

Danville Utility Commission

4:00 p.m. July 25, 2022 Meeting

Council Chambers, City Hall

Minutes

Commission Members Present: Vanessa Cain, Helm Dobbins, Mary Williamson, Sheila Williamson-Branch, Michael Adkins*, Anna Kautzman, Gary Miller

Commission Members Absent: Steven Merricks, Vic Ingram

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

Others Present:

**Michael Adkins was acting City Manager for the meeting.*

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. Ms. Williamson-Branch nominated Ms. Cain to the office of Chairman. Hearing no other nominations, Mr. Dodson closed the nominations. All members voted in favor and the nomination passed unanimously. Ms. Cain nominated Mr. Dobbins to the office of Vice Chairman. Hearing no other nominations, Mr. Dodson closed the nominations. All members voted in favor, and the nomination passed unanimously.

Discussion/Business Items

Minutes of June 23, 2022 Commission Meeting

Ms. Cain asked for any corrections, deletions, or adjustments to the minutes from June 23, 2022.

Mr. Dobbins made a motion to approve the minutes. Ms. Kautzman 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.

Power Supply Update

Jason Grey provided an update on current electric market prices and presented a strategy to mitigate increasing market power supply costs.

Mr. Dobbins asked Mr. Grey to talk more about gas prices in general as prices spiked again on the 25th and due to lack of additional capacity to store natural gas now for the winter months. Mr. Grey responded that Danville Utilities actively injects gas into storage and will use the blended storage price. He added that approximately 55% of Danville Utilities' needs are already met for the year and are looking to increase that to 75-80%.

Dr. Miller asked if the battery storage project could dispatch the 10.5 megawatts over just two hours or could it be dispatched longer. Mr. Grey responded that it can be dispatched over two hours or could be spread out over four hours depending on the recommendation of our partner's analytical software based on the peaking timeframe.

Ms. Kautzman asked if the analytical tool is built into the system to activate automatically or does it require manual intervention. Mr. Grey responded that it is manual, but the battery storage provider has performance building into their contract, so the price in the following year would be based on the performance the prior year.

Williamson-Branch asked for timeframe on implementation of the smart thermostat program and advertising. Mr. Grey responded that he did not anticipate the program beginning until January 2023 and would be advertised through bill inserts and Facebook posts.

American Municipal Power Solar Project

Jason Grey presented a proposal to enter a power purchase agreement with American Municipal Power to purchase 20 megawatts of a 150-megawatt solar project in Ohio to help its members with rising electric market costs. AMP went out for request for proposal earlier this year to identify existing projects in development that their membership could leverage. This resource would provide a low-cost, stable, renewable source of energy, capacity, and renewable energy credits.

Mr. Dobbins asked how this project compares versus the other solar projects Danville Utilities is currently contracted. Mr. Grey responded that the pricing is comparable per megawatt hour, but with renewable energy credits and capacity, can be as low as \$30 per megawatt hour, which is advantageous compared to the current cost at \$100 per megawatt hour for power.

Ms. Kautzman asked if the pricing is fixed price. Mr. Grey responded that yes, the pricing is fixed.

A motion was made by Mr. Dobbins and seconded by Ms. Williamson-Branch to recommend to City Council approving a 15-year purchase power agreement with American Municipal Power for 20 megawatts of solar energy, capacity, and renewable energy credits at a rate to not exceed \$50/megawatt-hour. All members voted in favor and the motion passed.

Department Discussions

Ms. Cain welcomed Ms. Williamson to the Utility Commission.

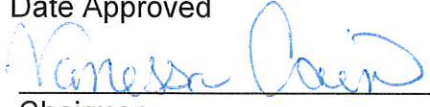
Mr. Grey also welcomed Ms. Williamson to the Utility Commission.

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

Adjournment

Ms. Cain stated the next meeting is scheduled for August ²²~~24~~, 2022. Mr. Dobbins made a motion to adjourn. Mr. Williamson-Branch seconded the motion. All members voted in favor, and the motion carried unanimously. There being no further business, Ms. Cain adjourned the meeting at 4:35 p.m.

Submitted by Janet Davis
Secretary to the DUC

August 22, 2022
Date Approved

Chairman
Danville Utility Commission