to \$8.25/kW-month.

Mr. Mitchell said the Agency primarily views diesel generators as capacity resources because of their fairly high cost of energy and past dispatch levels in MISO. Diesel units and batteries can be viewed as providing similar value. He did acknowledge that diesel units do provide some energy hedge value that capacity-only batteries do not. Because the Agency could use batteries to meet capacity requirements, Mr. Mitchell suggested the board consider a new Quick Start program capacity price of \$8.00/kW-month.

Board members discussed that, while batteries might provide comparable capacity credit to diesel generators in MISO, diesel generators provide additional energy hedge value by being able to run for long periods, as opposed to four hours for batteries. For those reasons, the Agency should consider paying more for diesels than for batteries. Following discussion, a suggestion was made that perhaps a \$10/kW-month capacity payment would be more appropriate.

The Agency will plan to bring a proposed Quick Start program with a \$10/kW-month capacity payment for board consideration and approval at the March 2024 board meeting.

#4 New Resource Status-Mitchell:

Mr. Mitchell reported on the new resource status.

Working with DGR Engineering to finalize requests for proposals for both reciprocating natural gas engines and combustion turbines that are expected to be issued by the end of February. Recently met with Owatonna Public Utilities (OPU) and the City of Owatonna to discuss natural gas supply line and potential locations for a new plant. DGR Engineering is evaluating options for interconnecting to the OPU system.

Renewable Projects

The Agency met with Xcel Energy (Xcel) recently to explore opportunities to work jointly on renewable projects. The Agency initiated the discussion following Xcel's issuance of a request for proposal (RFP) for 1200 MW of new wind generation. Xcel is interested in and willing to explore ways to work together on new projects. The discussion included details about the

amount and timing of the Agency's need for renewable resource, potential cost structures (PPA and ownership), and opportunities to use the Agency's interconnection rights at Sherco.

Discussion.

The next step is for Xcel to evaluate the responses to their recent RFP with SMMPA's needs in mind and develop a proposal for SMMPA's consideration. Xcel also noted that they will be issuing additional RFP's in the near future.

#5 Annual Economic Development Report-Hoffman:

Mr. Hoffman reviewed the annual economic development report.

The Economic Development Program provides incentives to attract new business customers to SMMPA member communities. The program includes two rates: Economic Development Credit Program and Load Acquisition Credit Program.

Economic Development Credit Program

The credit program is available to new or expanding businesses with a load of 250 kW or greater, or with a load that exceeds the demand of the member's tenth largest current retail customer. There is a 5-year credit on energy charges (40%, 20%, 10%, 5%, and 2.5%) and the credit is paid by SMMPA to the member.

Load Acquisition Credit Program

The program provides credit to members who are making lost revenue payments for service territory acquisitions. Five members (New Prague, Owatonna, Preston, Rochester, and Saint Peter) participated in the Load Acquisition Credit Program. Based on a 60% load factor, over the last five years, this is equivalent to approximately 14.5 megawatts of load.

Discussion.

Other Economic Development Initiatives

- Member economic development professionals' meeting (if there is interest).
- The Agency developed customized Economic Development Program brochures for member communities.
- Exploring potential partnership with the Small Business Development Centers (SBDC) located in Rochester, Austin, and Owatonna. SBDC provides assistance to small businesses with business plan development, financial projections, accounting, marketing, loan packaging, and succession planning.
- The Agency developed a commercial and industrial building and site webpage for member communities.

After a short break, the board reconvened at 10:35 a.m.

#6 Confidential Board Report Summary-Mitchell:

Mr. Mitchell summarized the confidential board report.

Government Affairs/Member Services Report-Hoffman:

Mr. Hoffman summarized the government affairs/member services report detailed in the board book.

MMUA Legislative Conference

Members were reminded of the MMUA Legislative Conference March 26-27, 2024 in St. Paul, Minnesota.

APPA Legislative Rally

Members were reminded of the APPA Legislative Rally February 26-28, 2024 in Washington, D.C.

Electric Vehicles Rebates

The Minnesota Department of Commerce started accepting electric vehicle rebate applications on February 7, 2024. Applicants may receive a rebate up to \$2,500 for new electric vehicles, no income limits, and on a first-come, first-served basis.

Electric Vehicle Charging Network Usage

The 2023 electric vehicle charging network usage results reflect a growth among the members. On-peak and off-peak kWh charging was split evenly between Level 2 and DC fast chargers. Members experiencing DC fast charger screen issues should contact Mr. Hoffman to have the issue addressed with ZEF Energy.

Electric Vehicle Retail Rate Working Group

Some member communities are seeing an installation of DC fast chargers at car dealerships. The Agency will host an Electric Vehicle Working Group meeting to provide assistance to the members on electric vehicle charging rates.

SMMPA Member Orientation

A SMMPA member orientation will be scheduled in the upcoming months.

SMMPA/Frontier Grant Webinar

The next SMMPA/Frontier Grant Webinar is scheduled for February 22, 2024 at 10 a.m.

2024 APPA DEED Membership

SMMPA pays the APPA DEED membership dues on behalf of all members.

Operations Report-Mitchell:

Mr. Mitchell reported:

Sherco 3 Status Report

Xcel Energy (Xcel) is anticipating a fall outage to connect steam supply from Sherco 3 to Liberty Paper, Inc. The Agency is waiting for a draft agreement from Xcel that will address how Xcel will ensure that SMMPA is not economically or operationally disadvantaged by steam sales from Sherco 3 by Xcel to Liberty Paper, Inc.

Owatonna Energy Station Air Permit Renewal

The Owatonna Energy Station air permit renewal application was filed with the Minnesota Pollution Control Agency in 2020. Draft air permit is expected to be issued by March 4, 2024, public comment period begins March 18, 2024, and final permit issuance in May 2024.

Potential MISO Fine for June 2022 Sherco 3 Operation

Xcel Energy (Xcel) is continuing to provide information to MISO to explain why the way Sherco 3 was operated in June 2022 when the fuel oil meter was being replaced was appropriate and that MISO should reject the Independent Market Monitor’s (IMM) recommendation to fine Xcel \$1.5 million. Most recently Xcel provided an opinion from the boiler manufacturer supporting Xcel’s method of operation at the time. The IMM believes Xcel ran the unit ran uneconomically when market prices dropped, but Xcel argued they operated as agreed in advance with MISO and in a manner that minimized the possibility of tripping the unit while the meter was being replaced. Xcel is continuing discussions with MISO.

Tranche 1 Transmission Investments

SMMPA expects to have the opportunity to invest in two long-range transmission projects (LRTP-4 Wilmarth-North Rochester-Tremval in Minnesota and LRTP-6 Tremval-Rocky Run in Wisconsin) totaling approximately \$32 million. In a revised draft memorandum of understanding (MOU) between Xcel Energy and SMMPA, it appears the Agency’s investment opportunity may increase if actual costs for LRTP-4 are higher than estimated. Allowing the investment to increase will help the Agency offset more of the transmission costs that will be charged by MISO as a result of the construction of all of MISO’s Tranche 1 projects. Meetings are being scheduled to discuss the details of the new MOU.

Quarterly Wind & Solar Update

Mr. Mitchell presented information on the performance of the Agency’s wind and solar resources, including capacity factor and costs relative to market energy prices and net margins.

Market Price Update

A graph of recent natural gas and on-peak electricity prices was discussed.

Financial Report December 2023-Fondell:

Ms. Fondell summarized Agency financial results through December as provided in the board book materials. December’s financial results are preliminary as the 2023 books are held open until the annual audit is completed.

Revolving Credit Agreement Paydown

The Revolving Credit Agreement 2023 tax-exempt paydown of \$2.4 million will be done next week. The 2024 paydown is currently planned for the end of the year since money market interest rates are currently higher than the short-term borrowing interest rate. Agency staff will monitor interest rates throughout the year to determine the best time to do the 2024 paydown transaction.

2023 Investment Results

The 2023 year-end investment results were reviewed. The investment portfolio balance at the end of 2023 was \$218 million.

Short-Term & Long-Term Debt Review

The RCA 2023 short-term borrowing program activity was reviewed along with an amortization schedule and paydown plan. The long-term debt payment schedule for 2024 through 2046 was reviewed.

Sherco 3 Billing Audit

Baker Tilly reviewed Xcel Energy’s 2022 Sherco 3 billing audit, which was completed in 2023. SMMPA owes Xcel Energy a net billing discrepancy of approximately \$2,400.

Fitch Ratings 2024 Outlook

Fitch Ratings projects a neutral 2024 outlook for Public Power, representing an improvement from their prior outlook of deteriorating.

SMMPA Financial Audit

The SMMPA financial audit fieldwork was held February 5-9, 2024.

Annual Review of Financial Information

Ms. Fondell will email materials to the members explaining the financial and operations reports provided in monthly board books.

MUDF Requests

Member utility data file (MUDF) requests were sent to members earlier than normal due to upcoming maternity leaves.

Transmission Rate Change

The SMMPA transmission rate structure change will be effective February 2024. Members’ bills in early March will have two line items for the transmission charge.

Build America Bonds

The taxable Build America Bonds were issued in 2010 and SMMPA received interest subsidy payment.

President’s Report:

Mr. Reimers reported:

- SMMPA Executive Director & CEO Evaluation: At the close of today’s board meeting, there will be an Executive Session of the Board of Directors to discuss the SMMPA Executive Director & CEO’s performance review.

Executive Director & CEO’s Report:

Mr. Geschwind reported:

- Electric Prepay: On January 17, 2024, SMMPA met with Jack Kegel, Minnesota Community Energy, and Royal Bank of Canada (RBC) to discuss the electric prepay concept. Other pre-pay participants have seen savings of 5-10% with 30-year

commitments. The topic will be brought back depending on the results of additional analyses by the Agency.

- Xcel Energy IRP: Xcel Energy filed their Integrated Resource Plan on February 1, 2024. Among other resources, Xcel Energy plans to add significant battery storage by 2030 and proposes to add two gas plants.
- Xcel Energy Time of Use Rate: Xcel Energy is proposing a time of use rate in 2025 for all of its customers.

Member Forum:

None.

Other Business:

There was no other business.

Adjourn:

A motion to adjourn the meeting was made by Mr. McCollough, seconded by Mr. Warehime, passed upon a unanimous vote of the board members present.

The meeting was adjourned at 11:54 a.m.

Secretary