

Marquette Board of Light and Power 1-09-18 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 January 9, 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

Executive Director Tom Carpenter requested an additional item 7a to be added to agenda to discuss the Low Income Assistance Programs. J. Irby made a motion to accept the revised agenda and support was given by D. Puskala. The revised agenda was unanimously approved by the Board.

1. **Approval of the December 13, 2017 Regular Meeting Minutes:**
R. Niemi made a motion to accept December 13, 2017 regular meeting minutes, as presented. Motion was supported by E. Angeli and the minutes were unanimously approved by Board.
2. **Approval of Bills Payable:**
E. Angeli made a motion to approve the Bills Payable, as presented, totaling \$1,054,080.72, with support from R. Niemi. After questions were answered, Bills Payable were unanimously approved by the Board.
3. **Public Comments:**
No comments at this time.
4. **Financial Discussion – Helen LaFayette, Controller:**
Controller Helen LaFayette presented the Interim Operating Statement for the two months ending November 30, 2017, Projected Cash Flow Statement, Electric Revenues – Budgeted versus Actual and the FY Comparative KWH Analysis. Discussion followed.
5. **Retirement Presentation – Tom St. John:**
Executive Director Tom Carpenter presented a retirement plaque and gave a short presentation of Tom St. John’s career here at the MBLP. Tom has worked for the MBLP for 34 years and has accomplished a lot of important projects, such as, his extensive Safety and Training Programs created and developed by him. He has worked closely with the union in many different areas. T. St. John stated that he has enjoyed his career here.
6. **Award Payment for Unit No. 3 Boiler Repair Work:**
E. Angeli made a motion to award payment to CR Meyer and Son in the amount of \$87,151.63 for boiler repair work done on Unit No. 3 during the fall of 2017. This is a budgeted FY 17 Unit 3 shutdown expenditure. J. Irby gave his support. After discussion, Board unanimously approved the payment.

Marquette Board of Light and Power 1-09-18 MINUTES

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

7. **Discussion on Solar Rates:**

T. Carpenter gave background of what has been Board approved previously regarding the net metering issue. Board has approved the rate structure for grandfathered customers (customers who already had a solar system in place) and a rate for solar garden customers. Now, the Board will need to work on setting up a rate structure for customers who are thinking about putting in a solar or wind system on their property. All Board members were in agreement that whatever the rate is, our customers will not be subsidizing these systems. D. Puskala stated that this is a program that has gone nationwide and we need to come up with a rate that is fair all around. He suggested talking to Utility Financial Solutions to see what is happening across the country. He wants to help facilitate these renewable energy programs but not doing it on the backs of our other customers. Tom Tourville said that he and T. Carpenter spoke with UFS this morning in regards to this issue. Board members suggested having UFS update their last report and bring their findings to the Board at the February Regular Board Meeting. The Board hopes to be able to make a decision this spring so customers who want to put in a system will have all the information they will need to make that decision if it is viable for them.

7a. **Discussion on Utility Assistance Programs:**

T. Carpenter asked Noreen Collins, Executive Assistant to inform the Board of her findings on what other utilities in the state are doing in regards to the PA 95 bill. N. Collins stated that out of 27 utilities, only three have set up their own self-funded assistance programs. All three utilities have a volunteer donation program and have a third party agency administer the funds. These agencies screen the applicants and determine eligibility. If the MBLP decides to opt in the PA95 program, we are required to collect a certain amount from each of our customers and send that money to the state for disbursement, this year it would have been approximately \$200,000. Because the MBLP has always opted out of the program, we cannot shut off our customers between November and April. Because we cannot shut them off, they do not meet the state criteria for funding until April and by that time, funding can be limited. Because of this, utilities are creating self-funded assistance programs where their customers can decide to voluntarily round up their bills monthly with the excess going to the fund, giving a one-time donation to the fund or setting up a set amount monthly to be donated to the fund. All Board members were interested in a self-funded assistance program and directed staff to begin developing options for such a program. Once this has been done, it will be brought to the Board for final approval.

8. **Public Comments:**

Jorma Lankinen 8 Marquette Drive Marquette. He stated that the MBLP should first sell the remaining solar panels in the Solar Garden before looking at the issue of rates for customers who want them on their own property. He also stated that Tom Carpenter is doing a really good job and he is surprised that he is not the full time director yet. He recommends the Board offer Tom the job.

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

No additional information or comments.

Marquette Board of Light and Power 1-09-18 MINUTES
2200 Wright St., Marquette, MI 49855 (906) 228-0311

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

E. Angeli asked about the progress of the Financial Audit Report and H. LaFayette responded that we should be given the report soon and it will be presented to the Board in February.

D. Puskala thanked Tom St. John for his dedicated work at the MBLP.

J. Irby asked about the comments staff have received regarding snow on the solar panels. Supervisor of Metering and Energy Programs, Kevin Downs informed the Board that he has received about 10 calls in the last week, regarding snow on the panels. He did call the company that installed the system and found out that shoveling the snow off of the panels can hurt the production and degrade the panels so they might not last as long. K. Downs did say that he is amazed at the solar panel's phenomenal production.

11. **Adjournment:**

The meeting adjourned at 5:35 p.m.



David Puskala
Vice Chair/Secretary