

**MINUTES OF THE DELANO WATER, LIGHT AND POWER COMMISSION  
CITY OF DELANO, COUNTY OF WRIGHT, STATE OF MINNESOTA  
WITH ALL ACCOUNTS BEING AUDITED BY SAID COMMISSION  
Monday, March 21st, 2011**

1. CALL TO ORDER

The meeting was called to order by Chairman Larry Bartels.

2. ROLL CALL

Roll call was taken and a quorum established

Members Present:     Larry Bartels, Chairman  
                              Bob Hutter, Commissioner  
                              Randy Keranen, Commissioner  
                              Jonathan Ness, Commissioner  
                              Derek Schansberg, Commissioner

Also Present:           Hal Becker, General Manager  
                              Aimee Dreger, Recorder

3. AGENDA

A. There was a motion made by Bob Hutter with a second by Jonathan Ness to approve the agenda tabling 7B.

Motion Carried

4. MINUTES

A. There was a motion by Randy Keranen with a second by Bob Hutter to approve the minutes of the special meeting conducted on February 16<sup>th</sup>, 2011 as amended.

Motion Carried

B. There was a motion by Derek Schansberg with a second by Larry Bartles to approve the minutes of the regular meeting conducted on February 23rd, 2011.

Motion Carried

5. POWER COST ADJUSTMENT

The wholesale cost of energy was low again giving us a negative PCA again this month.

A. There was a motion made by Jonathan Ness with a second by Bob Hutter to approve the power cost adjustment for bills due March 27th, 2011 at negative .01918.

Motion Carried

6. FINANCIALS

In the electric department we are ahead of budget by approximately \$42,000 in large part due to higher power cost adjustments than what was originally budgeted for. In the water department we are ahead of budget by approximately \$5,200. The commission commented on the higher transmission costs and Mr. Becker replied the credits have not been released from XCEL and that will bring our transmission costs down.

A. Motion to Approve the Financials for February 2011

There was a motion by Jonathan Ness and a second by Bob Hutter to approve financials for February 2011.

Motion Carried

## 7. General Manager Report

### A. Conservation Improvement Program

An update on the Conservation Improvement Program includes our residential at 10% of our goal YTD, 9% of our goal for DMU projects and 9% of our goal for commercial and industrial. We have projects that are pending including lighting retrofits, air compressor upgrades and a parking lot retrofit. A commissioner inquired about a rebate for televisions and Mr. Becker replied DMU staff has researched and currently there are no rebates approved for the State of Minnesota.

### B. Geothermal System – Tabled until next meeting.

### C. Service Deposit Refund Status

The DMU staff has been working on the service deposit refunds and has re-calculated a majority of the apartment buildings. They have also refunded deposits on home owner accounts which were collected for disconnection in previous years and have not been disconnected recently. DMU staff is on track to finish the project by the end of March. Commissioner Ness asked if the DMU staff has a plan to monitor this deposit reduction and Mr. Becker replied we do have accounts in place to track those numbers and staff will do a year end summary.

### D. Recap of GM visit to APPA Legislative Rally

A key topic was Climate change and EPA regulations. It was discussed who has authority in making decisions and who is checking to make sure the EPA is not overstepping their boundaries. It was further discussed the EPA policies are moving to fast and they need to slow down their processes. Along with this issue, the diesel emissions standards on RICE (Reciprocating Internal Combustion Engines) were discussed. DMU sells our capacity on Generator 9 which will not be affected by these regulations. We will research on how our combustion engines will be affected.

Another key topic was the sale of Burlington Northern Railroad. We discussed the impact of that sale and how it will affect coal sales and ultimately affect our electric rates.

It was also discussed with representatives and senators to continue to encourage the constructions of transmission lines. Another point was the financing for utilities and keeping the tax exempt status.

## 8. Unfinished Business

### A. Approve DMU Travel Policy for Commissioners

The auditors recommended this additional policy for travel by the commissioners.

There was a motion by Jonathan Ness and a second by Derek Schansberg to approve the DMU Travel Policy for Commissioners.

Motion Carried

9. New Business

A. Approve the Use of Community Service Workers

DMU staff has researched the guidelines for community service workers in regards to liability if something were to happen at our location. According to State Statute 3.739, we would not be liable if an injury or accident would occur. It is helpful not only to us to have the labor, but it also provides an individual to be able to learn from our staff.

There was a motion made by Jonathan Ness with a second by Derek Schansberg to approve the use of Community Service Workers.

Motion Carried

10. CLAIMS

A. There was a motion made by Jonathan Ness with a second by Bob Hutter to approve claims for the month of February 2011 in the amount of \$574,882.01.

Motion Carried

11. ADJOURNMENT

There being no further business before the Commission, the meeting was adjourned at 7:50pm.

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Larry Bartels, Chairman

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Jonathan Ness, Secretary