

Marquette Board of Light and Power 4-10-18 MINUTES

2200 Wright St., Marquette, MI 49855 (906) 228-0311

A regular meeting of the Board of Light and Power was called and held on April 10, 2018 beginning at 4:30 p.m. The meeting was called to order followed by the Pledge of Allegiance and Roll Call.

Present: Tom Tourville, Chair
David Puskala, Vice Chair/Secretary
Jerry Irby
Edward Angeli
Robert Niemi

Absent: None

J. Irby made a motion to accept the agenda as presented, with support given by E. Angeli. Board unanimously approved the Agenda.

1. **Approval of the March 13, 2018 Regular Meeting Minutes:**
D. Puskala made a motion to accept March 13, 2018 regular meeting minutes, as presented, and R. Niemi seconded. Minutes were unanimously approved by the Board.
2. **Approval of Bills Payable:**
R. Niemi made a motion to approve the Bills Payable, as presented, totaling \$1,490,063.74 with E. Angeli giving support and Board unanimously approving.
3. **Public Comments:**
No comments at this time.
4. **Financial Discussion – Helen LaFayette, Controller:**
Controller Helen LaFayette presented the Interim Operating Statement for the five months ending February 28, 2018, Projected Cash Flow Statement, Electric Revenues – Budgeted versus Actual, and the FY Comparative KWH Analysis. Discussion followed.
5. **Public Act 202 of 2017:**
A motion was made by J. Irby to approve submitting an Application for Waiver and Plan, for MBLP’s Defined Benefit Pension Retirement Systems Plan and the Retirement Health Benefit Systems Plan to the state treasury, by the required deadline. These waivers are in response to the state treasurer placing the Board on a preliminary underfunded status listing for both plans. The application will include supporting documents to demonstrate prior actions that the Board has already implemented to adequately address the underfunded status. R. Niemi seconded motion. After discussion, the Board unanimously approved the two applications prepared for submittal to the state treasury.

Marquette Board of Light and Power 4-10-18 MINUTES
2200 Wright St., Marquette, MI 49855 (906) 228-0311

6. **Amendment to MERS 457 Participation Agreement:**

E. Angeli made a motion to authorize the amendment to the current MERS 457 Participation Agreement allowing employer contributions and authorized Board Chair Tom Tourville to sign the attached MERS Resolutions on behalf of the Board. R. Niemi seconded the motion and Board unanimously approved the amendment.

7. **Approval of Spare Parts order for the MEC:**

D. Puskala made a motion to approve the purchase of critical spare parts required to maintain the environmental emission system associated with the SCR/Urea system at the MEC. E. Angeli gave support. Manager of Mechanical Engineering Services, John Schultz explained the importance of these parts, how he came to choose these specific parts and that the parts being requested have a longer lead times of 6 to 9 weeks. Due to the MEC being our primary source of electrical generation in the near future we need to be aggressive on this to make sure that we have every spare part that we would need. Board approved unanimously.

8. **Coal Combustion Residual (CCR) Discussion:**

J. Schultz gave an overview of what CCR is and how the Environmental Protection Agency regulates the disposal of the coal ash. He informed the Board that in October of this year, the MBLP will no longer be able dump coal ash in the holding ponds unless we build new cells which would cost between \$3,000,000 and \$4,000,000. He also shared that the MBLP has until 2022 to clean up and remove all of the ash in the holding pond. Executive Director Tom Carpenter stated that this is one of the reasons for shutting Shiras Steam Plant down.

9. **Voluntary Green Pricing (VGP) Program – Ben Collins:**

Manager of Distribution and Engineering Services, Ben Collins gave a presentation on the new state legislation PA 342 – Section 61, Voluntary Green Pricing (VGP) Program. By April 20, 2018, the MBLP is mandated to have a process in place in which our customers have an opportunity to participate in a voluntary green pricing program. Michigan Public Power Agency is assisting electricity providers on setting this program up. MPPA will develop and maintain a VGP webpage which will provide a description of the VGP Program, include customer registration page and provide emails to the municipality with customer registration information. This program gives our customers the opportunity to participate in a voluntary green pricing program which enables our customers to link their energy usage with energy generated by renewable sources. MPPA recommends a rate of \$0.01 per Kwh. The MBLP will be required to provide MPPA with a monthly VGP customer tracking sheet that includes the monthly VGP kWh usage for customers as well as one year historical kWh usage data for any new VGP customers

10. **Public Comments:**

J. Lankinen 8 Marquette Dr. thanked the MBLP for keeping the lights on and told the Board that they made a good decision hiring Tom Carpenter as Executive Director.

Marquette Board of Light and Power 4-10-18 MINUTES
2200 Wright St., Marquette, MI 49855 (906) 228-0311

11. **Any Additional Business the Executive Director Wishes to Present:**

T. Carpenter informed the Board that the MBLP recently received a Certificate of Excellence in Reliability from American Public Power Association. This award is because the MBLP achieved excellence in reliability by significantly outperforming the electric industry national average as reported by the Energy Information Administration.


T. Carpenter also shared that Governor Rick Snyder proclaimed the week of April 9 to 15, 2018 as Natural Gas and Electric Service Workers Appreciation Week in Michigan.

12. **Any Additional Business the Board Members Wish to Present:**

Board members thanked staff for all the presentations and information shared at tonight's meeting.

13. **Adjournment:**

The meeting adjourned at 5:47 p.m.



David Puskala
Vice Chair/Secretary