Danville Utility Commission

4:00 p.m. July 27, 2020 Meeting
Council Chambers, City Hall

Minutes

Commission Members Present: Vanessa Cain, Gary Miller, Helm Dobbins, Bill Donahue, Bert Eades, Paul Liepe, Ken Larking

Commission Members Absent: Sheila Williamson-Branch

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

Others Present:

Election of Chair/Vice-Chair

Mr. Ryan Dodson from the City Attorney's office called the meeting to order and held the Chairman and Vice Chairman elections. Mr. Donahue nominated Ms. Cain to the office of Chairman. Mr. Dobbins moved to close the nominations. All members voted in favor and the nomination passed unanimously. Ms. Cain nominated Mr. Eades to the office of Vice Chairman. Mr. Dobbins moved to close the nominations. All members voted in favor, and the nomination passed unanimously.

Discussion/Business Items

Minutes of June 22, 2020 Commission Meeting

Ms. Cain asked for any corrections, deletions, or adjustments to the minutes from June 22, 2020.

Mr. Dobbins 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 each utility fund and addressed questions from the commissioners.

Mr. Eades asked what is the impact on the financial statements due to bad debt coming during the utility cutoff freeze period. Ms. Holley responded that until the cutoffs begin she cannot give an accurate report.

Danville HomeSave and CustomSave Energy Efficiency Program Update

Janet Davis, Key Accounts Manager provided an update on the types of measures and expected demand reduction from July 2019 to June 2020.

Mr. Liepe asked what measures were available to the worship rate customers. Ms. Davis responded that several churches have performed lighting upgrades or have inquired about the available rebates. She also mentioned that another good option specifically for places of worship would be to install insulation for a rebate.

Mr. Eades asked what marketing efforts are going to be made to promote the gas rebates. Ms. Davis responded that direct mailers, signs in neighborhoods, and bill inserts are some of the efforts planned that will advertise the availability of gas. The advertising will mention the free installation of up to 300 feet of line with installation of qualifying appliances.

Power Cost Adjustment Update and Recommendations

Jason Grey presented several different electric load forecasts that could indicate where the power cost adjustment balance will be in FY2021. Possible solutions were discussed by the Commission.

Mr. Dobbins emphasized that the Commission does not want to prolong the Power Cost Adjustment (PCA), especially with the increases forecasted for transmission costs. Mr. Dobbins mentioned that a portion of the Pinnacles sale could do to pay off the PCA and the remainder could go to helping pay for the new substations.

Mr. Liepe expressed concern with using funds from a capital asset and not using the funds towards another capital asset.

Mr. Donohue stated that the economy is not in favor of utilities in the coming years. He said a short term pay down is probably the least effective way to use funds from the sale of Pinnacles given that the intent of the sale was to help defray costs to the Utility. Mr. Donohue said the funds should be used for long term investment.

Mr. Donohue said the Commission may want to continue to look into battery storage as was mentioned to the Commission in previous months by Mr. Grey.

Dr. Miller emphasized the need to upgrade the substations.

Mr. Liepe asked if the Commission can table the discussion on the PCA until after the Summer sales to make a more informed decision regarding paying off the PCA.

Mr. Grey responded that he will bring the proposal back to the Utility Commission at the beginning of fall.

Department Discussions

Mr. Eades commended the utility line workers performance during the recent outage.

Mr. Dobbins thanked Mr. Donohue for his years of service to the Commission.

Dr. Miller thanked Mr. Grey for offering to bringing him up to speed on the Utility Commission.

Mr. Grey presented plaques to Mr. Shanks and Mr. Donohue to commemorate their service to the Utility Commission.

Ms. Cain congratulated both Mr. Shanks and Mr. Donohue on their combined 25 years of service.

Mr. Larking echoed Ms. Cain's sentiments and added that this commission is a tough commission to be on and that their voluntary work is appreciated.

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

Adjournment

Ms. Cain stated the next meeting is scheduled for August 24, 2020. Mr. Liepe mad a motion to adjourn. Mr. Dobbins seconded the motion. All members voted in favor, and the motion carried unanimously. There being no further business, Ms. Cain adjourned the meeting at 5:00 p.m.

Submitted by Janet Davis
Secretary to the DUC

August 24, 2020
Date Approved

Chairman
Danville Utility Commission