



Danville Utility Commission Meeting Agenda
4:00 p.m., September 28, 2020
City Council Chambers, Danville City Hall

- I. Call to Order**
 - A. Roll Call

- II. Discussion/Business Items**
 - A. Minutes of the August 24, 2020 Commission Meeting
 - B. Review of Utilities' Financial Statements
 - C. Power Supply Update
 - D. Pinnacles Metering and Billing

- III. Communications**
 - A. City Manager
 - B. Utilities Staff
 - C. Commission Members
 - D. Public Comments
 - E. Director's Report

- IV. Adjournment**

Next Utility Commission Meeting
4:00 p.m. Monday, October 26, 2020
City Council Chambers
4th Floor, City Hall



Commission Members Present: Sheila Williamson-Branch, Fred Shanks, Ken Larking, Paul Liepe, Vanessa Cain, Bert Eades, Gary Miller

Commission Members Absent: Helm Dobbins

Staff Present: Ryan Dodson, Jason Grey, Janet Davis, Alan Johnson, Jennifer Holley, Michael Adkins

Others Present:

Call to Order and Announcements

Chairman Cain opened the meeting and asked that the attendance be recorded. As a quorum was present, the meeting was called to order.

Discussion/Business Items

Minutes of July 27, 2020 Commission Meeting

Ms. Cain asked for any corrections, deletions, or adjustments to the minutes from July 27, 2020.

Mr. Liepe made a motion to approve the minutes. Mr. Eades seconded, all members voted in favor, and the motion carried unanimously.

Review of Utilities' Financial Statements

Ms. Holley presented the utility financial statements for June for each utility fund and addressed questions from the commissioners.

Mr. Eades asked are the projections for the rest of the year for total kilowatt hour sales still realistic in usage and are they realistic for where we will end with no other changes.

Ms. Holley responded that the spreadsheet changes the projections forward from the reported previous sales each month.

Proposed Sewer Use Ordinance

Alan Johnson, Division Director of Water and Wastewater Treatment, presented the proposed changes to the sewer use ordinance. The changes are required to meet EPA and DEQ treatment regulations. Obsolete language in the current sewer use ordinance was also updated.

Mr. Eades asked if the change in the pH limits would affect any customers. Mr. Johnson replied that it would not.

Ms. Williamson-Branch made a motion that the Danville Utility Commission recommend to City Council updating the City's sewer use ordinance to comply with current EPA and DEQ regulations. Mr. Liepe seconded, all members voted in favor, and the motion carried unanimously.

Proposed Amended Agreement with Inframark to Accept Biosolids from Chatham

Mr. Johnson presented a proposed amendment to the City's Inframark agreement to accept biosolids from Chatham's Wastewater Treatment plant for \$0.005/gallon. The proposal involves blending Chatham's biosolids with Danville's so they could both go through the same stabilization process. The blended biosolids will ultimately be land applied following the rules and regulations set by Virginia DEQ, North Carolina DEQ, and EPA.

Mr. Liepe asked if this is a courtesy to Chatham. Mr. Johnson replied that yes, Danville Utilities makes a small profit, but that the biosolids are primarily received as a courtesy to the Town of Chatham.

Ms. Williamson-Branch made a motion that the Danville Utility Commission recommend to City Council to allow the City Manager to amend the current agreement with Inframark to include accepting biosolids from the town of Chatham, VA. Mr. Eades seconded, all members voted in favor, and the motion carried unanimously.

Department Discussions

Dr. Miller said that Mr. Grey met with him to learn more about Danville Utilities and thanked him for meeting with him. He added that the benefit of the solar farms is that the Utility does not incur transmission charges.

Mr. Eades asked about providing automated billing. Mr. Grey responded that the IT department is working on it.

Mr. Grey said the solar farms will be online soon.

There was no further communication from staff, commission members or the public.

Adjournment

Ms. Cain stated the next meeting is scheduled for September 28, 2020. A motion was made by Mr. Liepe and seconded by Ms. Williamson-Branch to adjourn. All voted in favor. Ms. Cain adjourned the meeting at 4:35 p.m.

Submitted by Janet C. Davis
Secretary to the DUC

September 28, 2020

Date Approved

Chairman
Danville Utility Commission



Commission Item Number: DUC200928 - 1
Utility Commission Meeting: September 28, 2020
Item: II. B. Review of Utilities' Financial Statements

Financial Report

July financials will be reviewed.

UTILITY FUNDS
COMBINING STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
FOR THE PERIOD ENDED JULY 31, 2020 (YTD)
UNAUDITED

| | WASTEWATER | WATER | GAS | ELECTRIC | TELECOM | TOTAL | CURRENT 20-21 BUDGET | LAST YEAR TO DATE |
|---|---------------|---------------|---------------|----------------|--------------|----------------|----------------------------|----------------------|
| OPERATING REVENUE | 722,616.83 | 728,231.21 | 722,296.99 | 10,723,981.53 | 70,939.15 | 12,968,065.71 | 169,322,180.00 | 13,296,775.71 |
| COST OF SALES | | | | | | | | |
| PURCHASED SERVICES | - | - | 623,050.59 | 8,068,815.04 | 5,155.34 | 8,697,020.97 | 109,277,060.00 | 8,832,752.43 |
| PRODUCTION | - | - | - | 27,154.85 | - | 27,154.85 | 1,161,914.34 | 47,546.05 |
| TOTAL COST OF SALES | - | - | 623,050.59 | 8,095,969.89 | 5,155.34 | 8,724,175.82 | 110,438,974.34 | 8,880,298.48 |
| GROSS PROFIT | 722,616.83 | 728,231.21 | 99,246.40 | 2,628,011.64 | 65,783.81 | 4,243,889.89 | 58,883,205.66 | 4,416,477.23 |
| GROSS PROFIT % | 100.00% | 100.00% | 13.74% | 24.51% | 92.73% | 32.73% | 34.78% | 33.21% |
| OPERATING EXPENSES | | | | | | | | |
| TRANSMISSION & TREATMENT | 49,137.40 | 141,619.84 | - | 104,714.34 | - | 295,471.58 | 6,651,090.06 | 504,367.83 |
| ENGINEERING | - | 16,733.18 | 16,860.18 | 72,904.53 | - | 106,497.89 | 1,826,807.95 | 82,043.76 |
| DISTRIBUTION | 173,033.76 | 51,596.66 | 42,944.16 | 972,317.04 | - | 1,239,891.62 | 17,621,760.40 | 1,414,359.49 |
| SERVICE | 532.34 | 4,684.25 | 2,509.98 | - | - | 7,726.57 | 382,580.00 | 17,751.71 |
| METERS & REGULATORS | - | 6,467.63 | 7,568.76 | 34,888.15 | (8.80) | 48,915.74 | 699,846.14 | 42,029.13 |
| GENERAL & ADMINISTRATIVE | 135,810.78 | 263,050.57 | 228,824.99 | 394,795.33 | 60,401.29 | 1,082,882.96 | 15,792,518.82 | 1,127,184.85 |
| TOTAL OPERATING EXPENSES | 358,514.28 | 484,152.13 | 298,708.07 | 1,579,619.39 | 60,392.49 | 2,781,386.36 | 42,974,603.37 | 3,187,736.77 |
| OPERATING INCOME (LOSS) | 364,102.55 | 244,079.08 | (199,461.67) | 1,048,392.25 | 5,391.32 | 1,462,503.53 | 15,908,602.29 | 1,228,740.46 |
| NON-OPERATING REVENUE (EXPENSE) | | | | | | | | |
| INTEREST INCOME ON INVESTMENTS | 12,113.68 | 11,649.06 | 14,029.91 | 31,502.56 | 947.48 | 70,242.69 | 951,800.00 | 135,124.61 |
| ENERGY EFFICIENCY RECOVERY | - | - | - | (2,477.50) | - | (2,477.50) | - | (27,798.55) |
| RECOVERIES AND REBATES | - | - | 83.03 | (5,408.18) | - | (5,325.15) | (122,050.00) | 3,599.03 |
| GAIN/LOSS ON DISPOSAL | - | - | - | 685.50 | - | 685.50 | 48,970.00 | 144.00 |
| JOBGING INCOME (LOSS) | 1,703.23 | 6,321.29 | (1,958.66) | (17,129.59) | (203.13) | (11,266.86) | 495,850.00 | 6,106.11 |
| INTEREST ON LONG TERM INDEBTEDNESS | (28,469.06) | (24,846.10) | (18,382.41) | (186,833.76) | - | (258,531.33) | (1,774,700.00) | (5,679.18) |
| NET INCOME (LOSS) | 349,450.40 | 237,203.33 | (205,689.80) | 868,731.28 | 6,135.67 | 1,255,830.88 | 15,508,472.29 | 1,340,236.48 |
| OPERATING TRANSFERS IN(OUT) | (58,813.33) | (79,191.67) | (265,527.50) | (869,134.17) | (6,750.00) | (1,279,416.67) | (15,353,000.00) | (1,279,416.67) |
| NET INCOME AFTER TRANSFERS | 290,637.07 | 158,011.66 | (471,217.30) | (402.89) | (614.33) | (23,585.79) | 155,472.29 | 60,819.81 |
| NET ASSETS JULY 1, AS RESTATED | 62,183,354.69 | 47,763,002.75 | 56,521,142.88 | 172,491,956.75 | 8,685,058.61 | 347,644,515.68 | | |
| NET INCOME AFTER TRANSFERS | 290,637.07 | 158,011.66 | (471,217.30) | (402.89) | (614.33) | (23,585.79) | | |
| FEDERAL GRANT | - | - | - | - | - | - | | |
| CONTRIBUTION IN AID | 6,584.00 | - | - | - | - | 6,584.00 | | |
| NET ASSETS JULY 2020 | 62,480,575.76 | 47,921,014.41 | 56,049,925.58 | 172,491,553.86 | 8,684,444.28 | 347,627,513.89 | | |
| NET ASSETS | | | | | | | | |
| CONTRIBUTED CAPITAL - FIXED ASSETS | 3,929,515.44 | 4,676,282.92 | 1,340,510.58 | 13,721,622.53 | 337,248.59 | 24,005,180.06 | | |
| RESTRICTED FOR INVESTMENT IN FIXED ASSETS | 45,458,475.17 | 30,174,771.21 | 38,626,668.64 | 117,024,465.02 | 7,061,683.37 | 238,346,063.41 | | |
| RESTRICTED FOR PROJECTS IN PROGRESS | 4,395,545.95 | 5,439,647.31 | 4,503,036.89 | 3,115,037.30 | 272,854.49 | 17,726,121.94 | | |
| RESTRICTED FOR ENCUMBRANCES | 154,382.25 | 88,134.66 | 53,971.56 | 861,410.02 | 1,262.50 | 1,159,160.99 | | |
| RESTRICTED FOR ENERGY EFFICIENCY | - | - | - | - | - | - | | |
| NET PENSION ASSETS | 386,429.00 | 1,039,349.00 | 934,757.00 | 3,622,378.00 | 100,981.00 | 6,083,894.00 | | |
| DEFERRED OUTFLOWS - PENSION | 66,617.00 | 179,174.00 | 161,143.00 | 624,465.00 | 17,408.00 | 1,048,807.00 | | |
| UNRESTRICTED | 8,156,227.95 | 6,502,829.31 | 10,590,980.91 | 34,146,640.99 | 910,414.33 | 60,307,093.49 | | |
| TOTAL NET ASSETS | 62,480,575.76 | 47,921,014.41 | 56,049,925.58 | 172,491,553.86 | 8,684,444.28 | 347,627,513.89 | | |

CITY OF DANVILLE
UTILITY FUNDS
COMBINING STATEMENT OF NET ASSETS - UNAUDITED
JULY 31, 2020

| | <u>WASTEWATER</u> | <u>WATER</u> | <u>GAS</u> | <u>ELECTRIC</u> | <u>TELECOM</u> | <u>JULY 31, 2020</u> |
|--|--------------------------------|-----------------------------|-----------------------------|------------------------------|----------------------------|------------------------------|
| ASSETS | | | | | | |
| Equity in pooled Cash and Investments | \$ 11,896,490.52 | 11,569,263.80 | 14,003,442.64 | 30,329,434.20 | 945,478.56 | 68,744,109.72 |
| Receivables (Net of allowances for Uncollectible): | | | | | | |
| Accounts | 1,017,385.76 | 90,448.71 | 1,073,450.16 | 15,719,838.54 | 74,435.00 | 17,975,558.17 |
| Power/Gas Cost Recovery | - | - | (4,489.68) | 5,072,208.45 | - | 5,067,718.77 |
| Pension Assets | 386,429.00 | 1,039,349.00 | 934,757.00 | 3,622,378.00 | 100,981.00 | 6,083,894.00 |
| Inventory of Gas, Materials and Supplies, at Cost | - | 529,241.49 | 764,521.94 | 1,458,420.70 | 178,793.84 | 2,930,977.97 |
| Fixed Assets | 98,923,979.93 | 77,029,162.03 | 71,220,403.94 | 319,762,676.08 | 10,875,050.36 | 577,811,272.34 |
| Accumulated Depreciation | (47,526,175.18) | (40,240,962.98) | (30,160,175.92) | (142,285,143.06) | (3,476,118.40) | (263,688,575.54) |
| Deferred Outflows - Pension | 66,617.00 | 179,174.00 | 161,143.00 | 624,465.00 | 17,408.00 | 1,048,807.00 |
| | <u>66,617.00</u> | <u>179,174.00</u> | <u>161,143.00</u> | <u>624,465.00</u> | <u>17,408.00</u> | <u>1,048,807.00</u> |
| TOTAL ASSETS | <u>\$ 64,764,727.03</u> | <u>50,195,676.05</u> | <u>57,993,053.08</u> | <u>234,304,277.91</u> | <u>8,716,028.36</u> | <u>415,973,762.43</u> |
| LIABILITIES AND NET ASSETS | | | | | | |
| Liabilities | | | | | | |
| Accounts Payable | \$ 239,804.73 | 185,456.19 | 767,542.63 | 9,455,737.12 | 20,977.65 | 10,669,518.32 |
| Accrued Interest Payable | 34,532.40 | 33,632.09 | 17,610.92 | 620,360.67 | - | 706,136.08 |
| Customer Deposits | - | - | - | 3,847,787.47 | - | 3,847,787.47 |
| Accrued Vacation, Sick Leave & Workers Comp. | - | 118,428.44 | 64,925.15 | 552,506.27 | 10,606.43 | 746,466.29 |
| Deferred Gain / Loss - Refunding Bonds | (130,204.34) | (124,245.84) | (69,388.42) | (1,272,306.61) | - | (1,596,145.21) |
| Original Issue Premium/Discount (Refunding Bonds) | 166,560.35 | 156,720.87 | 227,093.38 | 4,151,791.44 | - | 4,702,166.04 |
| General Obligation Bonds Payable | 1,973,458.30 | 1,904,669.89 | 935,343.84 | 43,851,960.64 | - | 48,665,432.67 |
| Revenue Bonds Payable | (0.17) | - | - | - | - | (0.17) |
| Long-Term Leases, Notes, and Contracts Payable | - | - | - | 604,887.05 | - | 604,887.05 |
| | <u>-</u> | <u>-</u> | <u>-</u> | <u>604,887.05</u> | <u>-</u> | <u>604,887.05</u> |
| TOTAL LIABILITIES | <u>\$ 2,284,151.27</u> | <u>2,274,661.64</u> | <u>1,943,127.50</u> | <u>61,812,724.05</u> | <u>31,584.08</u> | <u>68,346,248.54</u> |
| Net Assets | | | | | | |
| Contributed Capital | \$ 3,929,515.44 | 4,676,282.92 | 1,340,510.58 | 13,721,622.53 | 337,248.59 | 24,005,180.06 |
| Retained Earnings: | | | | | | |
| Restricted for Investment in Fixed Assets | \$ 45,458,475.17 | 30,174,771.21 | 38,626,668.64 | 117,024,465.02 | 7,061,683.37 | 238,346,063.41 |
| Restricted for Incomplete Projects | 4,395,545.95 | 5,439,647.31 | 4,503,036.89 | 3,115,037.30 | 272,854.49 | 17,726,121.94 |
| Restricted for Subsequent Expenses | 154,382.25 | 88,134.66 | 53,971.56 | 861,410.02 | 1,262.50 | 1,159,160.99 |
| Net Pension Assets | 386,429.00 | 1,039,349.00 | 934,757.00 | 3,622,378.00 | 100,981.00 | 6,083,894.00 |
| Deferred Outflows - Pension | 66,617.00 | 179,174.00 | 161,143.00 | 624,465.00 | 17,408.00 | 1,048,807.00 |
| Unrestricted | 8,156,227.95 | 6,502,829.31 | 10,590,980.91 | 34,146,640.99 | 910,414.33 | 60,307,093.49 |
| | <u>8,156,227.95</u> | <u>6,502,829.31</u> | <u>10,590,980.91</u> | <u>34,146,640.99</u> | <u>910,414.33</u> | <u>60,307,093.49</u> |
| Total Retained Earnings | <u>\$ 58,551,060.32</u> | <u>43,244,731.49</u> | <u>54,709,415.00</u> | <u>158,769,931.33</u> | <u>8,347,195.69</u> | <u>323,622,333.83</u> |
| TOTAL NET ASSETS | <u>\$ 62,480,575.76</u> | <u>47,921,014.41</u> | <u>56,049,925.58</u> | <u>172,491,553.86</u> | <u>8,684,444.28</u> | <u>347,627,513.89</u> |
| TOTAL LIABILITIES AND NET ASSETS | <u>\$ 64,764,727.03</u> | <u>50,195,676.05</u> | <u>57,993,053.08</u> | <u>234,304,277.91</u> | <u>8,716,028.36</u> | <u>415,973,762.43</u> |

**CITY OF DANVILLE
UTILITY FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET ASSETS
FOR THE PERIOD ENDED JULY 31, 2020**

| | <u>WASTEWATER</u> | <u>WATER</u> | <u>GAS</u> | <u>ELECTRIC</u> | <u>TELECOM</u> | <u>JULY 31, 2020</u> |
|--|-------------------|---------------|---------------|-----------------|----------------|----------------------|
| Operating revenues: | | | | | | |
| Charges for Services | \$ 722,616.83 | 728,231.21 | 722,296.99 | 10,723,981.53 | 70,939.15 | 12,968,065.71 |
| Operating Expenses: | | | | | | |
| Purchased Services | \$ - | - | 623,050.59 | 8,068,815.04 | 5,155.34 | 8,697,020.97 |
| Production | - | - | - | 27,154.85 | - | 27,154.85 |
| Transmission & Treatment | 49,137.40 | 141,619.84 | - | 104,714.34 | - | 295,471.58 |
| Engineering | - | 16,733.18 | 16,860.18 | 72,904.53 | - | 106,497.89 |
| Distribution | 173,033.76 | 51,596.66 | 42,944.16 | 972,317.04 | - | 1,239,891.62 |
| Service | 532.34 | 4,684.25 | 2,509.98 | - | - | 7,726.57 |
| Meters & Regulators | - | 6,467.63 | 7,568.76 | 34,888.15 | (8.80) | 48,915.74 |
| Administrative | 135,810.78 | 263,050.57 | 228,824.99 | 394,795.33 | 60,401.29 | 1,082,882.96 |
| Total Operating Expenses | \$ 358,514.28 | 484,152.13 | 921,758.66 | 9,675,589.28 | 65,547.83 | 11,505,562.18 |
| Operating Income (Loss) | \$ 364,102.55 | 244,079.08 | (199,461.67) | 1,048,392.25 | 5,391.32 | 1,462,503.53 |
| Non-Operating Revenues (Expenses): | | | | | | |
| Jobbing Income (Loss) | 1,703.23 | 6,321.29 | (1,958.66) | (17,129.59) | (203.13) | (11,266.86) |
| Interest Income | 12,113.68 | 11,649.06 | 14,029.91 | 31,502.56 | 947.48 | 70,242.69 |
| Energy Efficiency Recovery | - | - | - | (2,477.50) | - | (2,477.50) |
| Gain (Loss) on Disposal of Property | - | - | - | 685.50 | - | 685.50 |
| Recoveries and Rebates | - | - | 83.03 | (5,408.18) | - | (5,325.15) |
| Interest Expense | (28,469.06) | (24,846.10) | (18,382.41) | (186,833.76) | - | (258,531.33) |
| Total Non-Operating Revenues (Expenses) | \$ (14,652.15) | (6,875.75) | (6,228.13) | (179,660.97) | 744.35 | (206,672.65) |
| Income (Loss) Before Operating Transfers | \$ 349,450.40 | 237,203.33 | (205,689.80) | 868,731.28 | 6,135.67 | 1,255,830.88 |
| Operating Transfers: | | | | | | |
| Transfers In (Out) | (58,813.33) | (79,191.67) | (265,527.50) | (869,134.17) | (6,750.00) | (1,279,416.67) |
| Total Operating Transfers | \$ (58,813.33) | (79,191.67) | (265,527.50) | (869,134.17) | (6,750.00) | (1,279,416.67) |
| Net Income (Loss) | \$ 290,637.07 | 158,011.66 | (471,217.30) | (402.89) | (614.33) | (23,585.79) |
| Net Assets - July 1, 2020, as restated | 62,183,354.69 | 47,763,002.75 | 56,521,142.88 | 172,491,956.75 | 8,685,058.61 | 347,644,515.68 |
| Net Income (Loss) | 290,637.07 | 158,011.66 | (471,217.30) | (402.89) | (614.33) | (23,585.79) |
| Contribution In Aid of Construction | 6,584.00 | - | - | - | - | 6,584.00 |
| Net Assets - July 31, 2020 | \$ 62,480,575.76 | 47,921,014.41 | 56,049,925.58 | 172,491,553.86 | 8,684,444.28 | 347,627,513.89 |

UTILITY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS - UNAUDITED
FOR THE PERIOD ENDED JULY 31, 2020

WASTEWATER - FINAL

| | <u>ORIGINAL BUDGET 2020-21</u> | <u>ADJUSTMENTS AND CARRYFORWARDS</u> | <u>CURRENT BUDGET 2020-21</u> | <u>JULY 2020</u> | <u>PERCENT OF CURRENT BUDGET</u> | <u>JULY 2019</u> |
|------------------------------------|--|--|---------------------------------------|----------------------|--|----------------------|
| OPERATING REVENUE | 9,118,040.00 | | 9,118,040.00 | 722,616.83 | 7.93% | 880,830.20 |
| OPERATING EXPENSES | | | | | | |
| TRANSMISSION & TREATMENT | 3,088,200.00 | 27,977.16 | 3,116,177.16 | 49,137.40 | 1.58% | 228,317.76 |
| ENGINEERING | - | | - | - | | - |
| DISTRIBUTION | 2,509,070.00 | 127,017.58 | 2,636,087.58 | 173,033.76 | 6.56% | 271,833.11 |
| SERVICE | 140,230.00 | | 140,230.00 | 532.34 | 0.38% | 553.44 |
| METERS & REGULATORS | - | | - | - | | - |
| BAD DEBT | 36,000.00 | | 36,000.00 | 1,008.11 | 2.80% | 3,278.07 |
| GENERAL & ADMINISTRATIVE | 1,808,530.00 | | 1,808,530.00 | 134,802.67 | 7.45% | 132,681.88 |
| TOTAL OPERATING EXPENSES | 7,582,030.00 | 154,994.74 | 7,737,024.74 | 358,514.28 | 4.63% | 636,664.26 |
| OPERATING INCOME (LOSS) | 1,536,010.00 | (154,994.74) | 1,381,015.26 | 364,102.55 | 26.36% | 244,165.94 |
| NON-OPERATING REVENUE (EXPENSE) | | | | | | |
| INTEREST INCOME ON INVESTMENTS | 118,200.00 | | 118,200.00 | 12,113.68 | 10.25% | 18,663.05 |
| RECOVERIES AND REBATES | - | | - | - | | 3,373.51 |
| GAIN/LOSS ON DISPOSAL | - | | - | - | | - |
| JOBGING INCOME (LOSS) | 48,500.00 | | 48,500.00 | 1,703.23 | 3.51% | 6,209.00 |
| INTEREST ON LONG TERM INDEBTEDNESS | (78,250.00) | | (78,250.00) | (28,469.06) | 36.38% | - |
| NET INCOME (LOSS) | 1,624,460.00 | (154,994.74) | 1,469,465.26 | 349,450.40 | 23.78% | 272,411.50 |
| OPERATING TRANSFERS IN (OUT) | (705,760.00) | | (705,760.00) | (58,813.33) | 8.33% | (58,813.33) |
| NET INCOME AFTER TRANSFERS | 918,700.00 | (154,994.74) | 763,705.26 | 290,637.07 | 38.06% | 213,598.17 |
| CONTRIBUTION IN AID | 38,000.00 | | 38,000.00 | 6,584.00 | 17.33% | |
| REGULAR CAPITAL MAINTENANCE | (126,300.00) | (236,178.50) | (362,478.50) | (5,422.47) | 1.50% | |
| CAPITAL PROJECTS | (4,150,000.00) | | (4,150,000.00) | (111,510.08) | 2.69% | |
| DEBT SERVICE | (333,340.00) | | (333,340.00) | (120,321.00) | 36.10% | |
| DEPRECIATION | 2,145,750.00 | | 2,145,750.00 | 164,315.02 | 7.66% | |

UTILITY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS - UNAUDITED
FOR THE PERIOD ENDED JULY 31, 2020

WATER - FINAL

| | <u>ORIGINAL BUDGET 2020-21</u> | <u>ADJUSTMENTS AND CARRYFORWARDS</u> | <u>CURRENT BUDGET 2020-21</u> | <u>JULY 2020</u> | <u>PERCENT OF CURRENT BUDGET</u> | <u>JULY 2019</u> |
|------------------------------------|--|--|---------------------------------------|----------------------|--|----------------------|
| OPERATING REVENUE | 8,473,100.00 | | 8,473,100.00 | 728,231.21 | 8.59% | 661,447.29 |
| OPERATING EXPENSES | | | | | | |
| TRANSMISSION & TREATMENT | 1,897,720.00 | 58,994.85 | 1,956,714.85 | 141,619.84 | 7.24% | 133,655.46 |
| ENGINEERING | 309,270.00 | 7,233.25 | 316,503.25 | 16,733.18 | 5.29% | 11,067.53 |
| DISTRIBUTION | 662,080.00 | 154,340.63 | 816,420.63 | 51,596.66 | 6.32% | 35,684.32 |
| SERVICE | 124,940.00 | | 124,940.00 | 4,684.25 | 3.75% | 13,190.05 |
| METERS & REGULATORS | 140,980.00 | | 140,980.00 | 6,467.63 | 4.59% | 8,162.13 |
| BAD DEBT | 31,000.00 | | 31,000.00 | 763.32 | 2.46% | 2,482.20 |
| GENERAL & ADMINISTRATIVE | 3,557,220.00 | 1,045.18 | 3,558,265.18 | 262,287.25 | 7.37% | 252,872.23 |
| TOTAL OPERATING EXPENSES | 6,723,210.00 | 221,613.91 | 6,944,823.91 | 484,152.13 | 6.97% | 457,113.92 |
| OPERATING INCOME (LOSS) | 1,749,890.00 | (221,613.91) | 1,528,276.09 | 244,079.08 | 15.97% | 204,333.37 |
| NON-OPERATING REVENUE (EXPENSE) | | | | | | |
| INTEREST INCOME ON INVESTMENTS | 190,000.00 | | 190,000.00 | 11,649.06 | 6.13% | 20,209.56 |
| RECOVERIES AND REBATES | 17,980.00 | | 17,980.00 | - | 0.00% | - |
| GAIN/LOSS ON DISPOSAL | 1,970.00 | | 1,970.00 | - | 0.00% | - |
| JOBGING INCOME (LOSS) | 105,180.00 | | 105,180.00 | 6,321.29 | 6.01% | 1,718.38 |
| INTEREST ON LONG TERM INDEBTEDNESS | (77,440.00) | | (77,440.00) | (24,846.10) | 32.08% | - |
| NET INCOME (LOSS) | 1,987,580.00 | (221,613.91) | 1,765,966.09 | 237,203.33 | 13.43% | 226,261.31 |
| OPERATING TRANSFERS IN (OUT) | (950,300.00) | | (950,300.00) | (79,191.67) | 8.33% | (79,191.67) |
| NET INCOME AFTER TRANSFERS | 1,037,280.00 | (221,613.91) | 815,666.09 | 158,011.66 | 19.37% | 147,069.64 |
| CONTRIBUTION IN AID | 2,500,000.00 | | 2,500,000.00 | - | 0.00% | |
| REGULAR CAPITAL MAINTENANCE | (926,490.00) | (204,980.91) | (1,131,470.91) | (57,411.03) | 5.07% | |
| CAPITAL PROJECTS | (4,500,000.00) | 145,047.93 | (4,354,952.07) | (279,470.50) | 6.42% | |
| DEBT SERVICE | (359,710.00) | | (359,710.00) | (105,009.00) | 29.19% | |
| DEPRECIATION | 1,752,540.00 | | 1,752,540.00 | 133,969.79 | 7.64% | |

UTILITY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS - UNAUDITED
FOR THE PERIOD ENDED JULY 31, 2020

GAS - FINAL

| | ORIGINAL BUDGET 2020-21 | ADJUSTMENTS AND CARRYFORWARDS | CURRENT BUDGET 2020-21 | JULY 2020 | PERCENT OF CURRENT BUDGET | JULY 2019 |
|------------------------------------|-------------------------------|-------------------------------------|------------------------------|--------------|---------------------------------|--------------|
| OPERATING REVENUE | 22,389,840.00 | | 22,389,840.00 | 722,296.99 | 3.23% | 867,526.88 |
| COST OF SALES | | | | | | |
| PURCHASED SERVICES | 12,730,400.00 | | 12,730,400.00 | 623,050.59 | 4.89% | 781,492.70 |
| PRODUCTION | - | | - | - | | - |
| TOTAL COST OF SALES | 12,730,400.00 | - | 12,730,400.00 | 623,050.59 | | 781,492.70 |
| GROSS PROFIT | 9,659,440.00 | - | 9,659,440.00 | 99,246.40 | | 86,034.18 |
| GROSS PROFIT % | 43.14% | | 43.14% | 13.74% | | 9.92% |
| OPERATING EXPENSES | | | | | | |
| TRANSMISSION & TREATMENT | - | | - | - | | - |
| ENGINEERING | 398,510.00 | 41,739.88 | 440,249.88 | 16,860.18 | 3.83% | 21,080.95 |
| DISTRIBUTION | 668,480.00 | 1,818.86 | 670,298.86 | 42,944.16 | 6.41% | 39,324.61 |
| SERVICE | 117,410.00 | | 117,410.00 | 2,509.98 | 2.14% | 4,008.22 |
| METERS & REGULATORS | 171,960.00 | (673.86) | 171,286.14 | 7,568.76 | 4.42% | 9,468.81 |
| BAD DEBT | 57,000.00 | | 57,000.00 | 2,340.15 | 4.11% | 11,936.59 |
| GENERAL & ADMINISTRATIVE | 3,651,460.00 | 5,644.37 | 3,657,104.37 | 226,484.84 | 6.19% | 257,843.38 |
| TOTAL OPERATING EXPENSES | 5,064,820.00 | 48,529.25 | 5,113,349.25 | 298,708.07 | 5.84% | 343,662.56 |
| OPERATING INCOME (LOSS) | 4,594,620.00 | (48,529.25) | 4,546,090.75 | (199,461.67) | -4.39% | (257,628.38) |
| NON-OPERATING REVENUE (EXPENSE) | | | | | | |
| INTEREST INCOME ON INVESTMENTS | 177,900.00 | | 177,900.00 | 14,029.91 | 7.89% | 26,251.73 |
| RECOVERIES AND REBATES | (20,000.00) | | (20,000.00) | 83.03 | | 225.52 |
| GAIN/LOSS ON DISPOSAL | 2,000.00 | | 2,000.00 | - | | - |
| JOBGING INCOME (LOSS) | 148,610.00 | | 148,610.00 | (1,958.66) | -1.32% | (1,473.42) |
| INTEREST ON LONG TERM INDEBTEDNESS | (38,180.00) | | (38,180.00) | (18,382.41) | 48.15% | - |
| NET INCOME (LOSS) | 4,864,950.00 | (48,529.25) | 4,816,420.75 | (205,689.80) | -4.27% | (232,624.55) |
| OPERATING TRANSFERS IN (OUT) | (3,186,330.00) | | (3,186,330.00) | (265,527.50) | 8.33% | (265,527.50) |
| NET INCOME AFTER TRANSFERS | 1,678,620.00 | (48,529.25) | 1,630,090.75 | (471,217.30) | -28.91% | (498,152.05) |
| CONTRIBUTION IN AID | - | | - | - | 0.00% | |
| REGULAR CAPITAL MAINTENANCE | (845,400.00) | (176,319.77) | (1,021,719.77) | (18,674.38) | 1.83% | |
| CAPITAL PROJECTS | (3,500,000.00) | | (3,500,000.00) | (8.50) | 0.00% | |
| DEBT SERVICE | (123,160.00) | | (123,160.00) | (77,691.00) | 63.08% | |
| DEPRECIATION | 1,542,230.00 | | 1,542,230.00 | 130,321.34 | 8.45% | |

UTILITY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS - UNAUDITED
FOR THE PERIOD ENDED JULY 31, 2020

ELECTRIC - FINAL

| | ORIGINAL BUDGET 2020-21 | ADJUSTMENTS AND CARRYFORWARDS | CURRENT BUDGET 2020-21 | JULY 2020 | PERCENT OF CURRENT BUDGET | JULY 2019 |
|------------------------------------|-------------------------------|-------------------------------------|------------------------------|---------------|---------------------------------|---------------|
| OPERATING REVENUE | 128,714,030.00 | | 128,714,030.00 | 10,723,981.53 | 8.33% | 10,867,484.31 |
| COST OF SALES | | | | | | |
| PURCHASED SERVICES | 96,489,660.00 | | 96,489,660.00 | 8,068,815.04 | 8.36% | 8,046,326.31 |
| PRODUCTION | 978,580.00 | 183,334.34 | 1,161,914.34 | 27,154.85 | | 47,546.05 |
| TOTAL COST OF SALES | 97,468,240.00 | 183,334.34 | 97,651,574.34 | 8,095,969.89 | | 8,093,872.36 |
| GROSS PROFIT | 31,245,790.00 | (183,334.34) | 31,062,455.66 | 2,628,011.64 | | 2,773,611.95 |
| GROSS PROFIT % | 24.28% | | 24.13% | 24.51% | | 25.52% |
| OPERATING EXPENSES | | | | | | |
| TRANSMISSION & TREATMENT | 1,511,680.00 | 66,518.05 | 1,578,198.05 | 104,714.34 | 6.64% | 142,394.61 |
| ENGINEERING | 1,044,490.00 | 25,564.82 | 1,070,054.82 | 72,904.53 | 6.81% | 49,895.28 |
| DISTRIBUTION | 13,492,900.00 | 6,053.33 | 13,498,953.33 | 972,317.04 | 7.20% | 1,067,517.45 |
| SERVICE | - | | - | - | | - |
| METERS & REGULATORS | 383,580.00 | 4,000.00 | 387,580.00 | 34,888.15 | 9.00% | 24,398.19 |
| BAD DEBT | 310,000.00 | | 310,000.00 | 15,258.02 | 4.92% | 27,113.24 |
| GENERAL & ADMINISTRATIVE | 5,315,840.00 | 91,066.77 | 5,406,906.77 | 379,537.31 | 7.02% | 375,936.86 |
| TOTAL OPERATING EXPENSES | 22,058,490.00 | 193,202.97 | 22,251,692.97 | 1,579,619.39 | 7.10% | 1,687,255.63 |
| OPERATING INCOME (LOSS) | 9,187,300.00 | (376,537.31) | 8,810,762.69 | 1,048,392.25 | 11.90% | 1,086,356.32 |
| NON-OPERATING REVENUE (EXPENSE) | | | | | | |
| INTEREST INCOME ON INVESTMENTS | 452,100.00 | | 452,100.00 | 31,502.56 | 6.97% | 67,866.12 |
| ENERGY EFFICIENCY RECOVERY | - | | - | (2,477.50) | #DIV/0! | (27,798.55) |
| RECOVERIES AND REBATES | (120,030.00) | | (120,030.00) | (5,408.18) | 4.51% | - |
| GAIN/LOSS ON DISPOSAL | 45,000.00 | | 45,000.00 | 685.50 | 1.52% | 144.00 |
| JOBGING INCOME (LOSS) | 185,640.00 | | 185,640.00 | (17,129.59) | -9.23% | (23.08) |
| INTEREST ON LONG TERM INDEBTEDNESS | (1,580,830.00) | | (1,580,830.00) | (186,833.76) | 11.82% | (5,679.18) |
| NET INCOME (LOSS) | 8,169,180.00 | (376,537.31) | 7,792,642.69 | 868,731.28 | 11.15% | 1,120,865.63 |
| OPERATING TRANSFERS IN (OUT) | (10,429,610.00) | | (10,429,610.00) | (869,134.17) | 8.33% | (869,134.17) |
| NET INCOME AFTER TRANSFERS | (2,260,430.00) | (376,537.31) | (2,636,967.31) | (402.89) | 0.02% | 251,731.46 |
| CONTRIBUTION IN AID | | | - | | 0.00% | |
| FEDERAL AID - CAPITAL PROJECTS | | | - | | 0.00% | |
| REGULAR CAPITAL MAINTENANCE | (3,306,680.00) | (162,422.50) | (3,469,102.50) | (248,176.26) | 7.15% | |
| CAPITAL PROJECTS | - | | - | (94,771.40) | 100.00% | |
| DEBT SERVICE | (3,152,550.00) | | (3,152,550.00) | (777,739.00) | 24.67% | |
| DEPRECIATION | 8,871,610.00 | | 8,871,610.00 | 709,280.29 | 7.99% | |

UTILITY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS - UNAUDITED
FOR THE PERIOD ENDED JULY 31, 2020

TELECOMMUNICATIONS - FINAL

| | <u>ORIGINAL BUDGET 2020-21</u> | <u>ADJUSTMENTS AND CARRYFORWARDS</u> | <u>CURRENT BUDGET 2020-21</u> | <u>JULY 2020</u> | <u>PERCENT OF CURRENT BUDGET</u> | <u>JULY 2019</u> |
|------------------------------------|--|--|---------------------------------------|----------------------|--|----------------------|
| OPERATING REVENUE | 627,170.00 | | 627,170.00 | 70,939.15 | 11.31% | 19,487.03 |
| COST OF SALES | | | | | | |
| PURCHASED SERVICES | 57,000.00 | | 57,000.00 | 5,155.34 | 9.04% | 4,933.42 |
| PRODUCTION | - | | - | - | | - |
| TOTAL COST OF SALES | <u>57,000.00</u> | <u>-</u> | <u>57,000.00</u> | <u>5,155.34</u> | | <u>4,933.42</u> |
| GROSS PROFIT | 570,170.00 | - | 570,170.00 | 65,783.81 | | 14,553.61 |
| GROSS PROFIT % | 90.91% | | 90.91% | 92.73% | | 74.68% |
| OPERATING EXPENSES | | | | | | |
| TRANSMISSION & TREATMENT | | | - | - | | - |
| ENGINEERING | | | - | - | | - |
| DISTRIBUTION | | | - | - | | - |
| SERVICE | | | - | - | | - |
| METERS & REGULATORS | | | - | - | | - |
| BAD DEBT | | | - | (8.80) | | - |
| GENERAL & ADMINISTRATIVE | <u>926,650.00</u> | <u>1,062.50</u> | <u>927,712.50</u> | <u>60,401.29</u> | <u>6.51%</u> | <u>63,040.40</u> |
| TOTAL OPERATING EXPENSES | 926,650.00 | 1,062.50 | 927,712.50 | 60,392.49 | 6.51% | 63,040.40 |
| OPERATING INCOME (LOSS) | <u>(356,480.00)</u> | <u>(1,062.50)</u> | <u>(357,542.50)</u> | <u>5,391.32</u> | <u>-1.51%</u> | <u>(48,486.79)</u> |
| NON-OPERATING REVENUE (EXPENSE) | | | | | | |
| INTEREST INCOME ON INVESTMENTS | 13,600.00 | | 13,600.00 | 947.48 | 6.97% | 2,134.15 |
| RECOVERIES AND REBATES | - | | - | - | | - |
| GAIN/LOSS ON DISPOSAL | - | | - | - | | - |
| JOBGING INCOME (LOSS) | 7,920.00 | | 7,920.00 | (203.13) | -2.56% | (324.77) |
| INTEREST ON LONG TERM INDEBTEDNESS | - | | - | - | | - |
| NET INCOME (LOSS) | <u>(334,960.00)</u> | <u>(1,062.50)</u> | <u>(336,022.50)</u> | <u>6,135.67</u> | <u>-1.83%</u> | <u>(46,677.41)</u> |
| OPERATING TRANSFERS IN (OUT) | <u>(81,000.00)</u> | | <u>(81,000.00)</u> | <u>(6,750.00)</u> | <u>8.33%</u> | <u>(6,750.00)</u> |
| NET INCOME AFTER TRANSFERS | <u>(415,960.00)</u> | <u>(1,062.50)</u> | <u>(417,022.50)</u> | <u>(614.33)</u> | <u>0.15%</u> | <u>(53,427.41)</u> |
| CONTRIBUTION IN AID | - | | - | | 0.00% | |
| REGULAR CAPITAL MAINTENANCE | (25,000.00) | | (25,000.00) | (153.52) | 0.61% | |
| CAPITAL PROJECTS | (250,000.00) | | (250,000.00) | (1,991.99) | 0.80% | |
| DEPRECIATION | 482,230.00 | | 482,230.00 | 36,653.82 | 7.60% | |
| CONTINGENCY | - | | - | - | 0.00% | |

**GAS OPERATING STATISTICS
YTD July 2020 and 2019**

| | YTD | | YTD | YTD |
|--------------------------------------|----------------|----------------|----------------|-----------------|
| | 2020 | 2019 | Change | % Change |
| NUMBER OF CUSTOMERS: | | | | |
| Residential | 13,124 | 13,111 | 13 | 0.0992% |
| Commercial | 1,499 | 1,493 | 6 | 0.4019% |
| Small Firm Industrial | 14 | 14 | 0 | 0.0000% |
| Municipal | 52 | 54 | -2 | -3.7037% |
| Large Firm Industrial | 5 | 6 | -1 | -16.6667% |
| Interruptible Industrial | 6 | 6 | 0 | 0.0000% |
| Industrial Transportation | 7 | 8 | -1 | -12.5000% |
| Interruptible Commercial | 1 | 1 | 0 | 0.0000% |
| Commercial Transportation | - | 8 | -8 | -100.0000% |
| TOTAL CUSTOMERS | 14,708 | 14,701 | 7 | 0.0476% |
| NATURAL GAS SALES-DEKATHERMS: | | | | |
| Residential | 12,245 | 11,032 | 1,213 | 10.9953% |
| Commercial | 13,621 | 14,922 | -1,301 | -8.7187% |
| Small Firm Industrial | 146 | 133 | 13 | 9.7744% |
| Municipal | 388 | 374 | 14 | 3.7433% |
| Large Firm Industrial | 778 | 928 | -150 | -16.1638% |
| Interruptible Industrial | 109,806 | 123,377 | -13,571 | -10.9996% |
| Industrial Transportation | 13,497 | 16,249 | -2,752 | -16.9364% |
| Interruptible Commercial | 5,636 | 5,741 | -105 | -1.8289% |
| Commercial Transportation | - | 373 | -373 | -100.0000% |
| TOTAL DEKATHERMS | 156,117 | 173,129 | -17,012 | -9.8262% |

**ELECTRIC OPERATING STATISTICS
YTD July 2020 and 2019**

| | YTD | | YTD | YTD |
|------------------------------|-------------------|-------------------|-------------------|-----------------|
| | 2020 | 2019 | Change | % Change |
| NUMBER OF CUSTOMERS: | | | | |
| Residential | 36,980 | 36,928 | 52 | 0.1408% |
| Commercial | 4,757 | 4,713 | 44 | 0.9336% |
| Industrial | 16 | 16 | 0 | 0.0000% |
| High Load Factor | 8 | 8 | 0 | 0.0000% |
| Municipal | 284 | 281 | 3 | 1.0676% |
| Outdoor Lighting | 5,986 | 5,964 | 22 | 0.3689% |
| TOTAL CUSTOMERS | 48,031 | 47,910 | 121 | 0.2526% |
| KILOWATT HOURS SALES: | | | | |
| Residential | 42,644,532 | 41,605,582 | 1,038,950 | 2.4971% |
| Commercial | 22,261,678 | 24,621,980 | -2,360,302 | -9.5862% |
| Industrial | 879,340 | 2,196,410 | -1,317,070 | -59.9647% |
| High Load Factor | 11,226,000 | 11,893,200 | -667,200 | -5.6099% |
| Municipal | 1,914,503 | 1,981,998 | -67,495 | -3.4054% |
| Outdoor Lighting | 1,219,168 | 1,230,811 | -11,643 | -0.9460% |
| TOTAL KILOWATT HOURS | 80,145,221 | 83,529,981 | -3,384,760 | -4.0521% |

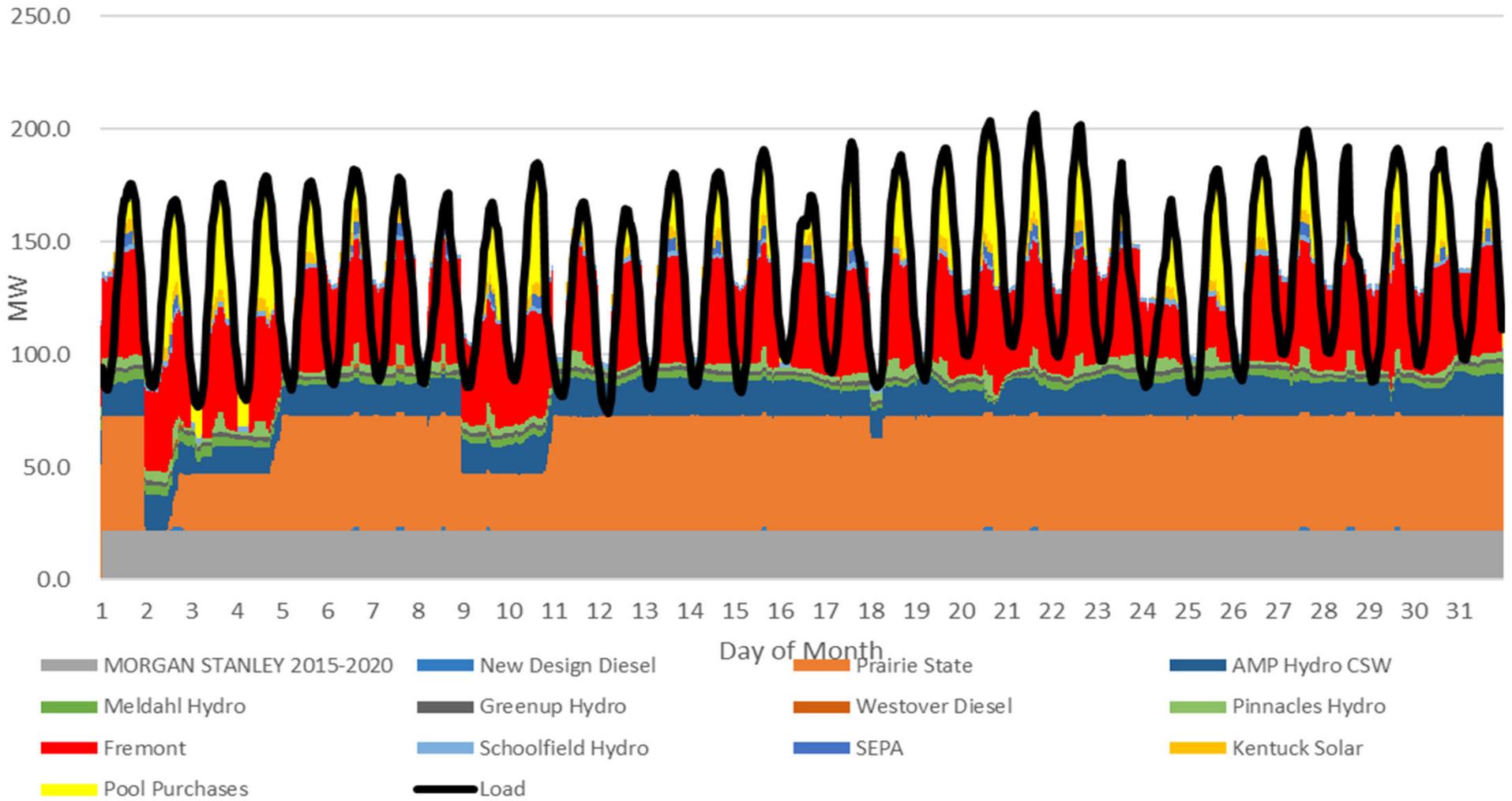
| BILLING MONTH | TOTAL POWER COST | HLF POWER COST | NON-HLF POWER COST | TOTAL kWh SALES | HLF kWh SALES | NON-HLF kWh SALES | PCA / kWh | POWER COST / kWh RECOVERED IN BASE RATE | TOTAL POWER COST / kWh RECOVERED | HLF STRANDED COSTS RECOVERED | NON-HLF POWER COST RECOVERED | NON-HLF POWER COST OVER / (UNDER) RECOVERY | ADJUSTMTS | CUMULATIVE POWER COST RECOVERY NON-HLF CUSTOMERS (+ / - \$4,000,000) | |
|---------------|------------------|-----------------|--------------------|-----------------|---------------|-------------------|------------|---|----------------------------------|------------------------------|------------------------------|--|-----------|--|-----------|
| Feb-20 | \$ 7,441,443.97 | \$ 1,081,524.76 | \$ 6,359,919.21 | 78,099,315 | 11,350,800 | 66,748,515 | \$0.007500 | \$0.086200 | \$0.093700 | | \$ 6,254,335.82 | \$ (105,583.39) | | \$ (3,824,156.70) | ACTUAL |
| Mar-20 | \$ 7,380,989.15 | \$ 1,114,397.05 | \$ 6,266,592.10 | 71,197,856 | 10,749,600 | 60,448,256 | \$0.015000 | \$0.086200 | \$0.101200 | | \$ 6,117,363.55 | \$ (149,228.55) | | \$ (3,973,385.26) | ACTUAL |
| Apr-20 | \$ 7,124,853.88 | \$ 1,273,510.69 | \$ 5,851,343.19 | 59,636,792 | 10,659,600 | 48,977,192 | \$0.025000 | \$0.086200 | \$0.111200 | | \$ 5,446,263.76 | \$ (405,079.43) | | \$ (4,378,464.68) | ACTUAL |
| May-20 | \$ 6,880,478.95 | \$ 1,350,624.72 | \$ 5,529,854.23 | 57,738,724 | 11,334,000 | 46,404,724 | \$0.025000 | \$0.086200 | \$0.111200 | | \$ 5,160,205.35 | \$ (369,648.88) | | \$ (4,748,113.56) | ACTUAL |
| Jun-20 | \$ 7,486,106.40 | \$ 1,061,018.33 | \$ 6,425,088.07 | 66,539,823 | 9,430,800 | 57,109,023 | \$0.020000 | \$0.086200 | \$0.106200 | | \$ 6,064,978.27 | \$ (360,109.80) | | \$ (5,108,223.36) | ACTUAL |
| Jul-20 | \$ 8,068,815.04 | \$ 1,130,204.86 | \$ 6,938,610.18 | 80,145,220 | 11,226,000 | 68,919,220 | \$0.015000 | \$0.086200 | \$0.101200 | | \$ 6,974,625.09 | \$ 36,014.91 | | \$ (5,072,208.45) | ACTUAL |
| Aug-20 | \$ 8,417,048.48 | \$ 1,195,291.26 | \$ 7,221,757.22 | 91,143,929 | 12,943,200 | 78,200,729 | \$0.015000 | \$0.086200 | \$0.101200 | | \$ 7,913,913.80 | \$ 692,156.58 | | \$ (4,380,051.87) | PROJECTED |
| Sep-20 | \$ 7,987,542.39 | \$ 1,154,339.13 | \$ 6,833,203.26 | 93,082,195 | 13,452,000 | 79,630,195 | \$0.025000 | \$0.086200 | \$0.111200 | | \$ 8,854,877.69 | \$ 2,021,674.43 | | \$ (2,358,377.44) | PROJECTED |
| Oct-20 | \$ 8,162,434.21 | \$ 1,342,969.69 | \$ 6,819,464.52 | 77,529,680 | 12,756,000 | 64,773,680 | \$0.030000 | \$0.086200 | \$0.116200 | | \$ 7,526,701.66 | \$ 707,237.14 | | \$ (1,651,140.30) | PROJECTED |
| Nov-20 | \$ 8,322,593.81 | \$ 1,467,975.94 | \$ 6,854,617.88 | 68,836,009 | 12,141,600 | 56,694,409 | \$0.030000 | \$0.086200 | \$0.116200 | | \$ 6,587,890.35 | \$ (266,727.53) | | \$ (1,917,867.83) | PROJECTED |
| Dec-20 | \$ 8,456,634.62 | \$ 1,197,053.90 | \$ 7,259,580.72 | 80,561,183 | 11,403,600 | 69,157,583 | \$0.020000 | \$0.086200 | \$0.106200 | | \$ 7,344,535.34 | \$ 84,954.62 | | \$ (1,832,913.21) | PROJECTED |
| Jan-21 | \$ 7,817,154.35 | \$ 1,045,249.03 | \$ 6,771,905.33 | 81,093,563 | 10,843,200 | 70,250,363 | \$0.010000 | \$0.086200 | \$0.096200 | | \$ 6,758,084.93 | \$ (13,820.40) | | \$ (1,846,733.60) | PROJECTED |

Future months (still in blue) show projections.

After PGA's are calculated, hard code them before reconciling the month

| Mo Rate Applied | WACOG | | Demand Rate | Demand Rate | Adjustments | PGA (f) | PGA (i) | DEMAND Recovery | COMMODITY - Rolling Recovery | | | Adjustments | Commodity Recovery Balance | |
|-----------------|------------|-------------|-------------|---------------|--------------|------------|------------|---|-------------------------------------|-----------------------------|---|-------------|-----------------------------------|-------|
| | WACOG | Plus Losses | Firm | Interruptible | | | | (Independent of Commodity) | Monthly Commodity Cost | Monthly Commodity Recovered | Monthly Commodity Over (Under) Recovery | | Over (Under) | |
| | | | | | | | | Cum Over (Under) Demand Recovery Current FY | | | | | Over (Under) +/- \$2,000.00 | |
| Feb-20 | \$ 3.73271 | \$ 3.73271 | \$ 3.24525 | \$ 0.2500 | \$ (0.58050) | \$ 6.52069 | \$ 3.52544 | \$ 47,996.24 | \$ 1,060,153.52 | \$ 1,068,062.17 | \$ 7,908.65 | | \$ (174,707.78) | Final |
| Mar-20 | \$ 3.80363 | \$ 3.80363 | \$ 3.24525 | \$ 0.2500 | \$ - | \$ 6.30742 | \$ 3.31217 | \$ 333,765.29 | \$ 696,768.59 | \$ 859,097.77 | \$ 162,329.18 | | \$ (12,378.59) | Final |
| Apr-20 | \$ 3.23814 | \$ 3.23814 | \$ 3.24525 | \$ 0.2500 | \$ (0.33000) | \$ 6.70299 | \$ 3.70774 | \$ 317,077.28 | \$ 420,515.36 | \$ 399,008.99 | \$ (21,506.37) | | \$ (33,884.96) | Final |
| May-20 | \$ 2.89222 | \$ 2.89222 | \$ 1.55000 | \$ 0.2500 | \$ (0.58000) | \$ 3.82247 | \$ 2.52247 | \$ 101,422.88 | \$ 410,659.70 | \$ 347,032.34 | \$ (63,627.36) | | \$ (97,512.32) | Final |
| Jun-20 | \$ 3.92701 | \$ 3.92701 | \$ - | \$ 0.2500 | | \$ 3.95494 | \$ 4.20494 | \$ (146,913.88) | \$ 356,797.74 | \$ 433,064.51 | \$ 76,266.77 | | \$ (21,245.56) | Final |
| Jul-20 | \$ 3.92642 | \$ 3.92642 | \$ - | \$ - | | \$ 3.62684 | \$ 3.62684 | \$ (408,820.15) | \$ 295,052.52 | \$ 320,787.75 | \$ 25,735.23 | | \$ 4,489.68 | Final |
| Aug-20 | \$ 2.89521 | \$ 2.89521 | \$ - | \$ - | \$ (0.09800) | \$ 2.79721 | \$ 2.79721 | \$ (670,726.96) | \$ 402,986.87 | \$ 324,012.32 | \$ (78,974.55) | | \$ (74,484.87) | Est |
| Sep-20 | \$ 4.22712 | \$ 4.22712 | \$ - | \$ - | \$ (0.09800) | \$ 4.12912 | \$ 4.12912 | \$ (934,751.89) | \$ 494,568.55 | \$ 496,164.33 | \$ 1,595.79 | | \$ (72,889.08) | Est |
| Oct-20 | \$ 3.94907 | \$ 3.94907 | \$ - | \$ - | \$ (0.09800) | \$ 3.85107 | \$ 3.85107 | \$ (1,192,135.79) | \$ 636,943.50 | \$ 527,731.45 | \$ (109,212.04) | | \$ (182,101.13) | Est |
| Nov-20 | \$ 3.81998 | \$ 3.81998 | \$ 1.99453 | \$ - | \$ (0.09800) | \$ 5.71651 | \$ 3.72198 | \$ (1,169,941.19) | \$ 1,065,506.25 | \$ 832,745.82 | \$ (232,760.43) | | \$ (414,861.56) | Est |
| Dec-20 | \$ 3.67808 | \$ 3.67808 | \$ 1.99453 | \$ - | \$ (0.09800) | \$ 5.57461 | \$ 3.58008 | \$ (838,515.14) | \$ 1,339,386.83 | \$ 1,229,083.64 | \$ (110,303.19) | | \$ (525,164.75) | Est |
| Jan-21 | \$ 3.66506 | \$ 3.66506 | \$ 1.99453 | \$ - | \$ (0.09800) | \$ 5.56159 | \$ 3.56706 | \$ (383,098.41) | \$ 1,495,307.53 | \$ 1,331,698.20 | \$ (163,609.34) | | \$ (688,774.08) | Est |

City of Danville Monthly Energy Position July 2020





Commission Item Number: DUC200928 - 2
Utility Commission Meeting: September 28, 2020
Item: II. C. Power Supply Update

Danville Power Supply Update

Jason Grey will provide information on the City's 2020/2021 power supply. A summary will be provided on City's generation projects and a forecast will be shared on expected transmission and capacity charges.



20/21 POWER SUPPLY UPDATE

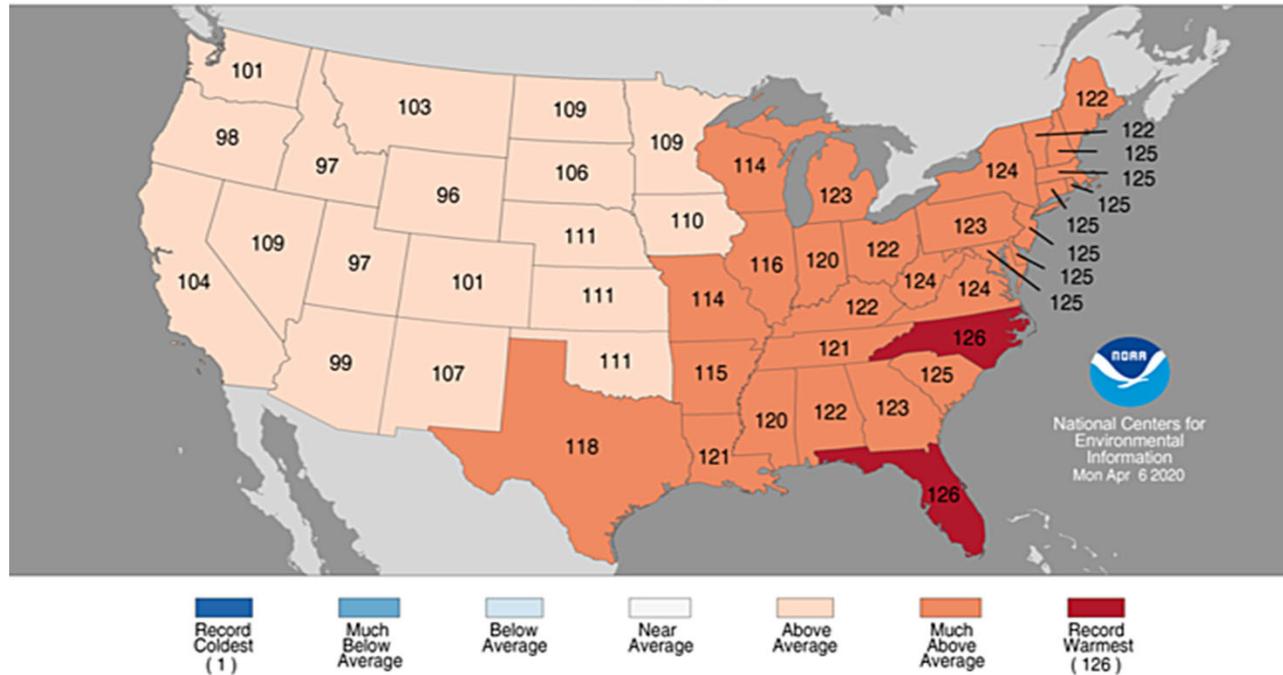
**Danville Utility Commission
September 28, 2020**



Energy

- Danville used 979,882 MWh in '19
- Danville used 1,025,759 MWh in '18
- Danville used 977,522 MWh in '17
- 2020 forecast is 932,461 MWh
Includes January – June actuals
- 2021 forecast = 989,174 MWh

Statewide Average Temperature Ranks
January–March 2020
Period: 1895–2020



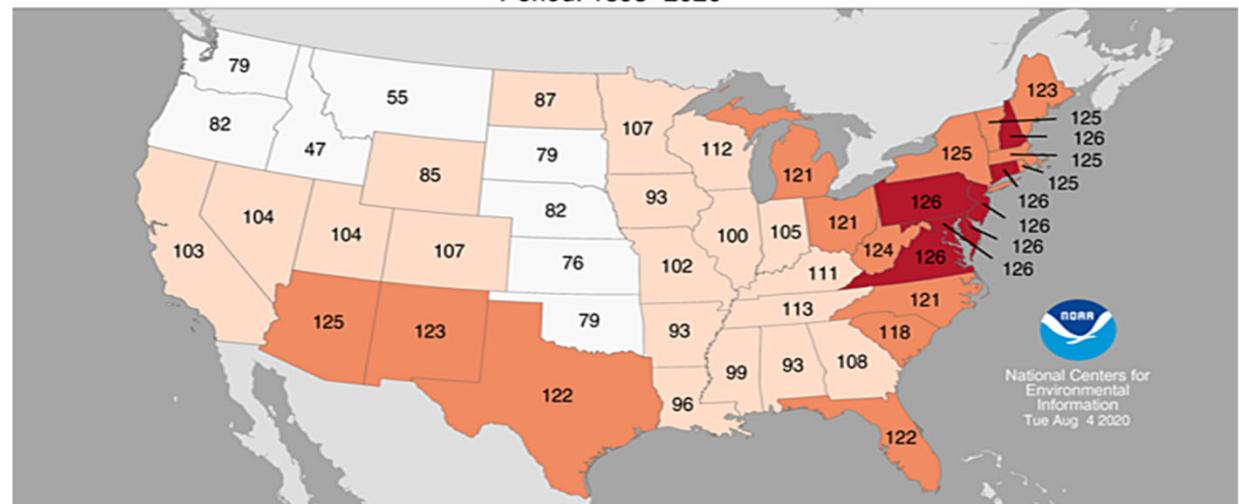


System Peaks

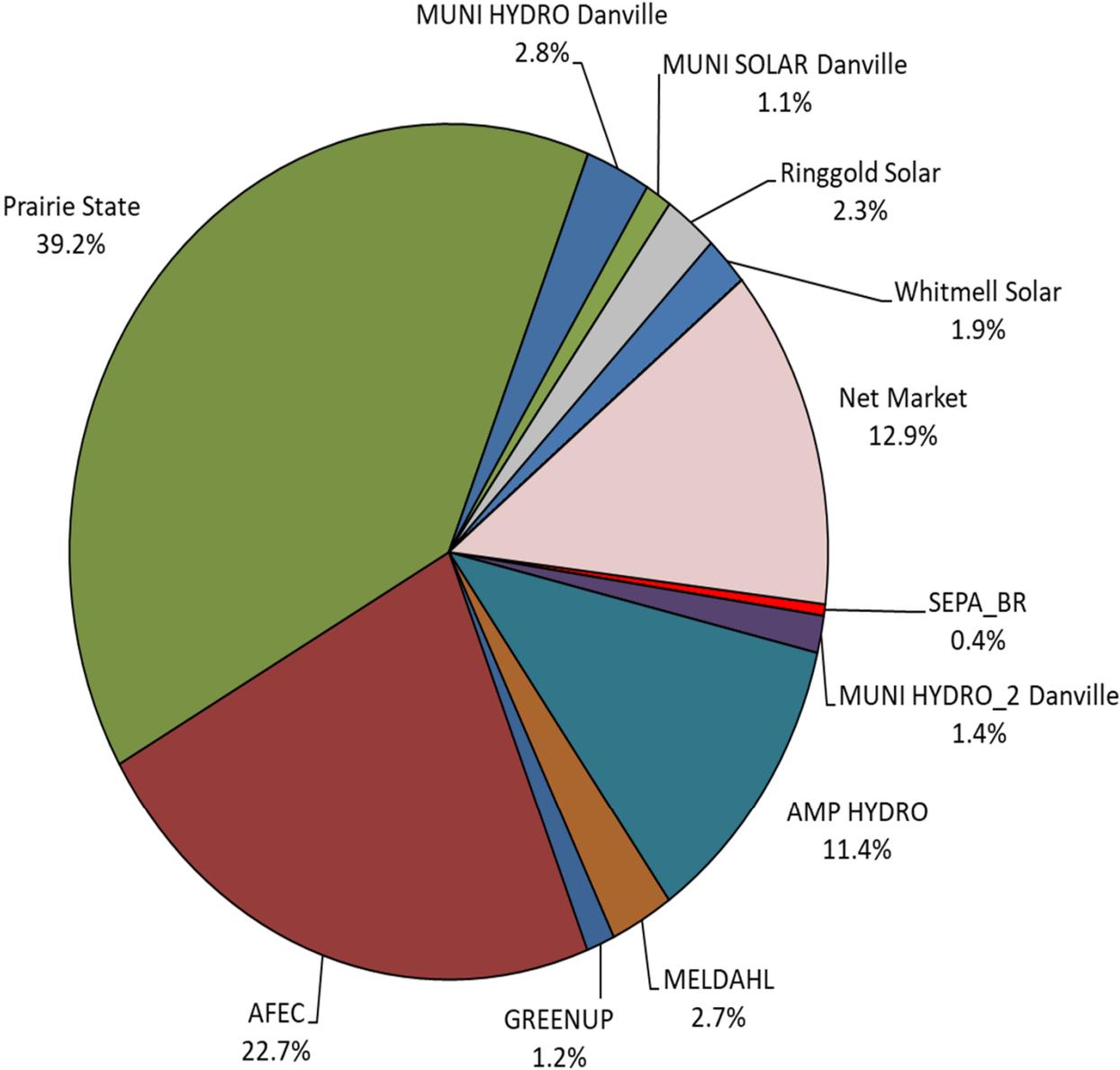
| Danville | 2020 | 2019 | 2018 | 2017 |
|-------------------------|---------------|---------------|---------------|---------------|
| Peak Demand (MW) | 205.30 | 204.61 | 226.41 | 209.46 |
| Month & Day | Jul 21 | Jul 17 | Jan 07 | Jan 09 |
| Hour Ending (EST) | 16 | 15 | 08 | 09 |
| Temp. During Peak | 95° | 96° | -1° | -1° |

Danville Weather Data

Statewide Average Temperature Ranks
 July 2020
 Period: 1895–2020

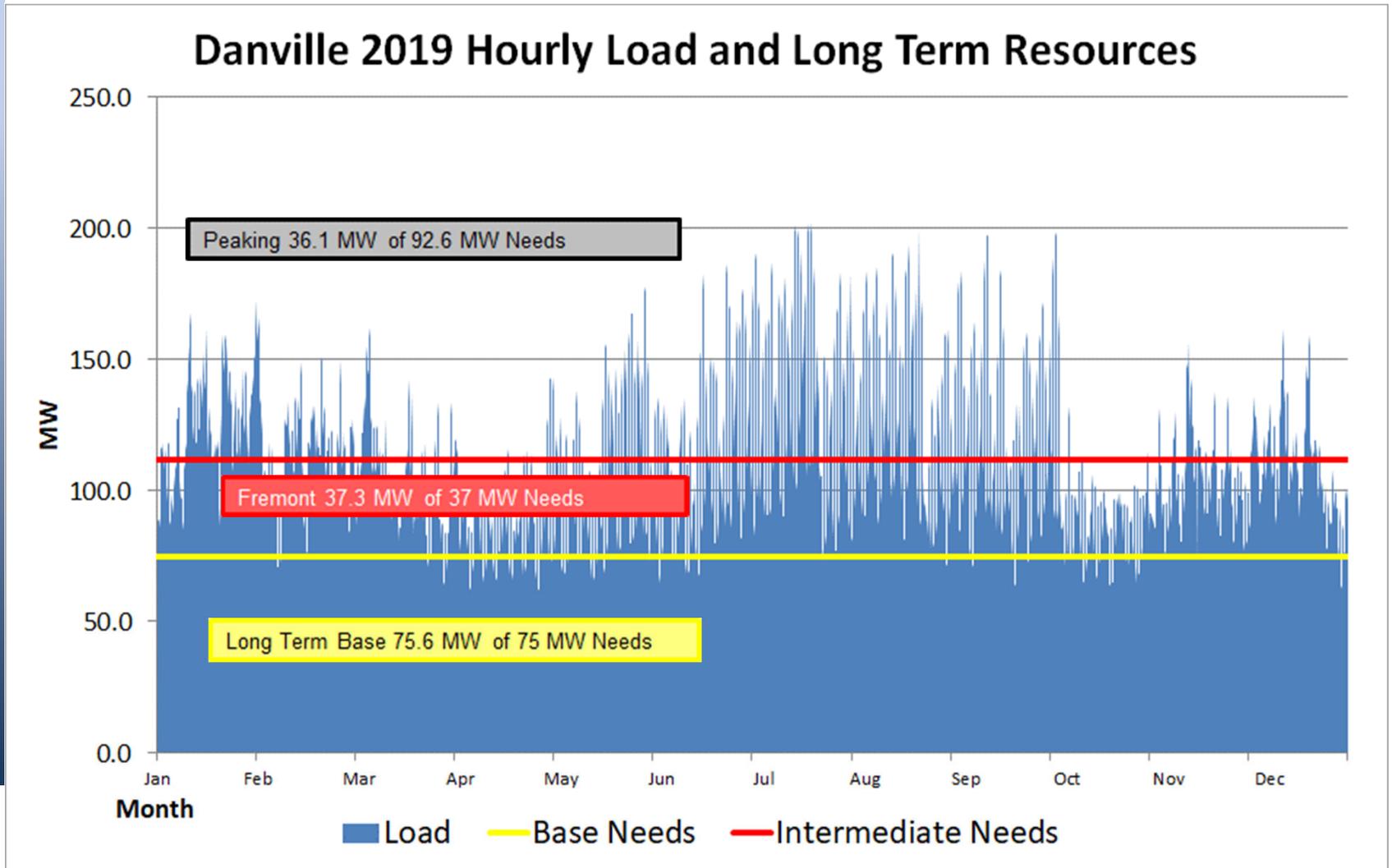


Danville 2021 Energy Sources





2019 Hourly Load Data



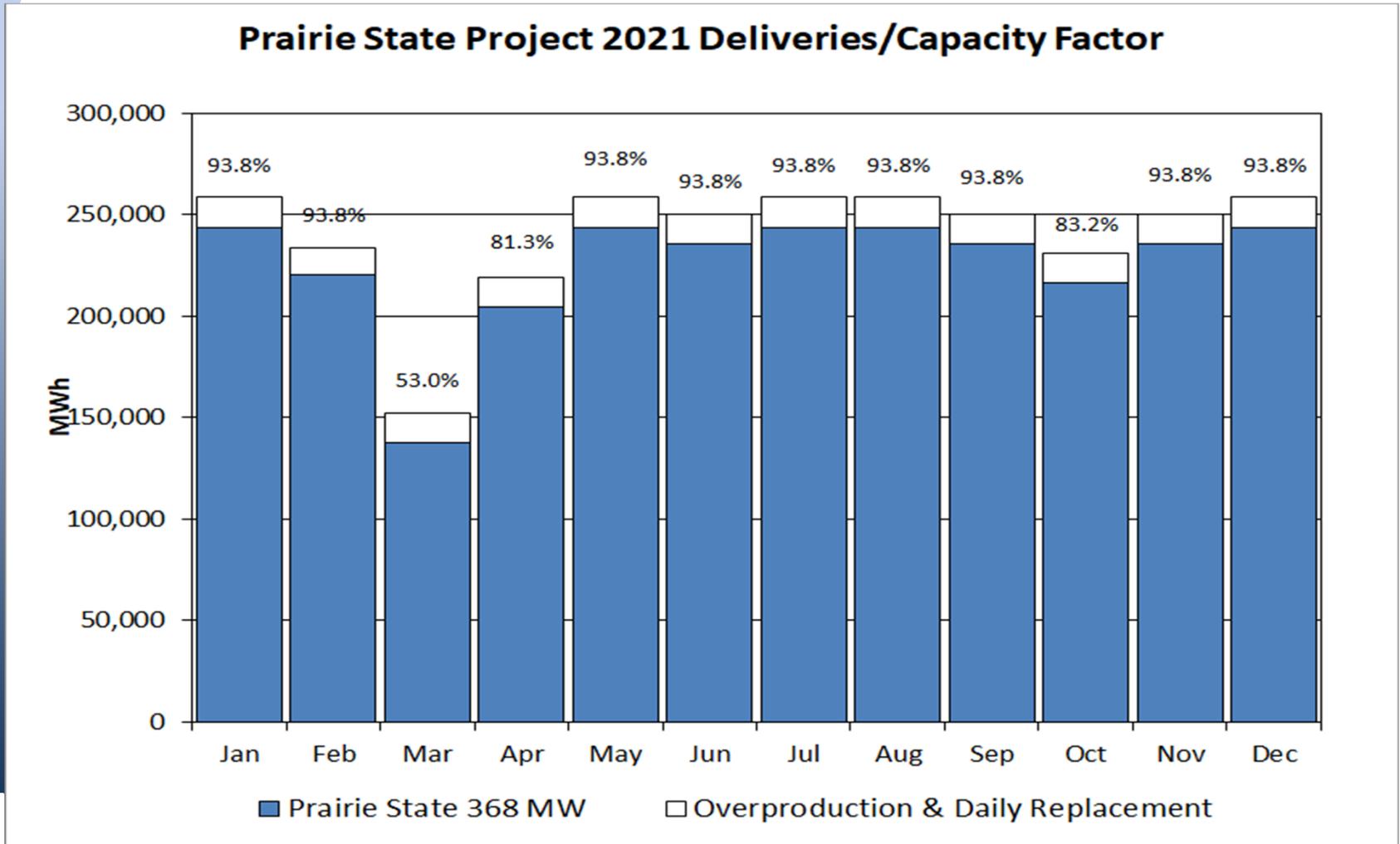


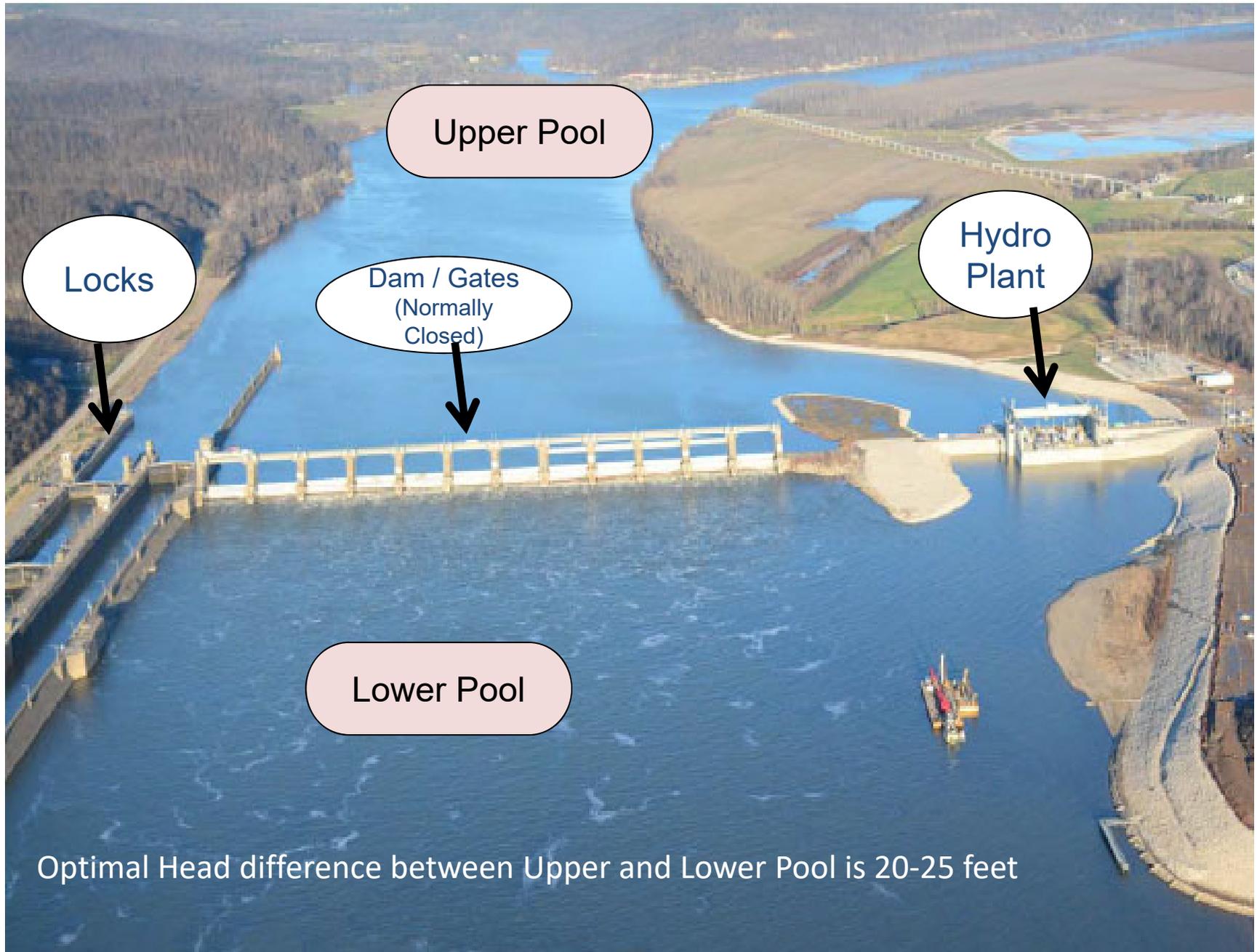
Prairie State (49,760 kW)



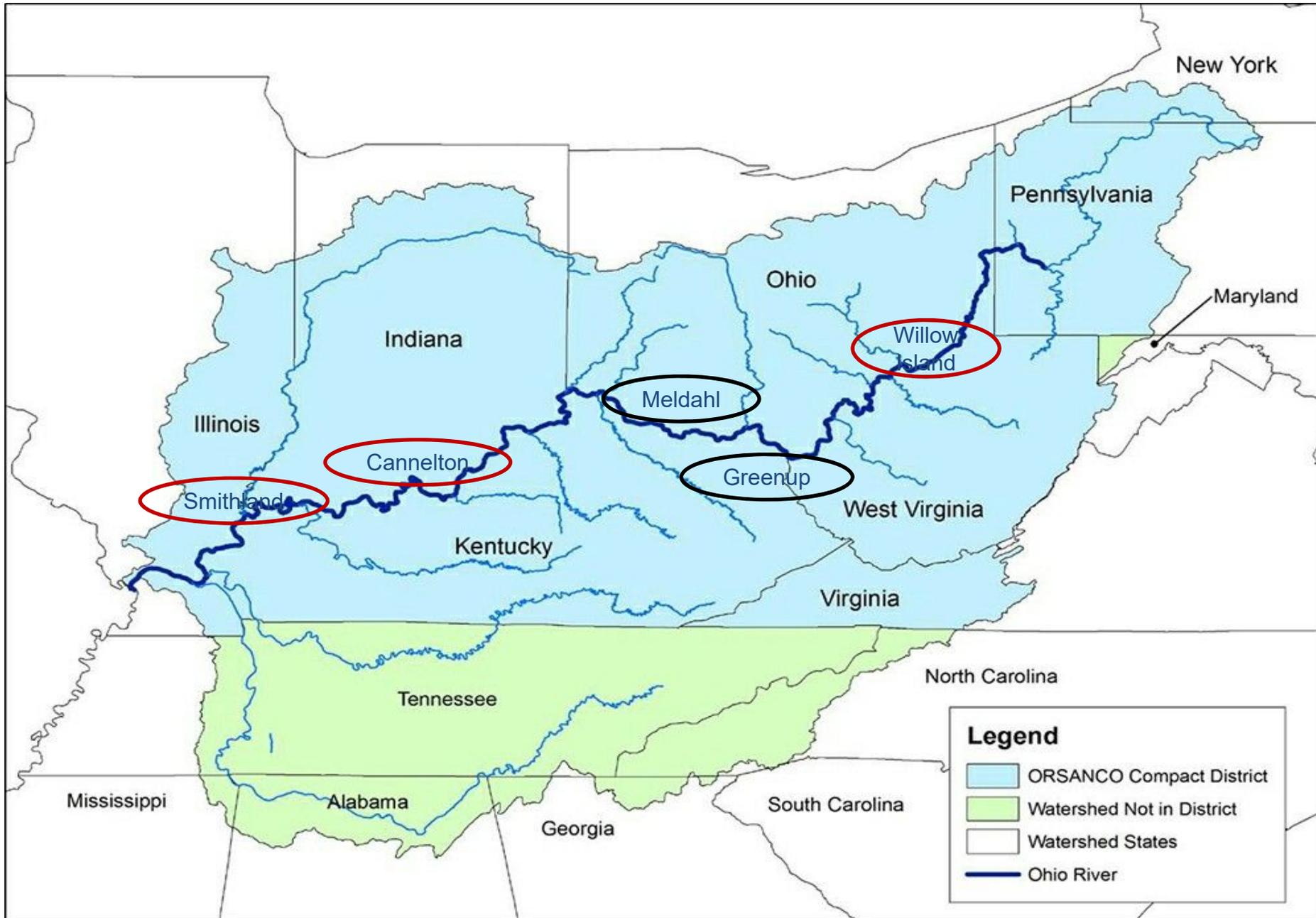


Prairie State (49,760 kW)





Optimal Head difference between Upper and Lower Pool is 20-25 feet

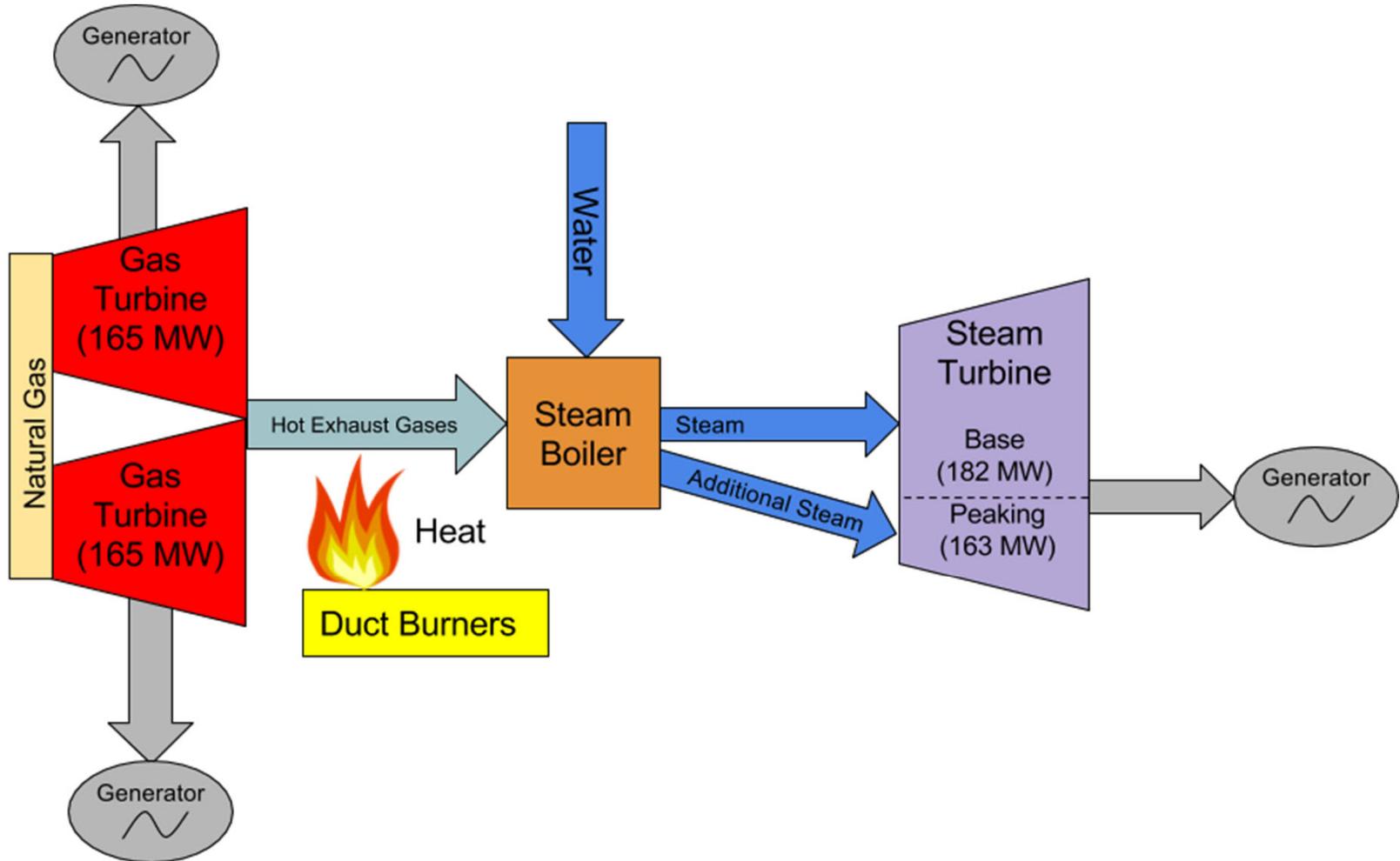




Fremont(49,175 kW)



Fremont(49,175 kW)



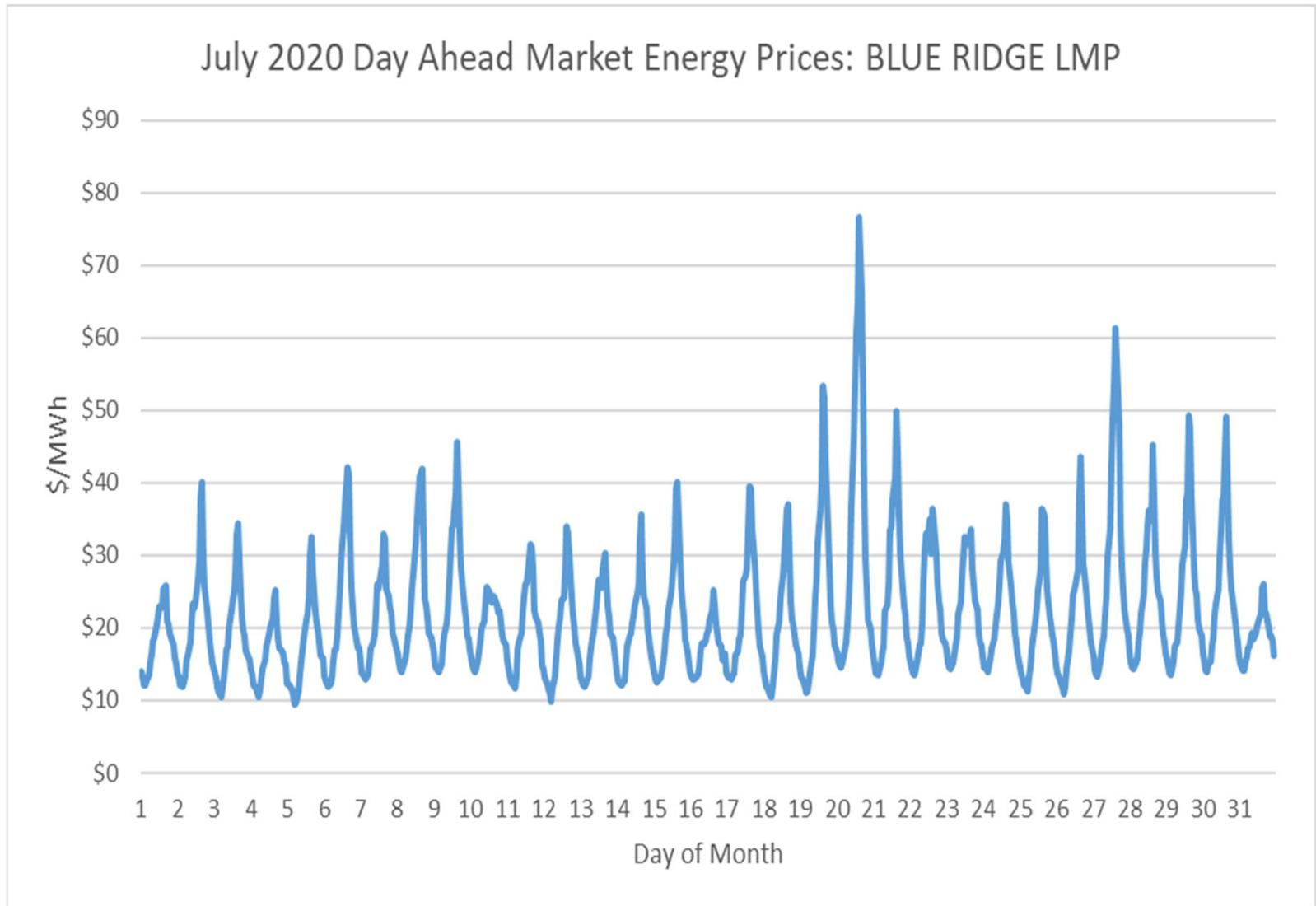


Energy Purchases

- 21.5 MW 7x24 Morgan Stanley @ A/D Hub (2015-2020) - \$62.95 / MWh

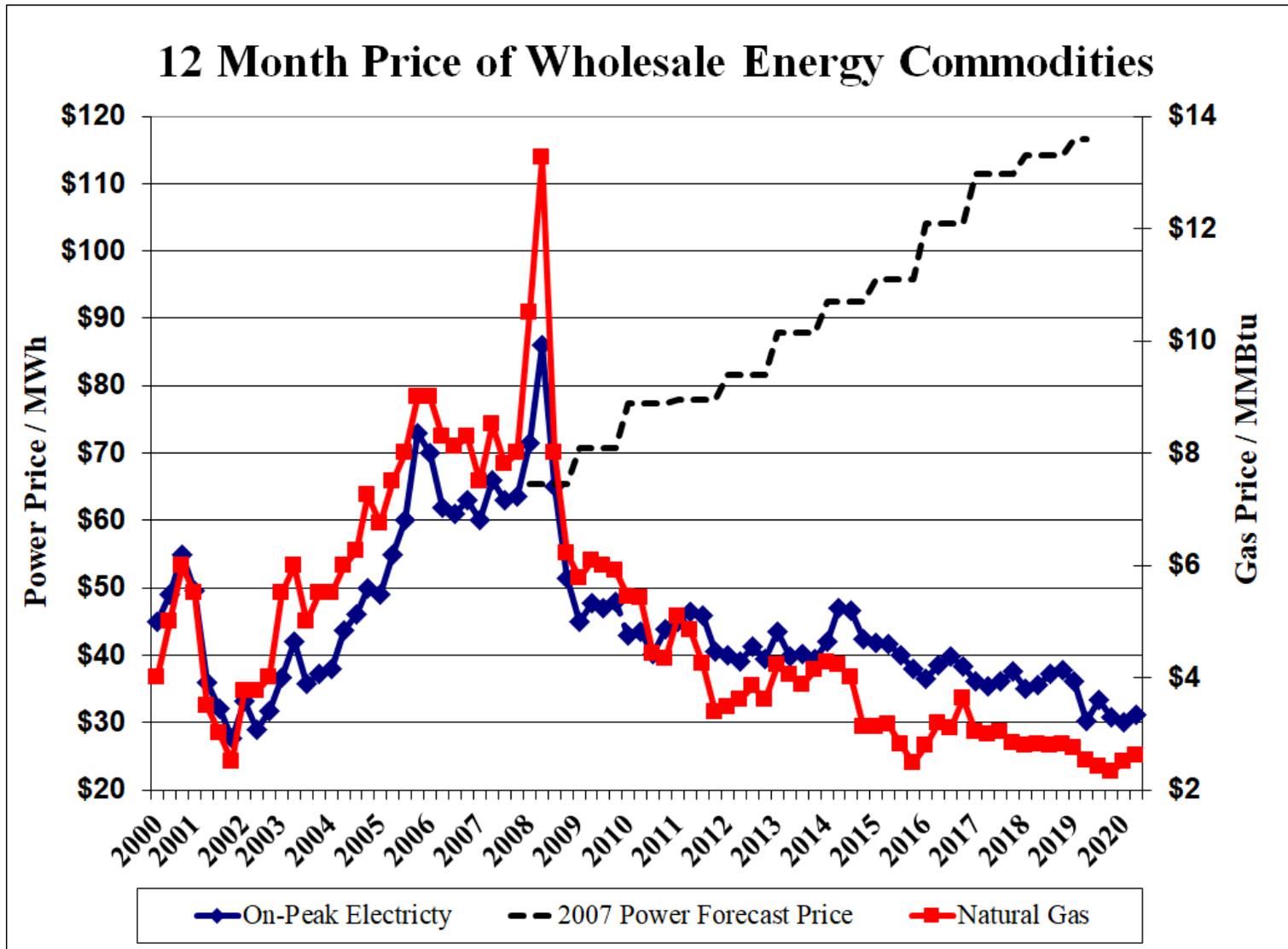


Day Ahead Energy Market





Historical Power/Gas Prices





Transmission and PJM Capacity



AEP Transmission Peak

1 CP = Danville's load at time of AEP Zone's peak hour for year

1CP based on previous calendar year's peak
Used for Transmission Billing on calendar year basis

| 2019 Transmission Billing | Zone | Time of Peak | 1CP |
|---------------------------|------|--------------|---------|
| Danville | AEP | 1/3/18 8 | 208.449 |
| 2020 Transmission Billing | Zone | Time of Peak | 1CP |
| Danville | AEP | 1/31/19 08 | 192.807 |

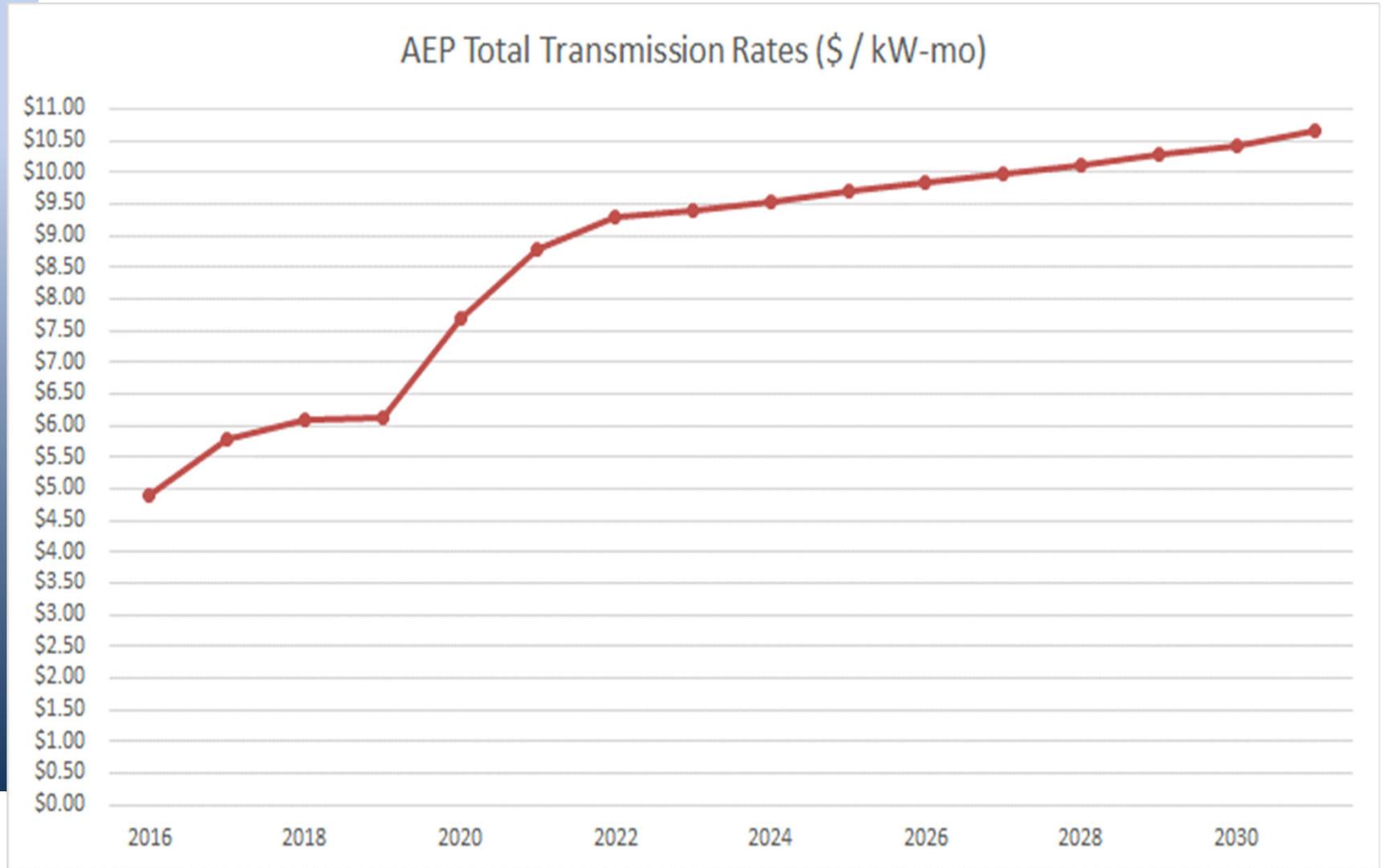
Current 2021 AEP 1CP at 7-9-20 at HE 17

Danville Load was 167.70 MW

AEP 2021 Transmission rate-Advertised in October



AEP Transmission Peak





2021 Transmission Peak Shaving Savings

| | Pinnacles Hydro | Schoolfield Hydro | Westover Diesel | Kentuck Diesel | New Design Diesel | Kentuck Solar | Ringgold Solar | Whitmell Solar |
|-----------------|-----------------|-------------------|-----------------|----------------|-------------------|---------------|----------------|----------------|
| 7-9 HE 17 | 8.972 | 1.931 | 0.783 | 0.000 | 0.000 | 3.888 | 63% | 63% |
| | | | | | | | <i>credit</i> | <i>credit</i> |
| | | | | | | | <i>of</i> | <i>of</i> |
| | | | | | | | <i>name</i> | <i>name</i> |
| | | | | | | | <i>plate</i> | <i>plate</i> |
| | 8.972 | 1.931 | 0.783 | 0.000 | 0.000 | 3.888 | 7.600 | 6.300 |
| losses | 1.034 | 1.034 | 1.034 | 1.034 | 1.034 | 1.034 | 1.034 | 1.034 |
| Rate | \$8.78 | \$8.78 | \$8.78 | \$8.78 | \$8.78 | \$8.78 | \$8.78 | \$8.78 |
| Approx.S avings | \$977k | \$210k | \$85k | \$0k | \$0k | \$423k | \$828k | \$686k |



PJM Coincident Peak

5 CP = Danville's load at time of PJM's 5 highest hours from the previous year's **summer**

Used for Capacity Billing in PJM on Planning Year

June 2020-May 2021 Capacity charges based on 2019 summer peaks

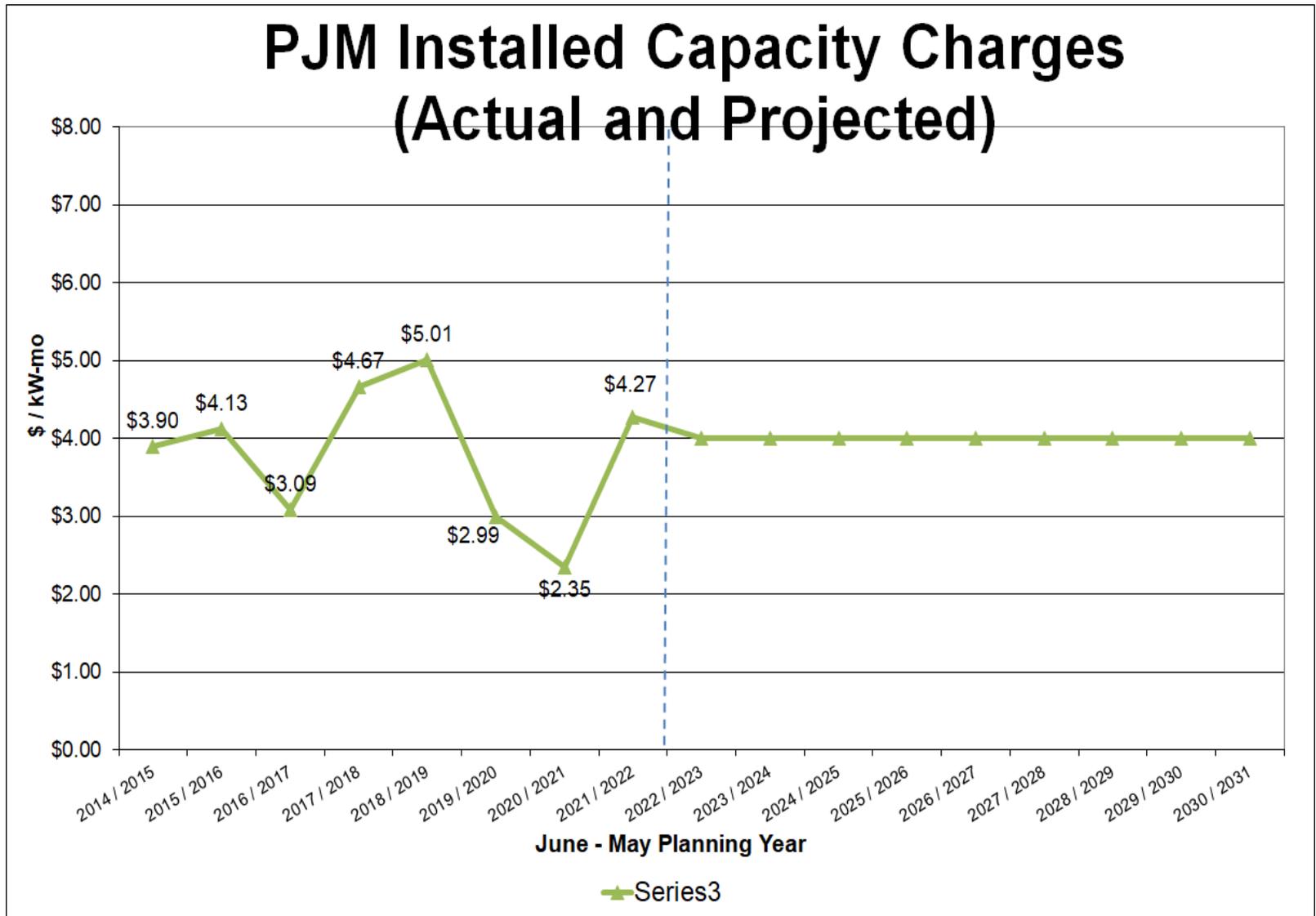
| 2020-2021 Planning Year | 5CP | MW | 7/19/2019 1800 | 7/17/2019 1700 | 8/19/2019 1700 | 7/10/2019 1800 | 7/29/2019 1700 |
|-------------------------|---------|----|----------------|----------------|----------------|----------------|----------------|
| Danville | 192.898 | MW | 203.2 | 199.4 | 197.9 | 176.7 | 187.3 |

June 2021-May 2022 Capacity charges based on 2020 summer peaks

Current 5CP = 186.93 MW



PJM Capacity Charges





2021-2022 PJM Capacity Peak Shaving

| | Pinnacles Hydro | Schoolfield Hydro | Westover Diesel | Kentuck Diesel | New Design Diesel | Kentuck Solar | Ringgold Solar | Whitmell Solar |
|-----------------|-----------------|-------------------|-----------------|----------------|-------------------|---------------|----------------|----------------|
| 7-20 HE 17 | 8.903 | 1.771 | 0.000 | 1.813 | 1.811 | 5.728 | 63% | 63% |
| 7-27 HE 17 | 8.919 | 2.484 | 0.000 | 1.813 | 1.811 | 5.833 | credit | credit |
| 7-9 HE 18 | 8.966 | 1.930 | 0.000 | 0.000 | 0.000 | 2.469 | of | of |
| 7-6 HE 15 | 4.330 | 2.071 | 0.426 | 0.401 | 0.407 | 5.889 | name | name |
| 7-29 HE 18 | 9.038 | 2.463 | 0.000 | 1.814 | 1.812 | 5.434 | plate | plate |
| AVG | 8.031 | 2.144 | 0.085 | 1.168 | 1.168 | 5.071 | 7.600 | 6.300 |
| losses | 1.034 | 1.034 | 1.034 | 1.034 | 1.034 | 1.034 | 1.034 | 1.034 |
| reserves | 1.165 | 1.165 | 1.165 | 1.165 | 1.165 | 1.165 | 1.165 | 1.165 |
| Rate | \$4.27 | \$4.27 | \$4.27 | \$4.27 | \$4.27 | \$4.27 | \$4.27 | \$4.27 |
| Approx. Savings | \$495k | \$132k | \$5k | \$72k | \$72k | \$313k | \$469k | \$389k |



Questions?



Commission Item Number: DUC200928 - 3
Utility Commission Meeting: September 28, 2020
Item: II. D. Pinnacles Metering and Billing

Pinnacles Metering and Billing

Due to the pending sale of the Pinnacles Hydro facility, the City will need to install a metering point at the plant and be billed for the generation. Staff would like to recommend allowing American Municipal Power (AMP) to provide this service and maintain the revenue grade meter/equipment and provide one power supply bill for all of the City's generation resources. AMP would charge \$0.00058/kWh or approximately \$1,500/month based on the generation provided at Pinnacles. AMP provides this same service for similar installations at the Schoolfield Hydro facility, Kentuck solar, Whitmell/Irish Rd solar, and Ringgold solar sites.

Recommendation: A suggested motion follows:

I move that the Danville Utility Commission recommend to City Council allowing American Municipal Power provide metering and billing services for the Pinnacle Hydro facility in Patrick County.

PRESENTED: _____

ADOPTED: _____

RESOLUTION NO. 2020-____.____

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE THE AGENCY DESIGNATION SCHEDULE WITH AMERICAN MUNICIPAL POWER FOR THE PINNACLES HYDRO METERING AND BILLING.

WHEREAS, the City of Danville, Virginia (herein "Municipality") owns and operates an electric system for the benefit of its residents and customers; and

WHEREAS, by working jointly with American Municipal Power, Inc. (hereinafter "AMP") and the other municipalities which are members of AMP, the Municipality can supply its electric utility consumers with reliable service at reasonable rates; and

WHEREAS, Municipality has entered into a Power Purchase Agreement ("PPA") for hydroelectric power with Northbrook Energy ("Northbrook"), "Seller"; and

WHEREAS, Municipality desires to enter into an agreement that, among other things, grants AMP authority to act as the Municipality's authorized agent with such authority as is necessary for invoicing and payment collection of the amounts owed by Municipality for power from the Sellers' hydroelectric facility; and

WHEREAS, AMP is willing to accept appointment as Municipality's agent for purposes of invoicing and payment collection for and, to the extent possible, necessary for collection of the amounts owed by Municipality for power from the Sellers' hydroelectric facility; and

WHEREAS, after due consideration, Municipality has determined that it is reasonable and in its best interest to proceed as authorized herein below and requests and authorizes

AMP to serve as the metering and billing agent upon the terms and conditions set forth in the Agency Designation Agreement.

NOW THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF DANVILLE, VIRGINIA that:

SECTION 1: That the form of the Agency Agreement attached hereto/on file with the Clerk is hereby approved, subject to and with any and all changes therein or hereinafter provided.

SECTION 2: That the City Manager is hereby authorized to execute the Agency Agreement substantially in the form of Exhibit 1, along with such modifications to the same that are deemed by the City Manager as not adverse to the interests of the Municipality, provided that neither this ordinance or the Agency Agreement authorize or obligate the Municipality to undertake the construction and operation of any hydroelectric facility.

SECTION 3: This Council finds and determines that all formal actions of this Council concerning and relating to the adoption of this Resolution, to the extent required to be, were taken in an open meeting of this [Board/Council] and that all deliberations of this Council and any of its committees that resulted in those formal action were in compliance with the Law.

SECTION 4: For the reasons set forth in the preamble hereto, this Resolution is

APPROVED:

= _____
MAYOR

ATTEST:

CLERK

Approved as to
Form and Legal Sufficiency:

City Attorney