UTILITY COMMITTEE
A G E N D A
REVISED TO INCLUDE A NEW ITEM #1

FEBRUARY 10, 2014 - 5:30 P.M.

CITY HALL COUNCIL CHAMBERS
15 LOOCKERMAN PLAZA
DOVER, DELAWARE

Public comments are welcomed on any item and will be permitted at appropriate times. When possible, please notify the City Clerk (736-7008 or e-mail at CityClerk@dover.de.us) should you wish to be recognized.

AGENDA ADDITIONS/DELETIONS

1. **McKee Run Units 1 and 2 - 2017-2018 Capacity Auction**
   *(Staff recommends removing Units 1 and 2 from service)**(Due to time constraints, this item has been placed on the council agenda for the meeting being held later in the evening)***

2. **Dedication of Water and Wastewater Infrastructure - The Grande**
   (Staff recommends acceptance of water and wastewater infrastructure within the public utility easement in The Grande apartment complex. Dedication is to include all of the referenced water and wastewater infrastructure.)

3. **Dedication of Rights-of-Way and Public Infrastructure - Farthing Woods**
   (Staff recommends acceptance of rights-of-way and public infrastructure in the Farthing Woods subdivision. Dedication is to include all of the referenced public improvements.)

4. **Quarterly Review of Utility Related Capital Investment Plan (CIP) (Electric and Water/Wastewater)** *(Committee action not required)*

5. **TEA/NAES Report (*December*)**
   (Staff recommends acceptance of the report)

6. **Updates**
   (Committee action not required on the items listed below)
   - **A. Green Energy Funding and Programming**
   - **B. National Pollution Discharge Elimination System (NPDES) Municipal Separate Storm Sewer Systems (MS4) Permit**
   - **C. Garrison Oak Technical Park Project Updates**
     - **c-1. City Infrastructure**
     - **c-2. Calpine Energy Center**
     - **c-3. Dover Sun Park**

7. **Adjournment by 7:00 p.m.**

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THE AGENDA ITEMS AS LISTED MAY NOT BE CONSIDERED IN SEQUENCE. THIS AGENDA IS SUBJECT TO CHANGE TO INCLUDE THE ADDITION OR THE DELETION OF ITEMS, INCLUDING EXECUTIVE SESSIONS.

BETTS & HOLT LLP

COUNSELLORS AT LAW

1100 17TH STREET, NW • SUITE 901 • WASHINGTON, DC 20036
TELEPHONE 202.530.3380 • FAX 202.530.3389

February 7, 2014

Hon. Beverly Williams, Chair
Utilities Committee
City of Dover
15 Loockerman Ct.
Dover, DE 19901

RE: Recommendation Concerning McKee Units 1 & 2

Dear Chairwoman Williams:

I am writing to request an opportunity to appear before the Utilities Committee on Monday, February 10, 2014, to bring a recommendation before the committee concerning McKee Units 1 and 2. The committee and the city council received a report last year explaining how the capacity value of these units compared to the PJ capacity auction prices on the Delmarva Peninsula would become negative within several years.

The decision about the future of these units also affects power supply negotiations and plant operating contract negotiations, both of which have been given a high priority. There is also a matter involving a request for waiver with respect to a notice that was not provided to PJM in December.

If the committee reaches a conclusion concerning McKee Units 1 and 2, I would ask the Chair to move that recommendation before the city council.

Thank you.

Respectfully,

Kirk Howard Betts

EXCERPT - REGULAR COUNCIL MEETING OF DECEMBER 9, 2013
The following is an excerpt of the Regular Council Meeting minutes of December 9, 2013:

UTILITY COMMITTEE REPORT - NOVEMBER 25, 2013
The Utility Committee met on November 25, 2013 with Chairwoman Williams presiding.

Electric Supply & Generation
Members were provided information regarding Electric Supply and Generation, as follows:

McKee Run Units 1 & 2 - Cost/Benefit Analysis
Mr. Scott Koenig, City Manager, reviewed a Presentation - Cost/Benefit Analysis for City of Dover for McKee Run Units 1 & 2, as prepared by Mr. Robert Trinnear, The Energy Authority (TEA).

Referring to Slide 13, Mr. Blakeman questioned if there were a means of quantifying the risk of operational failure. Responding, Mr. Koenig stated that he would contact representatives of both TEA and North American Energy Services (NAES) to obtain this information.

In response to Mr. Blakeman with reference to Slide 14, Mr. Koenig stated that borescope inspection logs did not indicate any required repairs and/or improvements that were not already included in the City's Capital Improvement Plan (CIP). Based on current knowledge, he assured members that the only repairs and/or improvements anticipated were those listed in the CIP.

Responding to Mrs. Williams regarding the cost of "mothballing" these Units, Mr. Koenig stated that TEA and NAES had been requested to provide a price; however, staff anticipated that this amount would be costly (in the high six to low seven figure range) due to asbestos and other issues associated with the Units.

Mr. Snaman questioned if the new power plant (Calpine) could affect the details regarding Units 1 and 2. Responding, Mr. Koenig explained that if the City entered into a purchase power agreement with Calpine, the City could replace the capacity of Units 1 and 2 with capacity from the Calpine Project, which would be a negotiated item and was scheduled for discussion later in the meeting, under Item #1C.

Mrs. Williams relayed concern with proceeding since there were so many uncertainties.

Mr. Kirk Betts, Betts & Holt LLP, the City's Energy Attorney, stated that there was not as much uncertainty as there appeared to be but there were several risks. He explained that some life extensions were previously done to Units 1 and 2 to keep them "alive;" however, prior to the Calpine project, the lease arrangement at the Garrison Tract included the opportunity to purchase 50 MW of capacity based on the belief that Units 1 and 2 would not survive. He stated that the Units are not as reliable as needed, which poses a risk. When the Units are supposed to come up and they do not, the City is penalized financially as well as with regard to reserve requirements and does not get the capacity credits needed. While these costs have not yet been quantified, they exist. He advised members that another risk was the capacity price of $119 per megawatt day (MWd) which was expected to be in the range of $150, $180, and $200 per MWd, but noted that this was not fully quantified because the PJM market only extends out three (3) years. He explained that this type of spread reduces the value of the plant and, with the addition of the costs for operating those Units including the NAES costs and the capital costs indicated in the CIP, there is a very low margin.

With a low margin area of approximately $250,000, for example, the City would be totally at risk and one (1) or more operational failure or forced outage could result in the City being "in the hole." While these numbers had not been quantified, he explained that they appear more and more threatening in terms of the value of the plant.

Mr. Betts explained that another issue with old units such as these is that spare parts are not available and must be manufactured. He explained that manufacturing parts for an antique piece of equipment costs more and the value is not recovered; therefore, the cost just to repair Units 1 and 2 would be extraordinarily high. He reminded members that Units 1 and 2 were being kept for capacity plays, and when the capacity market goes down, the value disappears. Although the City does not need the Units for energy, they must be able to operate. He noted that the heat rate for these Units is very high, at least 13,000 btu's per kilowatt hour, whereas the competing Calpine unit is approximately half of that. Therefore, the Units are a non-competitive resource that the City pays a lot of money for in order to have capacity and the value is continuously decreasing. While not fully quantified, these are the real risks involved with these two (2) Units.

Responding to Mrs. Williams, Mr. Betts explained that maintenance for Units 1 and 2 should have been done gradually over time but was deferred in previous years to avoid the additional capital cost, which is the reason for the major $2.4M "hit" in budget for Fiscal Year 2018. He stated that the capacity market has dropped significantly, and the PJM capacity market has many components. He advised members that Converge, an Arrow Electronic Company, has been working, primarily with refrigeration, to find ways to replace capacity in the marketplace by allowing customers to go offline for a couple of minutes at a time. In the past, customers had generation in reserve or brought up generation to meet the voltage requirements; however, since customers are able to meter the load precisely and changes are computerized, they are able to go offline and reduce load instead of bringing capacity on. He stated that last summer in this region, more than 1,000 MW(the amount of a nuclear plant) were taken offline voluntarily by customers who received a notice the day before indicating if they went offline the next day between certain hours, they would be compensated a certain amount per kilowatt hour not used, which had a huge impact on the marketplace. The current market is very different and continuously changing; therefore, the way in which customers invest and adapt to the changes are also different. Mr. Betts expressed his opinion that the market is not fixed but in some areas it is very tight; for example, in New Jersey the current capacity price is almost $300 per MWd, whereas in Dover it has dropped. He explained that the Garrison Plant's 300 MW has a huge impact on costs on the Delmarva Peninsula because it is gas operated, fast, has relatively low personnel costs, and can bid into the market very aggressively.

In regard to transmission costs, Mr. Betts explained that there has been a huge amount of transmission expansion in PJM, which has resulted in a reduction of the number of power plants constructed. It is a very dynamic market and, with 13,000 heat rate units, the City must consider whether, even if investment were made in Units 1 and 2, there would be value going forward and how much value that investment would have in the next five (5) to 10 years.

Mrs. Donna Mitchell, Controller/Treasurer, advised members that the 2016/2017 forecast was completed last May and, at that time, the capacity price was $193 per MWd. The price was now at $119 per MWd; therefore, she stated that the capacity revenue would change accordingly. She noted

that a leak on a gasket on Unit 1 had to be repaired last year and the costs were over budget. In addition, she expressed concern regarding costs involving Unit 3. She stated that it had been borescoped and will be opened up for repair. This was scheduled as a three (3) year project which started with a $1.21M budget for the turbine repair and generator; however, the bids received for the turbine were excessive, so the generator was done separately at a cost of $276,000. The costs for the turbine repairs for Unit 3 were currently up to $1.6M, and she noted that when it is opened, additional repairs may be required which would increase the costs.

In response to Mr. Perza, Mrs. Mitchell stated that staff's recommendation would not include bidding Units 1 and 2 in the PJM market beyond Fiscal Year 2017 since staff anticipated a joint agreement with Calpine or another capacity agreement to pick up 34 MW. She confirmed that it was staff's recommendation not to fund capital improvements to bring the Units up to current standards and not to fund these Units beyond the next three (3) years. If the Units began to fail in the next year or two (2), she stated that the City would have the option to pull the Units out of the PJM market instead of investing capital into them; however, the City would have to pay for the capacity and pay a forced outage penalty if the Units went down when scheduled to run. In order to meet the December 1, 2013 deadline, it was staff's plan to bid the Units into the capacity auction for the 2017/2018 planning year at $311per MWd to ensure they do not get called on and the City recoups the money, as recommended by TEA.

Noting that the City was obligated to keep Units 1 and 2 operating since they have been included in the auction for the next couple of years, Mr. Slavin questioned if the Units would be revenue positive to the City based on the assumption that the market does not completely bottom out on the capacity side. Responding, Mrs. Mitchell confirmed that they would be revenue positive through Fiscal Year 2017 based on the analysis. She indicated that if the Units were unavailable to run when required, the City would be able to decide whether or not to pay for repairs at that time.

Mr. Slavin questioned the net effect on the City's revenue if it was decided not to keep Units 1 and 2 online beyond 2018. In response, Mrs. Mitchell stated that staff had only forecasted out to the 2018 PJM year; however, according to Mr. Betts, the replacement capacity costs would define whether the City was "in the money or not" for those Units.

Responding to Mr. Blakeman, Mrs. Mitchell referred to the projected incremental operating costs indicated on Page 19 of the presentation and indicated her opinion that the $1M amount could decrease more since staff was currently negotiating contracts.

Staff recommended, for the short term, that Units 1 and 2 not be offered into PJM's capacity auction for the 2017/18 delivery year; that a comprehensive analysis be performed that lays out all the decision options for the City of Dover; that a similar analysis on other parts of the generation portfolio be completed; and that all supply options be surveyed, including new generation projects in and around Dover and Power Purchase Agreement (PPA) opportunities.

Mr. Perza questioned the future impact on revenues if these Units are shut down, irrespective of how much it would cost to get the turbines up and running, and how members could make an assessment and final decision regarding this matter if staff had not planned beyond 2017. Responding,

Mrs. Mitchell stated that one (1) of the factors to consider in determining whether the Units should be shut down or not would be the capacity auction, as well as the figures received from TEA. She noted that if the City can obtain the capacity cheaper from Calpine, it may not be advantageous to keep Units 1 and 2 running. Elaborating, Mr. Betts indicated that there were a lot of "moving pieces," one (1) of which was the renegotiation of the NAES Agreement, which may lower operating costs. The other was whether the City would be able to have Garrison or some other entity buy replacement capacity, noting that if the City were able to obtain a longer-term offer, it would provide a benchmark price to compare with the cost to operate the Units. Both of these were on a relatively "fast track," which would allow for a longer-term budget analysis for members to review.

Mr. Betts stated that it is an imperfect system. In a dynamic market, no one knows what the energy prices will be in four (4) years, but the hope is that energy will still be consumed at a consistent rate. It is known that the capacity market is changing, so staff, including himself, must consider the best case, examine the alternatives of keeping the Units running, and make projections based on historic costs versus replacement capacity. It was his opinion that this would be the basis for the estimate built into the City's overall operating budget for the utility.

Mrs. Williams questioned whether Mr. Betts had any concern regarding negotiating an agreement with Calpine since the City incurred great expense and gave land to them. Responding, Mr. Betts stated that he and staff would do their best to hold Calpine to the terms of the contract, which provided for at least 50 MW at a cost that was established as the actual construction costs less the development costs. If Calpine is willing to abide by the contract terms, he believed there could be an opportunity for negotiation that may be favorable for the City. As a competitive strategy, he stated that the City should also consider other available capacity. He stated that the City not only offered the benefit of the land provided to Calpine but can also provide constant cash flow, which they cannot necessarily get from PJM. He also suggested that the City use its monopoly power as a water supplier to encourage negotiation.

In response to Mrs. Williams, Mr. Betts confirmed that Calpine does not have internal "inside the fence" capacity, which could also effect negotiations. Mr. Betts advised members to consider the cost and value of the City's reliability to "island" the City, notwithstanding occurrences in the region. He stressed the importance of the comprehensive analysis proposed by TEA, and that consideration be given to the reasons the City is in the municipal utility business, including reliability, costs, and the attractiveness of the City to outside potential buyers. He stressed that reliability is critical and if it were desired to bring in a data center, as was discussed in previous years, reliability must be at 99.9%. He stated that, with PJM, there had been huge investments in transmission that was not in existence 10 years ago. He noted that there are many rules that apply to the City, in regard to reliability under requirements with PJM and this zone, that have federal implications. The current environment for reliability is very different than it was 10 - 15 years ago, which should be taken into account when considering pricing and value for internal versus external generation.

In response to Mr. Perza, Mr. Koenig stated that, to his knowledge, the City had not had a negative cash flow similar to what was projected for Fiscal Year 2017/2018 since contracting with PACE, approximately 15 years ago.

Responding to Mr. Perza, Mr. Koenig stated that the Units would last as long as the City would be willing to invest in maintenance, which would depend upon economic feasibility. It was staff's opinion that, at this point, maintaining the Units would probably not be in the City's best interest financially. Mr. Blakeman stated that prior to his retirement from the City of Dover, approximately 10 years ago, all similar units that were built in 1962 had been retired.

Mr. Betts suggested that a comparison of the costs to operate the Units (capital, operating, and gas) with the amount purchased through the PJM power grid or TEA, would provide an indication as to whether the Units should be maintained or not. He suggested that TEA be requested to provide this information to members for their consideration in making a determination.

The Committee recommended approval of staff's recommendations that, for the short term, Units 1 and 2 not be offered into PJM's capacity auction for the 2017/18 delivery year; that a comprehensive analysis be performed that lays out all the decision options for the City of Dover; that a similar analysis on other parts of the generation portfolio be completed; and that all supply options be surveyed, including new generation projects in and around Dover and Power Purchase Agreement (PPA) opportunities.

[City Clerk's Office Note: Subsequent to the meeting, members were provided a memorandum dated December 4, 2013, from Donna Mitchell, Controller Treasurer - Response to Questions, Utility Committee Meeting November 25, 2013, relating to this matter, as well as an Outage Status Report - Week 9, dated November 27, 2013.].

During the Council Meeting, Mr. Lynn stated his objections to the Utility Committee's recommendation, explaining his opinion that not offering Units 1 and 2 into PJM's capacity auction for the 2017/18 delivery year would be a tacit endorsement of the culture of neglect engendered by years of Council's austerity budgets that have artificially kept the City's tax rates low at the expense of the City's necessary infrastructure. He reminded members that, as explained by the City's Attorney, Mr. Betts, maintenance for Units 1 and 2 should have been done gradually over time but was deferred in previous years due to the additional capital costs, which was the reason for the major $2.4M hit in 2018. Mr. Lynn stated that, unfortunately, that the reality is that many City residents will soon learn that the bills are now coming due - parks and recreation facilities need to be demolished as a result of neglect, streets are not being paved, pump stations are aging, etc. Mr. Lynn noted that the City's infrastructure was showing the signs of City Council's decisions to defer necessary maintenance and the City had failed to provide preventative care throughout the years; therefore, he stated that he could not support the Committee's recommendation.

Mr. Dixon moved for approval of the Committee's recommendations that, for the short term, Units 1 and 2 not be offered into PJM's capacity auction for the 2017/18 delivery year; that a comprehensive analysis be performed that lays out all the decision options for the City of Dover; that a similar analysis on other parts of the generation portfolio be completed; and that all supply options be surveyed, including new generation projects in and around Dover and Power Purchase Agreement (PPA) opportunities. The motion was seconded by Mr. Hare and carried by a roll call vote of six (6) yes (Dixon, Perza, Slavin, Hare, Hutchison, and Bonar), one (1) no (Lynn), and two (2) absent (Anderson and Williams).

VanSant Generating Station Capacity Increase - Cost/Benefit Analysis

Mr. Scott Koenig, City Manager, reviewed a Presentation - Cost/Benefit Analysis for City of Dover - Update on VanSant Generating Station Capacity Increase.

Staff recommended that staff be authorized to continue to proceed with project implementation and reassess economics after bids for project installation are received and before submitting an offer into PJM for the 2017/18 capacity auction on May 12, 2014, noting that PJM must be notified of intent to bid in Units 1 & 2 by March 1, 2014.

Mr. Blakeman questioned whether staff had considered installing a waste heat recovery boiler to create a combined cycle unit. Responding, Mr. Koenig stated that it had been discussed previously; however, it was not included in the most recent reviews. He speculated that there must have been a technical or regulatory issue associated with it.

Responding to Mrs. Williams regarding the Indian River Coal Plant, Mr. Koenig stated that it will have an effect on the market, which may have an indirect effect on the City; however, he was not aware of the time frame.

The Committee recommended approval of staff's recommendation.

[City Clerk's Office Note: Subsequent to the meeting, members were provided a memorandum dated December 4, 2013, from Donna Mitchell, Controller Treasurer - Response to Questions, Utility Committee Meeting November 25, 2013, relating to this matter, as well as an Outage Status Report - Week 9, dated November 27, 2013.]

By consent agenda, Mr. Slavin moved for approval of the Committee's recommendation, seconded by Mr. Hare and carried by a unanimous roll call vote (Anderson and Williams absent).

Purchase Power Agreement - Calpine

Mr. Scott Koenig, City Manager, advised members that staff intends to seek the assistance of Mr. Kirk Betts, Betts & Holt LLP, the City's Energy Attorney, for discussions regarding a mutually beneficial contract arrangement for the potential Power Purchase Agreement (PPA) with Calpine. He stated that this information was provided for informational purposes only and that no further action was required at this time.

Discussion - Joint Agreement with the Delaware Municipal Electric Corporation (DEMEC) for New Generation

Mr. Scott Koenig, City Manager, explained that as a part of staff's due diligence to examine the possibilities for replacing the capacity of Units 1 and 2, should they be taken out of service, staff intends to meet with the Delaware Municipal Electric Corporation (DEMEC) and/or another partner they may have, to discuss the potential for joint projects, such as capacity improvements, provided a Purchase Power Agreement (PPA) with Calpine cannot be arranged. He stated his preference for keeping the City's options open moving forward and that he will keep Council updated in regard to all discussions.

In response to Mr. Blakeman, Mr. Koenig stated that staff would complete financial analyses on all of the available options, and the potential for DEMEC to own part of the City's units would be open for discussion.

Mr. Koenig stated that this information was provided for informational purposes only and that no further action was required at this time.

Mr. Slavin moved for acceptance of the Utility Committee Report, seconded by Mr. Hare and carried with Mr. Lynn voting no.

ACTION FORM

PROCEEDING: Utility Committee	**AGENDA ITEM**:
DEPARTMENT OF ORIGIN: Public Works	**DATE SUBMITTED**: 1/31/14
PREPARED BY: Sharon J. Duca, P.E., Public Works Director / City Engineer	
SUBJECT: Dedication of Water and Wastewater Infrastructure – The Grande	
REFERENCE: N/A	
RELATED PROJECT: N/A	
APPROVALS: City Manager	
EXHIBITS: Attachment A – List of Water and Wastewater to be accepted by the City of Dover Attachment B – Map	
EXPENDITURE REQUIRED: $ N/A	**AMOUNT BUDGETED**: $ N/A
FUNDING SOURCE (Dept./Page in CIP & Budget): N/A	
TIMETABLE: All water and wastewater infrastructure within the public utility easement will become the responsibility of the City of Dover upon acceptance by City Council.	
RECOMMENDED ACTION: Acceptance of water and wastewater infrastructure within the public utility easement in The Grande Apartment Complex. Dedication is to include all of the referenced water and wastewater infrastructure.	

BACKGROUND AND ANALYSIS

Doveview Investors, LLC, responsible party for completing the water and wastewater infrastructure within the Grande Apartment Complex, has requested that all water and wastewater infrastructure within the public utility easement be dedicated to the City of Dover for permanent ownership and maintenance. Attachment A outlines the entire water and wastewater infrastructure associated with this complex. The total construction value of the infrastructure is $130,620. Attachment B shows the general location and configuration of the public utility easement. Doveview Investors, LLC completed construction of the infrastructure in accordance with City standards and specifications. After construction was completed, City staff inspected the water and wastewater infrastructure and developed a list of repairs to be made to meet the City of Dover Standards and Specifications for Public Works Construction. As of this date, all work required by the Public Works Director has been completed. A one (1) year Maintenance Agreement and a Release of Liabilities will be submitted as part of the dedication process. Required as-built drawings of the infrastructure as well as videos of the sanitary sewer mains have been provided to staff.

DEDICATION OF WATER & WASTEWATER INFRASTRUCTURE
THE GRANDE

ATTACHMENT A

The following is a list of all water and wastewater infrastructure which are to be accepted by the City of Dover:

Sewer Utility Infrastructure (Construction Value = $52,140):

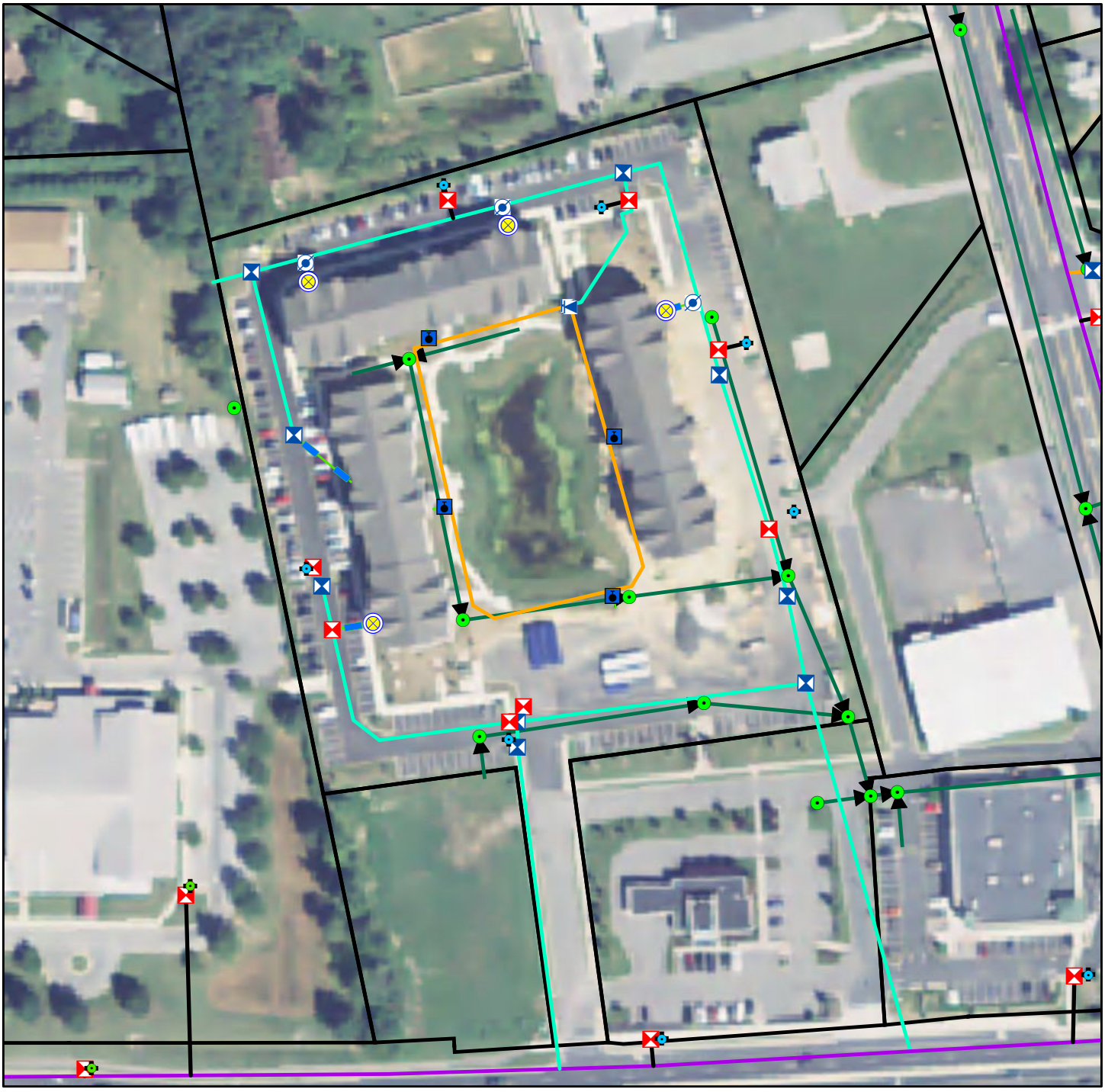
8” SDR-35 PVC Sanitary Sewer Main	-	1,570 l.f.
6” SDR-35 PVC Sanitary Sewer Laterals	-	40 l.f.
4' Diameter Sanitary Sewer Manholes	-	6 ea. (36 v.f.)

Water Utility Infrastructure (Construction Value = $78,480):

8” Ductile Iron (Class 52 Cement Lined) Water Main	-	1,890 l.f.
6” Ductile Iron (Class 52 Cement Lined) Water Main	-	110 l.f.
3” SDR-9 Water Service Lines	-	60 l.f. (6 services)
8” Gate Valve	-	6 ea.
6” Hydrant Valve	-	6 ea.
Fire Hydrants	-	6 ea.

ATTACHMENT B

The Grande: Water & Wastewater Infrastructure to be Dedicated to the City of Dover



0 60 120 240 Feet

N

Legend

- 1500 GPM
- 1000 - 1499 GPM
- 500 - 999 GPM
- Below 500 GPM
- Dover Parcels
- Sanitary Sewer Service Line
- Dead End
- Reducer
- Service Connection
- Meter Pit
- Hydrant Valve
- Division Valve
- Curb Stop/Meter Pit
- Curb Stop/House
- Curb Stop
- Blow Off
- Hydrant Lead

Water Main: 1", 2", 3", 4", 6", 8", 10", 12", 14", 16", 20"

Sewer Line: 10", 12", 15", 16", 18", 20", 21", 24", 27", 30", 35", 36", 4", 6", 8"

- Sanitary Manholes
- Force Main
- PS Pump Station

Date Printed: December 6, 2013
File: m:\gis_data\projects\tech_mxds
\street_dedication_map_lexington_glen_2
Department: Public Works GIS
City of Dover, Delaware

ACTION FORM

PROCEEDING: Utility Committee	**AGENDA ITEM**:
DEPARTMENT OF ORIGIN: Public Works	**DATE SUBMITTED**: 1/31/14
PREPARED BY: Sharon J. Duca, P.E., Public Works Director / City Engineer	
SUBJECT: Dedication of Rights-of-Way and Public Infrastructure – Farthing Woods	
REFERENCE: N/A	
RELATED PROJECT: N/A	
APPROVALS: City Manager	
EXHIBITS: Attachment A – List of Public Improvements to be accepted by the City of Dover Attachment B – Map	
EXPENDITURE REQUIRED: $ N/A	**AMOUNT BUDGETED**: $ N/A
FUNDING SOURCE (Dept./Page in CIP & Budget): N/A	
TIMETABLE: All infrastructure improvements will become the responsibility of the City of Dover upon acceptance by City Council.	
RECOMMENDED ACTION: Acceptance of rights-of-way and public infrastructure in the Farthing Woods Subdivision. Dedication is to include all of the referenced public improvements.	

BACKGROUND AND ANALYSIS

Ashburn Homes, Inc., responsible party for completing the public infrastructure within the Farthing Woods Subdivision, has requested that all public infrastructure improvements be dedicated to the City of Dover for permanent ownership and maintenance. Attachment A outlines all of the public improvements associated with this development. The total construction value of the public improvements is $261,262. Attachment B shows the general location and configuration of the subject rights-of-way. The Ashburn Homes, Inc. completed construction of the improvements in accordance with City standards and specifications. After construction was completed, City staff inspected the public improvements and developed a list of repairs to be made to meet the City of Dover Standards and Specifications for Public Works Construction. As of this date, all work required by the Public Works Director has been completed. A one (1) year Maintenance Agreement and a Release of Liabilities will be submitted as part of the dedication process. Required as-built drawings of the infrastructure as well as videos of the sanitary sewer mains have been provided to staff.

DEDICATION OF RIGHTS-OF-WAY AND PUBLIC INFRASTURCTURE
FARTHING WOODS

ATTACHMENT A

The following is a list of all public improvements which are to be accepted by the City of Dover:

Sewer Utility Infrastructure (Construction Value = $56,309):

8" SDR-35 PVC Sanitary Sewer Main	-	1,295 l.f.
6" SDR-35 PVC Sanitary Sewer Laterals	-	590 l.f. (17 laterals)
4' Diameter Sanitary Sewer Manholes	-	6 ea. (49 v.f.)

Water Utility Infrastructure (Construction Value = $85,562):

8" Ductile Iron (Class 52 Cement Lined) Water Main	-	1,520 l.f.
6" Ductile Iron (Class 52 Cement Lined) Water Main	-	62 l.f.
1" Polyethylene Water Service Lines	-	590 l.f. (17 services)
8" Gate Valve	-	7 ea.
6" Hydrant Valve	-	2 ea.
Fire Hydrants	-	2 ea.

Storm Water Infrastructure (Construction Value = $30,783):

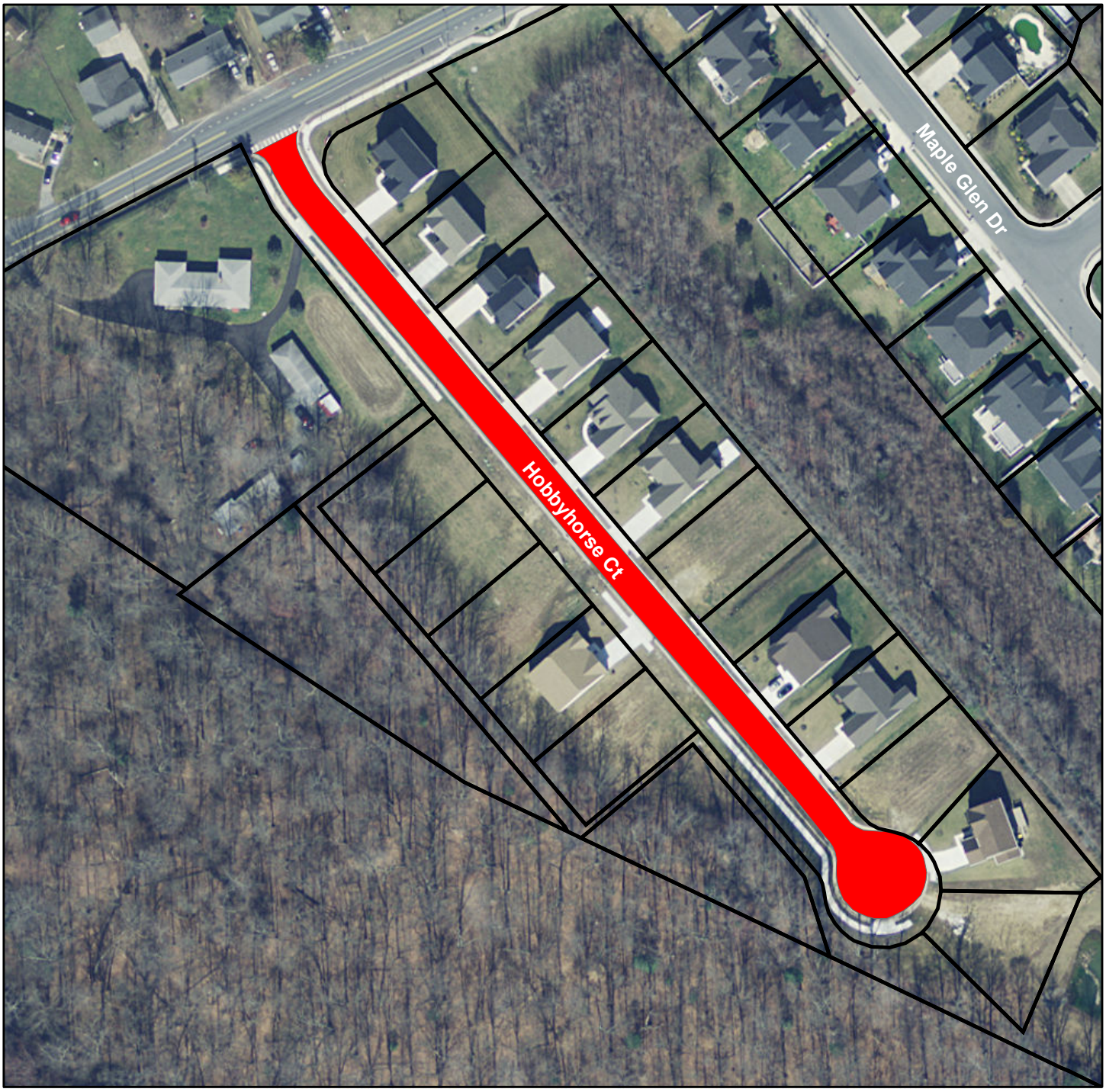
Catch Basins	-	5 ea.
15" Type III Reinforced Concrete Pipe	-	508 l.f.
18" Type III Reinforced Concrete Pipe	-	134 l.f.
24" Type III Reinforced Concrete Pipe	-	60 l.f.
Flared End Sections (Concrete)	-	3 ea.

Street Infrastructure (0.1642 miles) (Construction Value = $88,608):

Hobbyhorse Court	Station 0+00 to Station 8+67	867 l.f.

ATTACHMENT B

Hobbyhorse Court
Right of Way to be Dedicated to the City of Dover



0 50 100 200 Feet

N

Date Printed:January 31, 2014
File: m:\gis_data\projects\tech_mxds
\street_dedication_map_farthing_woods
Department: Public Works GIS
City of Dover, Delaware

Legend

Dover Parcels

Right of Way to be Dedicated

City of Dover

Capital Investment Plan

Project Tracking Report

Quarterly Report as of December 31, 2013

Points to Remember -

* Original Project Budget = Original Total Project Budget initially included in approved annual budget.
* Latest Project Budget = Revised Total Project Budget included in most recent approved annual budget or one of the following: bond resolution, revolving fund loan agreement, Council approved budget amendment, or City Manager approved amendment as per the Budget Amendment Procedure.
* Current Fiscal Year - Revised Fiscal Year Budget = Current Year approved project budgets plus carry forward balances of unspent budgets in the prior fiscal year. Project Carry Forward balances will be submitted to City Council for amendment in January 2010. Can also be amended with City Manager approval per the Budget Amendment Procedure.
* Water Quality, Inflow/Infiltration, Distribution Upgrades and New Development projects are budgeted as a blanket project and once individual projects are identified and estimated they are created using an allocation of the overall budgeted amount.
* Status and Comments provided by City Manager.
* For Finance purposes projects are considered completed when placed in service and **all** charges have been processed.

Current Year Budget Funding Sources	General	Community Transportation	Water & Wastewater	Electric	Total CIP
Budget Balance	$ 2,961,200	$ 130,300	$ 4,734,000	$ 518,300	$ 8,343,800
Restricted MSA (non Public Safety)	251,200	-	-	-	251,200
Contractor Contributions	264,800	-	-	-	264,800
General Billings for Reimbursement of Expense	-	-	-	440,000	440,000
Debt Financing	-	-	4,129,900	-	4,129,900
Other State/Federal Grants	165,000	-	-	-	165,000
Impact Fee Reserves	-	-	390,000	-	390,000
State Community Transportation Funds	60,500	1,387,600	-	-	1,448,100
Gifts/Donations	5,000	-	-	-	5,000
Transfer from Impact Fee Reserve	-	-	1,000,000	-	1,000,000
Transfer from General Fund	1,278,300	-	-		1,278,300
Transfer from Operating Funds	-	-	2,563,200	4,918,600	7,481,800
Transfer from Parkland Reserve	80,000	-	-	-	80,000
Interest Income	-	500	25,000	25,200	50,700
Total Funding Sources (Unaudited)	$ 5,066,000	$ 1,518,400	$ 12,842,100	$ 5,902,100	$ 25,328,600

City of Dover
General Fund - Major CIP Projects
Quarterly Report as of December 31, 2013

				TOTAL PROJECT - PAST, CURRENT & FUTURE BUDGETS					CURRENT FISCAL YEAR					
	Project Code	Type	Description	Original Project Budget	Latest Project Budget	Project To Date Expenses	Project Budget Balance	% Budget Spent	Current Fiscal Year Budget	Revised Fiscal Year Budget	Fiscal YTD Expenses	Budget Balance	% Budget Spent	Status	Comments
1			**FY 2009**												
2	LB0901	M/G/L	New Library Project	$ 18,200,000	$ 20,469,100	$ 20,447,527	$ 21,573	99.9%	$ -	$ 411,500	$ 73,428	$ 338,072	17.8%	Complete	LEED Certification complete in FY 2014
3			**Totals - FY09**	$ 18,200,000	$ 20,469,100	$ 20,447,527	$ 21,573	99.9%	$ -	$ 411,500	$ 73,428	$ 338,072	17.8%		
4															
5			**FY 2013**												
6	PR1301		Roof Replacement @ Dover Park	$ 30,000	$ 30,000	$ 6,995	$ 23,005	23.3%	$ -	$ -	$ -	$ -	0.0%	On Hold	Asbestos survey done of building; Future plans for building being evaluated
7	ST1302		Street & Alley Program	-	1,414,500	-	1,414,500	0.0%	-	-	-	-	0.0%	FY 2014	Moved to General Capital Projects Fund
8	ST1304		Garrison Farm Improvements	1,924,000	2,000,000	124,642	1,875,358	6.2%	-	1,936,100	60,705	1,875,395	3.1%	In process	Financed by Future Capacity Reserve
9	ST1405	G	FY 2012 MSA - Capital non-safety	-	265,215	52,295	212,920	19.7%	-	251,200	38,332	212,868	15.3%	In process	Restricted MSA Funding
10															
11			**Totals - FY 2013**	$ 1,954,000	$ 3,709,715	$ 183,932	$ 3,525,783	5.0%	$ -	$ 2,187,300	$ 99,037	$ 2,088,263	4.5%		
12															
13			**FY 2014**												
14	---		Vehicles & Equipment	$ 963,800	$ 963,800	$ 258,458	$ 705,342	26.8%	$ 908,800	$ 963,000	$ 258,458	$ 704,542	26.8%	In process	
15	CS1402		Security Cameras/Fence	55,000	55,000	-	55,000	0.0%	55,000	55,000	-	55,000	0.0%		
16	FR1400		Annual Contribution to Robbins Hose	238,500	238,500	238,515	(15)	100.0%	238,500	238,500	238,515	(15)	100.0%	Complete	Truck Payments
17	IT1400		Server & Backup Solution	7,000	7,000	-	7,000	0.0%	7,000	7,000	-	7,000	0.0%		
18	PD1401		Copier Replacement	10,000	10,000	8,865	1,135	88.7%	10,000	10,000	8,865	1,135	88.7%	In process	
19	PD1402		Totaled Vehicle Replacement	20,000	20,000	-	20,000	0.0%	20,000	20,000	-	20,000	0.0%		
20	PR1401		A/C System @ Pitts Center	65,000	65,000	-	65,000	0.0%	65,000	65,000	-	65,000	0.0%		
21	PR1402		Schutte Park Land Improvement	30,000	30,000	-	30,000	0.0%	30,000	30,000	-	30,000	0.0%		
22	ST1402		FY 2014 Concrete Program	70,000	70,000	2,680	67,320	3.8%	70,000	70,000	2,680	67,320	3.8%	In process	Bids going out in February
23	ST1403	B/L	FY 2014 Bonded Street Program	740,000	690,000	335,445	354,555	48.6%	-	692,100	335,445	356,655	48.5%	In process	Approximately 70% complete
24	PD1302		Police Parking Lot	50,000	51,800	-	51,800	0.0%	-	51,800	-	51,800	0.0%		
25	ST1404		Village of Westover IV	264,800	264,800	-	264,800	0.0%	-	264,800	-	264,800	0.0%		
26															
27			**Totals - FY 2014**	$ 2,514,100	$ 2,465,900	$ 843,962	$ 1,621,938	34.2%	$ 1,404,300	$ 2,467,200	$ 843,962	$ 1,623,238	34.2%		
28															
29															
30			**Grand Totals**	$ 22,668,100	$ 26,644,715	$ 21,475,421	$ 5,169,294	80.6%	$ 1,404,300	$ 5,066,000	$ 1,016,427	$ 4,049,573	20.1%		

Legend

M = Multi-year project - a project with a specific schedule to occur over multiple years.
R = Recurring project - a project that begins and ends each fiscal year and is re-budgeted to start over each fiscal year.
G = Grant funded project
B/L = To be financed through bonds or commercial loan; Projects will be completed through CT Fund, therefore the loan proceeds will be transferred from Capital Fund into the Community Transportation Fund;

City of Dover
Community Transportation & General Fund Street Funds - Major CIP Projects (Final)
Quarterly Report as of December 31, 2013

				TOTAL PROJECT - PAST, CURRENT & FUTURE BUDGETS					CURRENT FISCAL YEAR						
	Project Code	Type	Description	Original Project Budget	Latest Project Budget	Project To Date Expenses	Project Budget Balance	% Budget Spent	Current Fiscal Year Budget	Revised Fiscal Year Budget	Fiscal YTD Expenses	Budget Balance	% Budget Spent	Status	Comments
1			**FY 2002**												
2	CT0212		South Street paving	$ 80,400	$ 80,400	$ -	$ 80,400	0.0%	$ -	$ 80,400	$ -	$ 80,400	0.0%		Authorization from Legislature to reallocate to South Street and project should finish by end of year
3			**Totals**	$ 80,400	$ 80,400	$ -	$ 80,400	0.0%	$ -	$ 80,400	$ -	$ 80,400	0.0%		
4															
5			**FY 2009**												
6	CT0555		Little League Park paving	$ 11,600	$ 11,600	$ -	$ 11,600	0.0%	$ -	$ 11,600	$ -	$ 11,600	0.0%		Re-program for signage
7			**Totals**	$ 11,600	$ 11,600	$ -	$ 11,600	0.0%	$ -	$ 11,600	$ -	$ 11,600	0.0%		
8															
9			**FY 2007**												
10	CT0708		E. Water Street Brick	$ 65,000	$ 65,000	$ -	$ 65,000	0.0%	$ -	$ 65,000	$ -	$ 65,000	0.0%		Specialty contract needed
11			**Totals**	$ 65,000	$ 65,000	$ -	$ 65,000	0.0%	$ -	$ 65,000	$ -	$ 65,000	0.0%		
12															
13			**FY 2009**												
14	CT0977	M	Schutte Parking Lot	$ 22,000	$ 22,000	$ -	$ 22,000	0.0%	$ -	$ 22,000	$ -	$ 22,000	0.0%		Trying to re-program for Schutte park sidewalk
15			**Totals**	$ 22,000	$ 22,000	$ -	$ 22,000	0.0%	$ -	$ 22,000	$ -	$ 22,000	0.0%		
16															
17			**FY 2012**												
18	CT1201	M	North Street Roundabout	$ 500,000	$ 572,200	$ 228,427	$ 343,773	39.9%	$ -	$ 572,200	$ 228,427	$ 343,773	39.9%	35%	Site work initiated
19	TE0601	M	Lincoln Park Center	900,000	1,423,500	523,277	900,223	36.8%	-	-	-	-	0.0%	Started	On-going
20			**Totals**	$ 1,400,000	$ 1,995,700	$ 751,704	$ 1,243,996	37.7%	$ -	$ 572,200	$ 228,427	$ 343,773	39.9%		
21															
22			**FY 2013**												
23	CT1317		Wesley College Phase I	148,600	148,600	107,335	41,265	72.2%	$ -	$ 109,300	$ 68,079	$ 41,221	62.3%		Complete awaiting bill
24	MR1301		Transfer to General Fund for Security Cameras	102,400	102,400	48,240	54,160	47.1%	-	54,200	-	54,200	0.0%		Prior year unused GF Allocation moved to Capital Project Fund.
25	CT1369		Bayard Ave, Orchard Ave & Morris Dr.	130,000	289,378	-	289,378	0.0%	-	289,400	-	289,400	0.0%		FY 2013 CT agreement
26				$ 381,000	$ 540,378	$ 155,575	$ 384,803	28.8%	$ -	$ 452,900	$ 68,079	$ 384,821	15.0%		
27															
28			**FY 2014**												
29	CTxxxx		Unapplied CT Projects (placeholder)	$ 500,000	$ 500,000	$ -	$ 500,000	0.0%	$ 500,000	$ 245,200	$ -	$ 245,200	0.0%		Future CT Agreements
30	ST1401		American Ave	-	62,800	62,800	-	100.0%	-	62,800	62,800	-	100.0%		Prior year unused GF Allocation
31			Unallocated prior year Gen Fund Alloc.	-	6,300	-	6,300	0.0%	-	6,300	-	6,300	0.0%		Prior year unused GF Allocation.
32				$ 500,000	$ 569,100	$ 62,800	$ 506,300	11.0%	$ 500,000	$ 314,300	$ 62,800	$ 251,500	20.0%		
33															
34			Grand Totals	$ 2,460,000	$ 3,284,178	$ 970,079	$ 2,314,099	29.5%	$ 500,000	$ 1,518,400	$ 359,306	$ 1,159,094	23.7%		

Legend
M = Multi-year project - a project with a specific schedule to occur over multiple years.
R = Recurring project - a project that begins and ends each fiscal year and is re-budgeted to start over each fiscal year.
C = Project funded by combination of CT Funds and General Fund
B/L = To be financed through bonds or commercial loan; Projects will be completed through CT Fund, therefore the loan proceeds will be transferred from Capital Fund into the Community Transportation Fund;

Water/Wastewater Improvement & Extension Fund - Major CIP Projects
Quarterly Report as of December 31, 2013

				TOTAL PROJECT - PAST, CURRENT & FUTURE BUDGETS					CURRENT FISCAL YEAR					
	Project Code	Type	Description	Original Project Budget	Latest Project Budget	Project To Date Expenses	Project Budget Balance	% Budget Spent	Approved Fiscal Year Budget	Revised Fiscal Year Budget	Fiscal YTD Expenses	Budget Balance	% Budget Spent	Status / % Complete	Comments
1			**FY 2008**												
2	WD0804	M	1.0 MG Elevated Water Storage	$ 4,196,600	$ 2,556,000	$ 84,974	$ 2,471,026	3.3%	$ 390,000	$ 2,473,500	$ 2,425	$ 2,471,075	0.1%	3.2%	Design & land purchase underway
3	WD0805	M	Piney Point Well	398,800	1,096,200	1,026,239	69,961	93.6%	-	580,000	510,100	69,900	87.9%	85.0%	Awarded bid JJID Feb. 2013
4			**Totals - FY 2008**	$ 4,595,400	$ 3,652,200	$ 1,111,213	$ 2,540,987	30.4%	$ 390,000	$ 3,053,500	$ 512,525	$ 2,540,975	16.8%		
5															
6			**FY 2009**												
7	WQ0907	SL/O	Rt. 13 Water Main	$ 1,023,700	$ 2,326,000	$ 2,173,195	$ 152,805	93.4%	$ -	$ 152,800	$ -	$ 152,800	0.0%	100.0%	Complete 6/30/13, in Litigation
8															
9			**FY 2010**												
10	WW1010	I	Tar Ditch Interceptor Upgrade	$ 518,200	$ 518,200	$ 49,856	$ 468,344	9.6%	$ -	$ 486,300	$ 17,884	$ 468,416	3.7%	6.2%	Easement request sent to residents
11															
12			**FY 2013**												
13	WW1304	M	Garrison Farm Improvements	$ 1,828,000	$ 2,000,000	$ 241,797	$ 1,758,203	12.1%	$ -	$ 3,116,000	$ 133,635	$ 2,982,365	4.3%	In Process	Project awarded on 1/27, pre construction meeting to follow.
14	WD1302	M	Garrison Farm Storage Tank	1,828,000	3,000,000	212,596	2,787,404	7.1%	-	4,022,400	-	4,022,400	0.0%	In Process	Project awarded, 95% design, construction to begin in Spring.
15	II1306		FY 2013 I & I Design	1,000,000	748,900	22,608	726,292	3.0%	-	406,900	-	406,900	0.0%		Project designed, re-programmed for out year.
16	II1404		Basin #5 I & I Buck Drive	-	-	-	-	0.0%	-	342,000	-	342,000	0.0%	In Process	Project under design, 60% complete.
17	II1309		Dover Downs PS Upgrade	-	16,000	15,864	136	0.0%	-	16,000	15,864	136	99.2%	Complete	Completed by September 2013
18	II1310		Puncheon Run PS Upgrade	-	21,000	20,020	980	0.0%	-	21,000	20,020	980	95.3%	Complete	Completed in July 2013
19			**Totals - FY 2013**	$ 4,656,000	$ 5,785,900	$ 512,885	$ 5,273,015	66.9%	$ -	$ 7,924,300	$ 169,519	$ 7,754,781	2.1%		
20															
21			**FY 2013**												
22	---		Vehicles & Equipment	$ 354,000	$ 354,000	$ 53,560	$ 300,440	15.1%	$ 364,000	$ 153,600	$ 53,560	$ 100,040	34.9%	In Process	All vehicles have been ordered, awaiting delivery #422 (2/6/14)
23	WD1401		Wellhead Redevelopment	75,000	75,000	-	75,000	0.0%	75,000	75,000	-	75,000	0.0%	In Process	Contractor completed one wellhead redevelopment, started on second.
24	WD1403		Emergency Generators	80,000	60,000	-	60,000	0.0%	80,000	60,000	-	60,000	0.0%	In Process	Generator ordered, delivery late Feb.
25	WW1401		Inflow/Infiltration Removal	1,003,800	1,003,800	-	1,003,800	0.0%	1,003,800	-	-	-	0.0%	In Process	Buck Drive 60% designed
26	TBD		Denny's Road Water Main	-	33,200	-	33,200	0.0%	-	33,200	-	33,200	0.0%	In Process	Design 95% complete, DelDOT to bid out
27	WD1201	I	Pay-As-You-Go Water Station	-	30,200	-	30,200	0.0%	-	30,200	-	30,200	0.0%		Staff finalizing bid documents
28	WD1304		Columbia Well	-	34,800	-	34,800	0.0%	-	34,800	-	34,800	0.0%		no update
29	WQ1402		West Dover Connector	-	11,000	-	11,000	0.0%	-	11,000	-	11,000	0.0%	In Process	Design continuing, out to bid April 2014
30	WQ1401		Water Quality Improvements	905,000	-	-	-	0.0%	905,000	-	-	-	0.0%		no update
31	WW1204		Baltray Pump Station	-	104,100	-	104,100	0.0%	-	104,100	-	104,100	0.0%	In Process	Design complete. Purchase materials in February 2014
32	WW1205		Dover Brook Pump Station	-	52,800	-	52,800	0.0%	-	52,800	-	52,800	0.0%		Bids due April 15, 2014.
33	WW1206		Brandywine Pump Station	-	368,100	-	368,100	0.0%	-	368,100	-	368,100	0.0%	In Process	Design 95% complete, need to acquire
34	WW1207		McKee PS	-	47,300	-	47,300	0.0%	-	47,300	-	47,300	0.0%		Need to rebid project.
35	WW1301		Hazeltville Rd Interceptor	-	30,000	-	30,000	0.0%	-	30,000	-	30,000	0.0%		Survey to begin in coming weeks.
36	WW1302		Lakeview PS	-	52,000	-	52,000	0.0%	-	52,000	-	52,000	0.0%		Survey to begin in coming weeks.
37	WW1303		Westover PS	-	65,000	-	65,000	0.0%	-	65,000	-	65,000	0.0%		Survey to begin in coming weeks.
38	II1401		Kent Ave. Repair	-	75,000	-	75,000	0.0%	-	75,000	-	75,000	0.0%	In Process	95% complete
39	II1402		West Dover Connector	-	33,100	-	33,100	0.0%	-	33,100	-	33,100	0.0%		Design continuing, out to bid April 2014
40			**Totals - FY 2014**	$ 2,417,800	$ 2,429,400	$ 53,560	$ 2,375,840	0.0%	$ 2,427,800	$ 1,225,200	$ 53,560	$ 1,171,640	4.4%		
41															
42			**Grand Totals**	$ 13,211,100	$ 14,711,700	$ 3,900,708	$ 10,810,992	26.5%	$ 2,817,800	$ 12,842,100	$ 753,489	$ 12,088,611	5.9%		

Legend
M = Multi-year project - a project with a specific schedule to occur over multiple years.
R = Recurring project - a project that begins and ends each fiscal year and is re-budgeted to start over each fiscal year.
SL = State Loan Project - construction phase is financed
I = Impact Fee (partially) financed project
O = Operating revenues

The Energy Authority, Inc.

Monthly Management Committee Update – December 2013

January 27, 2014

Prepared by:

Robert Trinnear
Client Services Manager
904.360.1309
rtrinnear@teainc.org

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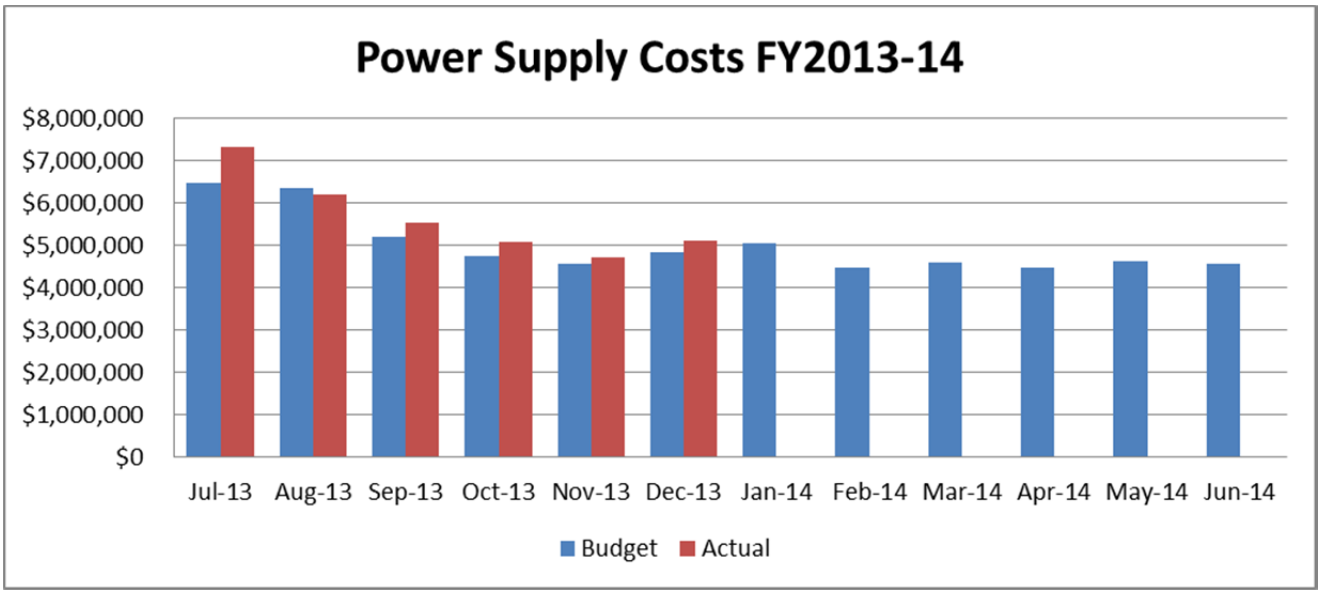
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I. Executive Summary

A. Power Supply Summary:



Overall Power Supply costs were $258,397 over budget due to higher load and reactive services costs.

Dover's budgeted cost for all power supply (capacity AND energy) was $81.61/MWh. The actual cost of all power supply (capacity AND energy) was $82.77/MWh.

The cost of energy alone was $49.07/MWh, versus a budgeted energy cost of $49.81.

Dover's hedge purchases totaled 45,600 MWh, which was 74% of the actual load. The budgeted hedge purchase totaled 31,680, which was 53% of the budgeted load.

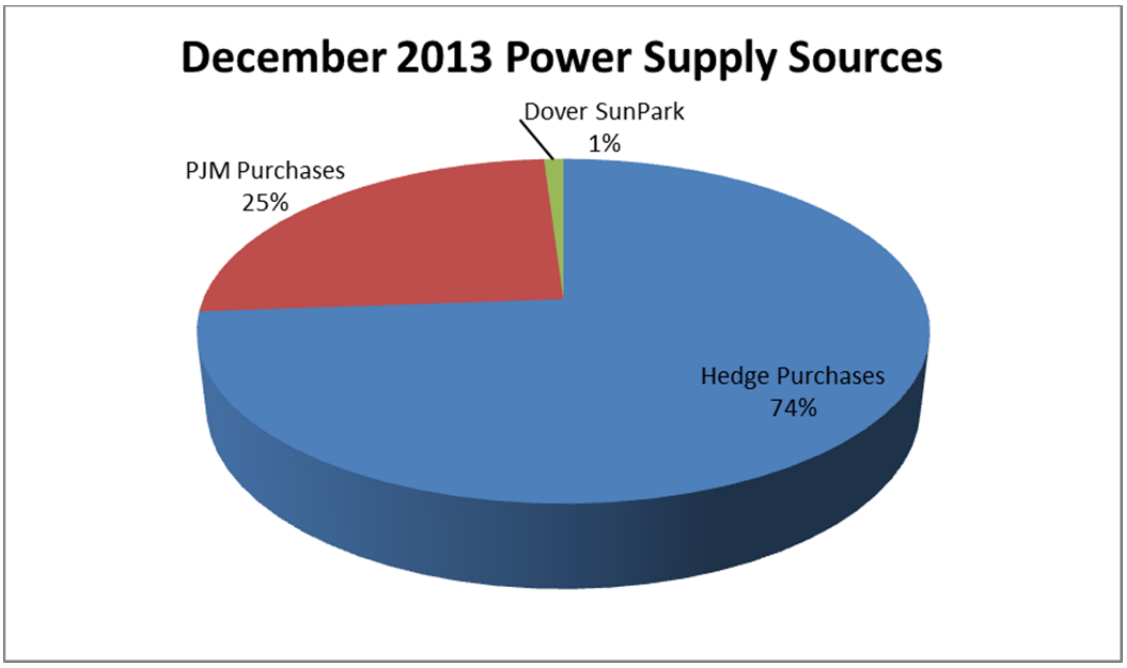
Dover's power purchases from hedge transactions totaled $2,230,326. Purchases from PJM (energy and fees) totaled $1,349,134 with DA Energy purchases totaling $487,513 and Reactive Services Charges totaling $204,596.

Dover's total load was 61,756 MWh versus a forecasted load of 59,468 MWh.

Dover's planned energy purchase from the SunPark solar installation was 804 MWh. Dover's actual energy purchase from the SunPark installation was 632 MWh.

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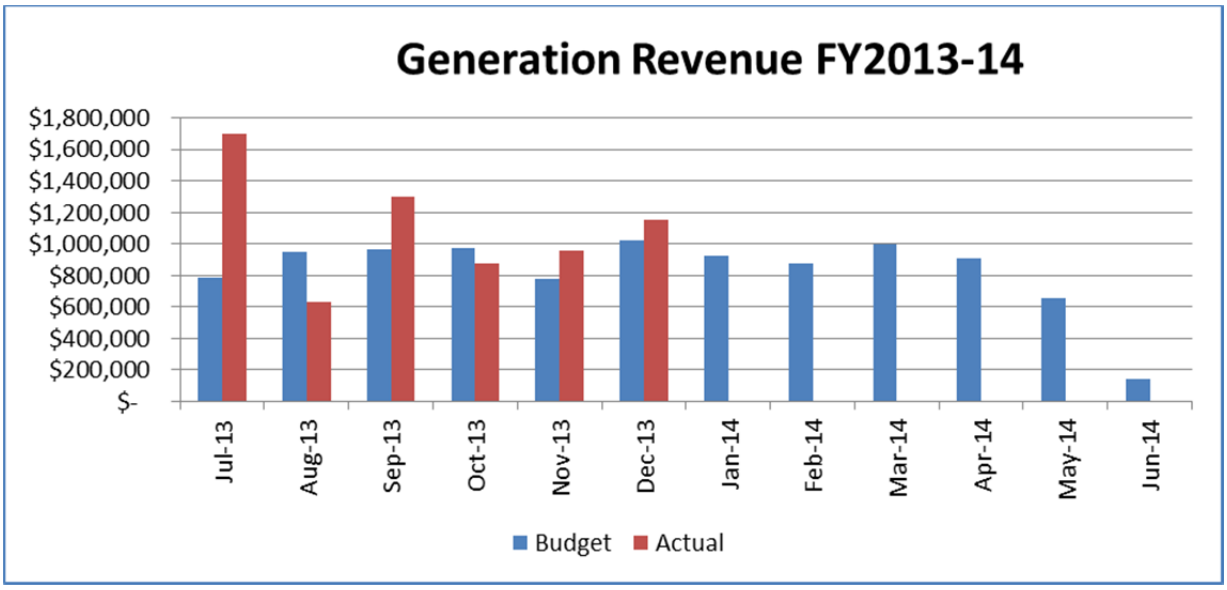
Supply Source Summary:



Supply Variance:

	Budget	Actual	Variance
Gross Load	59,468	61,756	(2,288)
Wholesale Load	58,664	61,124	(2,460)
Hedged Volume (MWh)	31,680	45,600	(13,920)
Unhedged Volume (MWh)	26,984	15,524	11,460
Dover SunPark Volume (MWh)	804	632	172
Renewable Energy Credits Volume	121	146	(25)
Hedged Cost ($/MWh)	$ 55.18	$ 48.91	$ 6.27
Unhedged Energy Cost ($/MWh)	$ 42	$ 47	$ (5)
Solar Energy Cost ($/MWh)	$ 87	$ 102	$ (15)
Energy Costs ($/MWh)	**$49.81**	**$49.07**	**$0.74**
All-in Costs - Energy, Capacity and RECs ($/MWh)	**$81.61**	**$82.77**	**($1.16)**

B. Generation Summary:



Dover generated 0 MWh in the month. Net generation revenue was $1,156,502 vs. a budget of $1,021,573. This delta was mainly due to lower plant O&M during the month.

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Generation Breakdown:

City of Dover's Wholesale Generation		
Net Generation Mwh		**0.00**
All In Generation Margin		
PJM - Economic and reliability dispatch (GEN)	$	-
PJM - Generation Capacity Credit (GEN)	$	1,329,125.00
PJM - Black Start & Transmission Losses (GEN)	$	57,984.10
Gas Purchases	$	-
Oil Purchases	$	-
Transport / Cash Out		-
Gross Margin	**$**	**1,387,109.10**
Production Margin		
PJM - Economic and reliability dispatch (GEN)	$	-
Gas Purchases	$	-
Oil Purchases	$	-
Transport / Cash Out		-
Gross Production Margin	**$**	**-**
$/Mwh All In Generation Margin	**$**	**-**
$/Mwh Generation Production Margin	**$**	**-**

C. Emissions Summary:

Emissions Allowance Summary through December 31, 2013

The CAIR units (McKee Run 3 & VanSant) did not operate during the month of December, so there were no additional emissions during this period.

CAIR EMISSION ALLOWANCE SUMMARY				
Date	**Action**	**SO_2 Allowances**	**NO_x Allowances[1]**	
			Seasonal	**Annual**
1/1/09	2008 Carryover	3,240	0	0
1/1/09	2009 Allocation	2,723	53	80
2/1/10	2010 Allocation	2,039	50	78
1/1/11	2011 Allocation	1,988	49	78
4/1/11	2011 Reallocation		2	4
1/11/12	2012 Allocation	1,988	51	80
10/4/2012	**2013 Allocation**	**1,988**	**49**	**76**
9/29/09	SO_2 Sales	(1,500)		
11/12/09	NO_x Ann. Sales			(45)
11/13/09	SO_2 Sales	(1,410)		
11/20/09	NO_x Seas. Sales		(25)	
12/31/09	2009 Emissions[2]	(1)	(6)	(13)
12/31/10	2010 Emissions	0	(54)	(54)
10/31/10	EPA Linearity Testing Req.		(68)	(68)
2011	2010 Deficit NO_x Purchases		53	22
Aug 2011	Revised 2010 ECMPS data		30	30
Nov 2011	NO_x Seas. Sales (DEMEC)		(1)	
12/31/11	2011 Emissions[2]	(1)	(32)	(36)
12/31/12	2012 Emissions[2]	(1)	(37)	(37)
Nov 2012	NO_x Seas. Sales (DEMEC)		(2)	
2/13/2013	NO_x Annual. Sales (DEMEC)			(3)
11/15/13	NO_x Annual Sales (DEMEC)		(5)	
12/31/13	**C.Y.T.D. 2013 Emissions**	**(0)**	**(20)**	**(20)**
REMAINING ALLOWANCES		**11,053**	**50**	**174**

On August 21, 2012, a three-judge panel of the U.S. District Court of Appeals (DCA) in Washington vacated EPA's Cross State Air Pollution Rule (CSAPR) which would have become effective on January 1, 2012. The DCA instructed EPA to continue administering the Clean Air Interstate Rule (CAIR). In response to an EPA appeal to the

[1] Per CAIR, starting in 2009, NOx emissions are governed by a seasonal and annual program.
[2] Under CAIR, pre-CAIR SO2 allowances are retired at a rate of 2 allowances for each ton emitted. It is assumed that pre-CAIR allowances will be retired before CAIR allowances.

U.S. Supreme Court, the Supreme Court heard arguments on December 10th, 2013. The Court did not indicate when it plans to release an opinion in the CSAPR case.

In a related proceeding, at the end of 2013, Governors from eight Northeastern states petitioned EPA to add nine Southern and Midwestern states to the Ozone Transport Region (OTR). If the Supreme Court rules against EPA in the CSAPR case, EPA would need to act on the OTR petition within 18 months of its filing.

Market liquidity for CAIR allowances continues to be low, with few transactions occurring. The following table shows estimated values for Dover's banked allowances, based on broker bids & offers:

Mark-to-Market for CAIR Allowances (1/16/2014)			
Commodity	**$/Ton (Bid/Offer Avg.)**	**Tons**	**Extended Value**
SO_2 Allowances (2009 & earlier)	$ 1.38	5,089	$ 7,022
SO_2 Allowances (2010-13)	$ 0.625	5,964	3,727
NO_x Allowances - Seasonal	$18.00	50	900
NO_x Allowances - Annual	$40.00	174	6,960
TOTAL			**$18,609**

Regional Greenhouse Gas Initiative

The State of Delaware is a participant in the Regional Greenhouse Gas Initiative (RGGI). The City of Dover must comply with RGGI by surrendering carbon dioxide (CO_2) allowances pursuant to the State of Delaware's laws (Title 7, Chapter 60, Sub-Title II-A). Delaware has elected a combined emissions allowance allocation/auction mechanism for RGGI, in which 40% of CO_2 allowances were allocated to sources for 2009, declining by 8% per year so that by 2014, all CO_2 allowances are auctioned.

Dover had more than a sufficient number of RGGI allowances allocated to it to cover its requirements through the first compliance period (calendar years 2009-2011). Any unused allowances are carried over ("banked") for subsequent years. The table below shows RGGI allowance allocations, deductions and the cumulative balance by year (column 8).

CO2 Allowance Summary (12/31/2013)							
1	2	3	4	5	6	7	8
CO_2 Allowance Vintage	CO_2 Allowances Sold YTD	CO_2 Allowances Available (Per Facility, Prior to Sale)		Allocated CO_2 Allowances	CO_2 Tons Emitted	Annual CO_2 Allowance Balance	Cumulative Balance
		McKee Run	***VanSant***				
2009	0	60,128	2,056	62,184	(5,796)	56,388	56,388
2010	0	48,102	1,645	49,747	(32,971)	16,776	73,164
2011	0	36,077	1,234	37,311	(17,763)	19,548	92,712
2012	0	27,058	925	27,983	(15,265)	11,793	104,505
2013 YTD	0	15,032	514	24,818[3]	(8,726)	16,091	**120,596**

After 2013, Dover no longer receives allocations of RGGI allowances. The Cumulative Balance (column 8) – aka "Banked Allowances") can be utilized for generation in future years (including 2013). Once the banked allowances have been fully utilized, Dover will be required to purchase RGGI allowances through the auctions or through over-the-counter markets. Assuming that Dover does not sell any banked allowances, it will be able to maintain a positive balance through 2016–2025, depending on actual annual energy production in 2012 and beyond.

On February 7, 2013, RGGI proposed changes to its Model Rule. The proposed changes have been included in previous monthly reports. With the release of the *Updated Model Rule*, the RGGI states now plan to revise their CO_2 Budget Trading Programs through their individual state-specific statutory and regulatory processes. Each RGGI state seeks to complete their state specific processes such that the proposed changes to the program will take effect on January 1, 2014. The Delaware Department of Natural Resources published the final rule on December 1, 2013 the Delaware Register of Regulations with an effective date of December 11, 2013[4].
NOTE: The new RGGI rule includes a provision which will eliminate some portion of banked allowances in future years. TEA will be investigating the potential impact of this provision on Dover's RGGI allowance bank.

Dover could elect to sell all or a portion of its banked allowances now and re-acquire allowances at a later date; however TEA is currently of the opinion that Dover will be better off retaining its banked allowances for use during future compliance years.

[3] Includes Q3 2013 allocations of 7,846,757 for McKee Run and 1,424,677 for VanSant.
[4] http://regulations.delaware.gov/register/december2013/final/17%20DE%20Reg%20644%2012-01-13.pdf

The most recent RGGI auction occurred on December 4, 2013; the auction cleared at $3.00/ton. The next auction will occur on March 5, 2014. RGGI futures settlement prices posted on Intercontinental Exchange (ICE) on January 21, 2014 ranged from $3.51 to $3.72/ton, depending settlement month. **Based on the average Intercontinental Exchange prices for January 21, 2014 settlement ($3.59/ton), the value of Dover's existing 120,596 ton RGGI allowance bank is $432,937.**

Renewable Energy Certificates

Dover owns two photovoltaic systems totaling 15 kW, consisting of (one 5 kW unit at the Utilities Administration Building and two 5 kW units at the McKee Run generating station. Dover also receives solar energy produced by the 10 MW Dover Sun Park which is owned by White Oak Solar Energy, LLC. In addition to the all of the physical energy produced by the Sun Park, Dover receives 15% of Sun Park's SRECS. Through the end of October 2013, Dover has accumulated a total of 6,489 SRECS from these renewable energy resources.

The nearest viable market for Dover's SRECs is Pennsylvania. Pennsylvania's January 2014 SREC auction cleared separately for 2011/2012 through 2013/2014 vintage allowances. Clearing prices and Dover's SREC market value estimate are shown in the table below. **Note that this is significantly higher than the value in in previously monthly reports where Pennsylvania auctions have generally been clearing in the $10 - $15 range.**

SREC Vintage (June 1 – May 31)	Auction Clearing Price	SREC Quantity	Market Value
2010/2011	$ 4.01 (Aug-13 Auction)	13	$ 52
2011/2012	$ 40.01	2,375	95,024
2012/2013	$42.51	2,725	115,840
2013/2014	$47.00	1,523	71,581
TOTAL		**6,636**	**$282,497**

TEA continues to recommend to Dover to retain these allowances for compliance with its Renewable Portfolio Standard which DEMEC is working on. Once Dover has an approved RPS in place, it may be required to retire a portion of its current SREC balance for compliance in the 2012/13 future compliance year. Any remaining SRECs could be used for the 2013/14 compliance year.

NOTE: SRECs in both Delaware and Pennsylvania expire without value after 3 years. Dover currently has thirteen (13) 2010/2011. Based on a recent discussion with DEMEC staff, this expiration provision is not likely to be of concern within the current compliance year.

If Dover has not accumulated adequate non-solar RECs, it will need to acquire some from DEMEC for the 2013/2014 compliance year. DEMEC has told TEA that it will

likely have sufficient non-solar RECs for Dover's requirements. Dover can purchase and retire a portion of these non-solar RECs during the current compliance and fiscal years, or it can defer acquisition until the June – August, 2014 time frame, after the exact amount of non-solar REC requirements is known.

D. Operations Management Summary:

During the month of December there were no reportable or lost time accidents or injuries. The facility has now gone 1,171 days without an OSHA recordable accident and 1,171 consecutive days without a lost time reportable accident. There were zero Environmental Notices of Violations issued and there were no Near Miss incidents. There were no dispatches for any of the Units for the month.

Monthly Budget Variance – The actual expenses attributable to O&M of the two sites for the month of December were $230,607 against a budgeted amount of $342,782 for a favorable variance of $112,175 or 32.72%. The principal reason for the favorable variance was due to having one (1) payroll period expensed in this month instead of the two (2) payroll periods that were budgeted.

E. Risk Management Summary:

Forward power prices in PJM are higher than last month. Winter Natural Gas prices have rallied with the sustained below normal temperatures we have seen.

The current projected cost of service is below:

Power Year	Hedge Ratio	Blended Cost ($/MWh)	Monthly Change ($/MWh)
2013-14	76%	$ 49.61	$ 0.44
2014-15	60%	$ 43.96	$ 0.11
2015-16	35%	$ 40.95	$ (0.05)

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II. Budget Report

Variance Report:

	Budget Dec-13	Actual Dec 13	Variance
Gross Load	**59,468**	**61,756**	**(2,288)**
Power Supply			
Hedged Energy	$1,748,070	$2,230,326	($482,256)
PJM - Energy, Congestion & Losses	$1,143,868	$735,062	$408,806
PJM - ARR, Transmission and Fees	$395,000	$614,072	($219,072)
Dover SUN Park Energy	$69,975	$64,684	$5,291
Dover SUN Park RECs	$25,000	$20,875	$4,125
Management Fees	$83,000	$83,000	$0
PJM - Capacity UCAP Obligated Purchased	$1,388,224	$1,363,515	$24,709
Subtotal - Power Supply	**$4,853,137**	**$5,111,534**	**($258,397)**
Power Generation O&M			
Plant O&M	$343,132	$230,607	112,525
Subtotal Generation O&M	**343,132.00**	**230,607.00**	**$112,525**
Power Generation Production Margin			
PJM - Economic and reliability dispatch	$0	$0	$0
Fixed Fuel and Transport Charges	$0	$0	$0
Subtotal Generation Production Margin	**$0**	**$ -**	**$0**
Power Generation Non-Production Revenue			
PJM - Generation Capacity Credit	($1,329,125)	$ (1,329,125)	$0
Emissions Allowance Sales	$0	$ -	$0
PJM - Black Start & Transmission Losses	($35,580)	$ (57,984)	$22,404
Subtotal - Non-Production Revenue	**($1,364,705)**	**($1,387,109)**	**$22,404**
SubTotal - All Generation	**(1,021,573)**	**($1,156,502)**	**$134,929**
Total - Utilities Cost	**$3,831,564**	**$3,955,031**	**($123,468)**
Unit Costs			
Total - Power Supply	$81.61	$82.77	($1.16)
Total - Power Generation	($17.18)	($18.73)	$1.55
Final Cost of Service to City of Dover Ratepayers	$64.43	$64.04	$0.39

Variance Analysis:

Power Supply

- Dover consumed 2,288 MWh more than forecast for the month.
- PJM energy costs were lower than expected as less market purchases were required. Hedged costs were higher than forecasted due to an additional layering in of hedges. PJM Fees were well above budget, driven by large reactive services charges.
- Hedges were placed at below budget levels, however higher market prices somewhat offset this benefit. Higher reactive services charges resulted in a net power supply cost of $82.77/MWh, $1.16/MWh above budget.
- For the month, the city realized an unfavorable variance of $258,397 for power supply vs. the monthly budget.
- Dover Sun Park generated 172 MWh less than forecast.

Generation

- Power generation had a favorable budget variance of $134,929.
- Plant O&M expenses had a favorable budget variance of $112,525 for the month.

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YTD Variance Report:

	Budget YTD	Actual YTD	Variance
Gross Load	**389,737**	**394,111**	**(4,374)**
Power Supply			
Hedged Energy	$14,617,464	$16,144,150	($1,526,686)
PJM - Energy, Congestion & Losses	$5,633,241	$4,219,490	$1,413,751
PJM - ARR, Transmission and Fees	$2,370,000	$3,918,668	($1,548,668)
Dover SUN Park Energy	$692,595	$853,617	($161,022)
Dover SUN Park RECs	$150,000	$214,007	($64,007)
Management Fees	$498,000	$498,000	$0
PJM - Capacity UCAP Obligated Purchased	$8,239,780	$8,093,027	$146,752
Subtotal - Power Supply	**$32,201,080**	**$33,940,959**	**($1,886,632)**
Power Generation O&M			
Plant O&M	$2,859,528	$2,643,458	$216,070
Subtotal Generation O&M	**$2,859,528**	**$2,643,458**	**$216,070**
Power Generation Production Margin			
PJM - Economic and reliability dispatch	($230,472)	($1,742,146)	$1,511,674
Fixed Fuel and Transport Charges	$0	$831,570	($831,570)
Subtotal Generation Production Margin	**($230,472)**	**($910,575)**	**$680,104**
Power Generation Non-Production Revenue			
PJM - Generation Capacity Credit	($7,889,000)	($7,889,000)	$0
Emissions Allowance Sales	$0	$0	$0
PJM - Black Start & Transmission Losses	($213,480)	($459,962)	$246,482
Subtotal - Non-Production Revenue	**($8,102,480)**	**($8,348,962)**	**$246,482**
SubTotal - All Generation	**($5,473,424)**	**($6,616,079)**	**$1,142,656**
Total - Utilities Cost	**$26,727,656**	**$27,324,880**	**($597,224)**
Unit Costs			
Total - Power Supply	$82.62	$86.12	($3.50)
Total - Power Generation	($14.04)	($16.79)	$2.74
Final Cost of Service to City of Dover Ratepayers	$68.58	$69.33	($0.75)

III. Operations Management

NAES Corporation
Dover, Delaware

December 2013
Monthly Report



Happy Holidays from McKee Run Generating Station!!!

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1.0 Environmental, Health and Safety:

During the month of December, there were no restricted work days or lost time accidents. Plant staff has finalized celebration plans for successfully completing Three Years of being Accident Free. The facility has now gone 3 years and 76 days (1,171 days) through December 31, 2013 without an OSHA Recordable Accident or a Lost Time reportable accident.

The plant received no Notice of Violations (NOVs) during the month. The December (November Discharge) DMR was submitted for the McKee Run site with no NPDES exceedences.

During the month of December, there were five (5) IWW discharges to the Kent County Sewer. During one discharge, sampling for PCBs was conducted as had been requested by Kent County. The samples were sent out to the lab and the results are expected to be received in January 2014. PCB sampling for Outfall 001 was also conducted. Test results are expected to be received in January 2014.

Environmental, Health, and Safety Statistics		
	Month (December)	Fiscal Year to Date (7/1/13-6/30/14)
NOVs	0	0
Opacity Deviations	0	0
Environmental Deviations	0	3
OSHA Recordable	0	0
OSHA LTA's	0	0
First Aid cases	0	0
Restricted Workday Accident	0	0
Near Miss	0	2
Man Hours Worked	3,986.00	25,073.75
Date last OSHA Recordable		10/14/10
Date last Lost Time Accident		10/14/10
Days since last OSHA recordable		1,171
Days since last Lost Time Accident		1,171

Emissions (NO_x, CO_2 & SO_2) All data thru 12/31/13

NOx Summary – Ozone Season (May-Sep) Tons					
Year	*Unit #1*	*Unit #2*	*Unit #3*	*Unit #11*	*TOTAL*
2010	0.7	2.2	88.7	3.3	94.7
2011	1.8	1.5	31.4	1.4	36.1
2012	1.2	1.0	35.8	1.0	33.1
2013	1.1	1.7	19.3	1.3	23.4
NOx Summary - Year (Jan-Dec) Tons					
Year	*Unit #1*	*Unit #2*	*Unit #3*	*Unit #11*	*TOTAL*
2010	0.7	2.2	88.7	3.3	94.7
2011	1.8	1.5	32.6	2.9	38.8
2012	1.2	1.1	35.8	1.0	36.9
2013	1.1	1.7	19.4	1.3	23.5
SO_2 Summary - Year (Jan-Dec) Tons					
Year	*Unit #1*	*Unit #2*	*Unit #3*	*Unit #11*	*TOTAL*
2010	0.0	0.0	0.3	0.0	0.3
2011	0.0	0.0	0.1	0.5	0.6
2012	0.0	0.0	0.0	0.1	0.1
2013	0.0	0.0	0.0	0.2	0.2

CO2 Allowances Summary					
CO2 Allowance Vintage	**CO2 Allowances Sold YTD**	**CO2 Allowances Available (Per Facility, Prior to Sale)**		**Total CO2 Tons Emitted**	**CO2 Allowance Balance**
		McKee Run	***VanSant***		
2009	0	60,128	2,056	5,796	56,388
2010	0	48,102	1,645	32,971	16,776
2011	0	36,077	1,234	17,763	19,548
2012	0	27,058	925	15,265	11,793
2013	0	22,879#	1,939#	8,726	16,091
			Total CO2 Allowance Balance		**120,596**

***Note: CO2 allowance values are provided by the RGGI CO2 Allowance Tracking System.**
Note: All emissions (NOx, SO2 and CO2) totals for 2013 are unofficial.
#Note: Additional CO2 Emission Values were added to 2013 balances by RGGI COATS- 7,846.757 for McKee Run and 1,424.677 for VanSant

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CAIR NOx Allowances Summary*

CAIR NOx Allowance Vintage	CAIR NOx Allowances Sold YTD	NOx Allowances Available (Per Facility, Prior to Sale)		Total NOx Tons Emitted (Yr/ Season)	CAIR NOx Allowances Purchased YTD	NOx Allowance Balance	
		McKee Run (Yr/Season)	*VanSant (Yr/Season)*	McKee Run - VanSant		*McKee Run (Yr/Season)*	*VanSant (Yr/Season)*
2010 and earlier	3***					27/0	0/2
2011	0	77/48	5/3	33/31– 3/1	0/0 - 0/0	42/10	2/2
2012	2**	75/46	5/3	36/36 – 1/1	0/0 - 0/0	39/10	2/0
2013	5**	77/48	5/3	19/19 – 1/1	0/0 - 0/0	58/24	4/2
				Total NOx Allowance Balance		**166/44**	**8/6**

***Note – Emissions allowances are deducted according to oldest vintage first or unless otherwise directed.**
****Note – The facility transferred Ozone Season allowances to a third party.**

SO_2 Allowances Summary

SO_2 Allowance Vintage	SO_2 Allowances Sold - YTD	SO_2 Allowances Available (Per Unit, Prior to Sale & Reconciliation)	Total SO_2 Tons Emitted – U3 and U11 YTD	Total SO_2 Tons Emitted – U3 and U11 YTD	SO_2 Allowances Balance
		Unit #3	*Unit #11*		
2010 and earlier	0	4815	276	0	5089
2011	0	1850	138	1	1988*
2012	0	1850	138	1	1988*
2013	0	1850	138	0	1988*
			Total SO2 Allowance Balance		**11,053**

Note – Emissions allowances are deducted according to oldest vintage first, unless otherwise directed.

2.0 Financial

Financial – Current Month

Month – December			
	Actual	Budget	Variance
Personnel	128,262	241,025	112,763
Materials & Supplies	13,223	6,525	(6,698)
Administrative Expenses	89,122	95,232	6,110
Total	**$230,607**	**$342,782**	**$112,175**

Financial – Fiscal Year to Date

Number of Months – 6			
	Actual	Budget	Variance
Personnel	1,356,009	1,686,905	330,896
Materials & Supplies	103,575	142,040	38,465
Administrative Expenses	1,003,910	1,049,208	45,298
Total	**$2,463,494**	**2,878,153**	**$414,659**

2.1 Variance analysis:

The actual expenses for the month of December are $230,607 against a budgeted amount of $342,782 for a favorable variance of $112,175 or 32.72%. The variance was due to the following:

PERSONNEL EXPENSES – A favorable monthly variance of $112,763 was due to having one (1) payroll period expensed in this month versus two (2) that were budgeted. This includes straight time labor, overtime labor, and labor burden costs for December.

MATERIALS AND SUPPLIES EXPENSES- An unfavorable monthly variance of $6,698 was due to timing of invoices for employee safety shoes and the need to purchase materials to repair facility access doors.

ADMINISTRATIVE EXPENSES – A favorable monthly variance of $6,110 was due to lower than budgeted electricity costs and to the timing of invoices for the HEP-FAC work which was billed earlier in the year.

The forecasted expenses for this fiscal year are $5,868,413 expensed versus an approved budget of $6,015,800 thereby realizing a 97.55% expenditure rate.

3.0 Operations

Unit Operations / Outages / Trips

In the month of December, no units were dispatched. All units were available for dispatch.

Month December 2013							
		McKee Unit 1	McKee Unit 2	McKee Unit 3	MRS Facility	VanSant Unit 11	Total All Units
Capacity	MW	17	17	102	136	39	175
On Line Hours	Hrs	0.0	0.0	0.0	0.0	0.0	0.0
Starts	#	0	0	0	0	0	0
Gross Generation	MWh	0.0	0.0	0.0	0.0	0.0	0.0
Net Generation	MWh	0.0	0.0	0.0	0.0	0.0	0.0
Total Auxiliaries	MWh	28.439	28.439	157.160	214.038	5.726	219.764
Auxiliaries purchased	MWh	28.439	28.439	157.160	214.038	5.726	219.764
Fuel Gas Used	MMBTU	0.0	0.0	0.0	0.0	0.0	0.0
Fuel Oil Used	MMBTU	0.0	0.0	0.0	0.0	0.0	0.0
Fuel Oil Used	Gallons	0.0	0.0	0.0	0.0	0.0	0.0
Total Fuel	MMBTU	0.0	0.0	0.0	0.0	0.0	0.0
Net Heat Rate	BTU/KWh	0.0	0.0	0.0	0.0	0.0	0.0
Unit Trips	#	0.0	0.0	0.0	0.0	0.0	0.0
Capacity Factor	%	0.0	0.0	0.0	0.0	0.0	0.0
Availability Factor	%	100.00	100.00	100.00	100.00	100.00	100.00
Commercial Unavailability (CU)	%	0	0	0	0	0	0
Planned Outage Hours	Hours	0.00	0.00	0.00	0.00	0.00	0.00
Maintenance Outage Hours	Hours	0.0	0.0	0.0	0.0	0.0	0.0
Forced Outage Hours	Hours	0.0	0.0	0.0	0.0	0.0	0.0
Reserve Shutdown Hours	Hours	0.00	0.00	0.00	0.00	0.00	0.00
HW Boiler Gas Usage	MMBTU				1,364.250		1,364.250
Pilot Gas Usage	MMBTU	0.0	0.0		0.0		0.0

 # Note: Does not include HWB or Pilot Gas. Fuel usage numbers are taken from fuel flow instruments.

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2013-2014 Fiscal Year-to-Date - December							
		McKee Unit 1	McKee Unit 2	McKee Unit 3	MRS Facility	VanSant Unit 11	Total All Units
Capacity	MW	17	17	102	136	39	175
On Line Hours	Hrs	74.765	170.316	183.196	428.277	51.476	479.753
Starts	#	2	4	13	19	14	33
Gross Generation	MWh	585.171	1,106.123	12,576.985	14,268.280	1,569.051	15,837.330
Net Generation	MWh	545.470	1,024.415	11,585.303	13,155.190	1,567.790	14,722.980
Total Auxiliaries	MWh	188.599	230.606	1,946.155	2,365.360	13.551	2,378.911
Auxiliaries purchased	MWh	191.521	234.051	954.473	1,380.045	12.290	1,392.335
Fuel Gas Used	MMBTU	7,061.376	13,801.068	132,465.224	153,327.670	18,981.931	172,309.60
Fuel Oil Used	MMBTU	1,642.633	1,671.506	0.0	3,314.14	2,937.660	6,251.80
Fuel Oil Used	Gallons	11,568	11,726	0.0	23,294	20,795	44,089
Total Fuel	MMBTU	8,704.009	15,472.574	132,465.224	156,641.81	21,919.591	178,561.40
Net Heat Rate	BTU/KWh	15.778	14.477	11.558	13.938	13.838	13.888
Unit Trips	#	0	1	0	1	4	5
Capacity Factor	%	0.73	1.36	2.57	2.19	0.91	1.90
Availability Factor	%	67.19	69.01	69.01	68.40	69.01	68.55
Commercial Unavailability (CU)	%	0	0	0	0	0	0
Planned Outage Hours	Hours	1,369.000	1,369.000	1,369.000	4,107.000	1,369.000	5,476.000
Maintenance Outage Hours	Hours	0.0	0.0	0.0	0.0	0.0	0.0
Forced Outage Hours	Hours	80.000	0.0	0.0	80.000	0.0	80.000
Reserve Shutdown Hours	Hours	2,893.235	2,877.684	2,867.400	8,638.320	2,996.524	11,634.844
HW Boiler Gas Usage	MMBTU				2,233.658		2,233.658
Pilot Gas Usage	MMBTU	1,473.105	3,733.607		5,206.712		5,206.712

Fuel Oil Inventory							
	Monthly Inventory (Start)	Monthly Inventory (End)	Fuel Purchases (Month)	Monthly Inventory (Change)	FY 13-14 Inventory (Start)	Fuel Purchases (YTD)	FY 13-14 Inventory (Change)
McKee Run (#2 Fuel Oil)	426,525	426,525	0	0	454,725	0	(28,200)
VanSant (#2 Fuel Oil)	123,674	123,716	0	42	146,133	0	(22,417)

Note: As measured by tank level instruments. Tank levels may change due to oil temperature.

VanSant Lifetime through December 2013			
	Actual Starts	Factored Starts	Fired Hours
VanSant	1328	2,291.75	4,479.60
Since HGP - Dec 2004	246	624.05	896.02

Team Report:

Plant employees continue General Physics safety training and environmental courses to enhance their overall knowledge of permit and safety requirements. As the GPI courses are being completed the employee reviews the standard operating procedure (SMP) for the same topic they are training on to review NAES policy and score a minimum 80% on a quiz before they can complete the SMP.

Operations personnel continue to support maintenance by working on Preventative Maintenance (PM) work orders and other work orders that they have the necessary skills to successfully complete the task. The Operations Department continues to utilize the Day Shift Workers in both Operations and Maintenance areas to help in maintaining the plant.

Capacity Testing – FY 2013-2014

Summer 2013 (June 1- Aug 31)			Winter 2013-2014 (Dec 1- Feb 28)		
Unit	Rated Net Capability (MW)	Reported Net Capability (MW)	Unit	Rated Net Capability (MW)	Reported Net Capability (MW)
1	17	17.2	1	17*	0.0
2	17	17.8	2	17*	0.0
3	102	103.0	3	102*	0.0
VanSant#	39	40.9	11	39*	0.0
Total	175	178.9	Total	175	0.0

Note: * Denotes Unit is qualified for the PJM Winter Demonstration Period Exemption Program and data has been submitted into the PJM eGADS
Note: # Depicts Net Corrected Capacity for Ambient Air Conditions – VanSant Unit only

4.0 Maintenance

During the month of December, the Plant Maintenance staff continued addressing the backlog of work orders. There were seventy-one work orders issued with sixty-eight work orders being completed during the month. There were no safety work orders entered into the plant's Computerized Maintenance Management System (MP2) during the month. The table below summarizes the monthly work order activities.

Work Order Report

December - 2013

Priority #	Outstanding From Previous Month	Issued This Month	Completed This Month	Outstanding at the end of the month
1	5	8	0	13
2	68	9	29	48
3	37	4	3	38
4	6	0	0	6
5	18	0	1	17
SW1	0	0	0	0
SW2	0	0	0	0
SW3	0	0	0	0
SW4	0	0	0	0
SW5	0	0	0	0
PM	59	50	35	74
EM	0	0	0	0
Totals	193	71	68	196

Note: PM Work Orders are included in the priority totals

Notable activities during the month include:

The NAES Maintenance and IC&E Staff installed thermocouples on the low point of the main steam line on Unit 3. The temperature of the line will be recorded on a data logger to ensure that no condensate is collecting in the line after shutting the unit down. The new laptop computer will be used to download the information and to place the data into a spreadsheet for analysis

The NAES Maintenance Staff fabricated and installed a new cover lid for the makeup water valve pit for Unit 3 Cooling Tower. The old lid was corroded and not safe to operate in order to access the valves. The new doors on the lid are easier to open thus being safer for personnel to open.

The IC&E Staff completed installing the remaining replacement handles on Units 1 and 2 switchgear breakers. In the past, some handles broke from time to time and a new supplier had recently been found who could supply the correct handles. The breakers were tested and the breakers open and closed with no issues

5.0 Capital Improvement Projects (CIP)

Project Number	Description	Update
EG1214	MR Industrial Waste water System	Progress: Expenses are 100% complete. Schedule: Final revisions of Standard Operating Procedures and Sampling Procedures to be in place in January, 2013.
EG1402	Unit #3 Cooling Tower Repairs	Progress: Cooling Tower decking is 100% complete Schedule: Remaining inspection work is scheduled for the spring outage.
EG1404	McKee Run Auxiliary Component Replacement	Progress: Work planned for the Fall is 100% complete. Schedule: Remaining Fall outage items were completed in December. Planning is ongoing for the spring activities.
EG1405	VanSant Station Component Replacement	Progress: Work planned for the Fall is 100% complete. Schedule: Planning activities are underway for the Spring outage.
EG1406	McKee Run HEP Pipe Repairs	Progress: The recently completed hangar adjustments will need to be checked with the unit in the hot (running) position. Schedule: Remaining work activities were completed in December. Adjustments will need to be checked once units are heated up. Spring work still being planned for FAC work.
EG1407	Metering System Upgrades	Progress: Proposal received from vendor. COD and plant personnel have discussed proposal and submitted a list of “to do” items to the vendor for more information and clarification. Schedule: Work activities are moving forward. Additional questions have been posed to vendor and work scope is being developed. Waiting on response from vendor.
EG1408	McKee Run/VanSant Safety Compliance Items	Progress: Work is being planned to be completed in the Spring 2014 outage period. Specifications being written for VanSant breaker installation. Schedule: Work activities are slightly behind due to Fall Outage activities.
EG1409	McKee Run Natural Gas Block-Bleed Valves	Progress: Work scheduled for the Spring Outage. Schedule: Work activities are back on track for a Spring Outage completion date.
EG1413	McKee Run/VanSant Structural Preservation	Progress: Plant staff completed development of paint specifications and bid requests were received. Schedule: Bids were received in early September. Work is on hold due to budget restraints.
EG1212	Unit 3 Turbine Repairs	Progress: Work scope was developed, put out for bids and bids have been evaluated. A recommendation was submitted to the COD City

		Council for review and was approved by Council at their December 9 Council meeting. Consumables parts are being received. Schedule: List of consumables has been finalized, quotes received and parts were placed on order. Inspection/repair contractor being lined up for pre-job meeting and scheduling of outage activities.
EG1415	McKee Run Units #1-#2 Component Repairs	Progress: Cost to be incurred due to repairs on Unit 1 boiler and turbine were completed in November. Schedule: Other Work activities are anticipated to be completed during the spring outage.
EG1416	VanSant Capacity Increase	Progress: Bid specifications are being developed and Environmental permit modifications are being investigated. Communications with PJM was initiated to get the additional MW into system and the Capacity increase request is in the PJM queue. Proposals have been received and are being evaluated. Some clarifications in areas of the proposals are needed to fully analyze them. Schedule: Environmental Support contract work was awarded and data is now being gathered by the contractor for use in the environmental application process. Additional work will be done once the clarification of proposals have been completed.

6.0 General Plant Information

Thomas Lally began work on December 3 at McKee Run as an Auxiliary Operator in the Operations Department.

Kathleen Cooper has accepted the offer to fill the position of Administrative Assistant and has been cleared through the physical and background screening process. Her first day is scheduled for January 2, 2014.

Plant staff continues to screen and interview potential candidates for the position of Compliance Coordinator.

Training:

Topics discussed during the monthly safety committee meeting were reviewed by the entire staff. The monthly safety topic was on “Snow Plow Safety”. Topics discussed during the monthly safety committee meeting were reviewed by the entire staff.

Calendar of Events	Date
Winter Capacity Period	December 1, 2013 to February 28, 2014
Annual Title V Certifications Due	January 30, 2014
EIA-860 Report	February 28, 2014
EIA-923 Report	February 28, 2014
NOx Emissions Reconciliation Due	March 1, 2014
SO2 Emissions Reconciliation Due	March 1, 2014
SARA III Report	March 1, 2014
NPDES Permit Renewal Due	March 4, 2014
Units 1, 2, and 3 Spring Outage	March, 2014 – June, 2014
Unit 11 Spring Outage	March, 2014 – June, 2014
Annual VanSant Black Start Test	March, 2014
Air Emission Inventory	March, 2014
NOx Ozone Season Starts	May 1, 2014
PJM Summer Capacity Test Period	June 1, 2014 – August 31, 2014
Toxic Release Inventory (TRI) Annual Report	July 1, 2014
Units 1, 2, 3 and 11 Fall Outage	October 1, 2014
Four Year Accident Free	October 14, 2014

7.0 Summary of NAES Performance to Date

Plant Performance FY 2013-2014						
Measure	**Month**		**Year to Date**		**YTD Incentive**	**FY Maximum Incentive**
Commercial Unavailability (CU)	0.00%		0.09%		$91,087	$94,882
Safety	0		0		$17,790	$17,790
Environmental	0		0		$17,790	$17,790
Capacity Tests Completed	Summer	Winter	Summer	Winter		
Unit 1	No	No	Yes	Yes*	$3,559*	$3,559
Unit 2	No	No	Yes	Yes*	$3,559*	$3,559
Unit 3	No	No	Yes	Yes*	$21,349*	$21,349
Unit 11	No	No	Yes	Yes*	$7,117*	$7,117
Total YTD Incentive %	97.71%		***Total YTD Incentive***		$162,249*	$166,045

Note: *All units have successfully completed the PJM Summer Capacity Tests and are now included in the PJM Winter Capacity Test Exemption Program. The YTD Incentive calculation re

IV. Appendix 1 – PJM Invoice Breakdown

		Gen	Load	Grand Total
⊟480-8102-592-95-49	Capacity Resource Deficiency		$ (132.52)	$ (132.52)
	Capacity Transfer Rights		$ (19,233.33)	$ (19,233.33)
	Incremental Capacity Transfer Rights		$ (1,761.11)	$ (1,761.11)
	Locational Reliability		$ 1,384,641.66	$ 1,384,641.66
480-8102-592-95-49 Total			**$ 1,363,514.70**	**$ 1,363,514.70**
⊟480-8102-592-95-50	RPM Auction	$ (1,329,125.00)		$ (1,329,125.00)
480-8102-592-95-50 Total		**$ (1,329,125.00)**		**$ (1,329,125.00)**
⊟480-8102-592-95-90	Auction Revenue Rights		$ (26,877.93)	$ (26,877.93)
	Balancing Operating Reserve		$ 17,428.99	$ 17,428.99
	Balancing Operating Reserve for Load Response		$ (693.39)	$ (693.39)
	Black Start Service		$ 1,902.10	$ 1,902.10
	CT Lost Opportunity Cost Allocation		$ (17.36)	$ (17.36)
	Day-Ahead Load Response Charge Allocation		$ 119.04	$ 119.04
	Day-ahead Operating Reserve		$ 4,864.82	$ 4,864.82
	Day-ahead Operating Reserve for Load Response		$ 342.94	$ 342.94
	Day-ahead Scheduling Reserve		$ 22.91	$ 22.91
	Demand Resource and ILR Compliance Penalty		$ (8,588.65)	$ (8,588.65)
	Expansion Cost Recovery		$ 427.49	$ 427.49
	FERC Annual Recovery		$ 3,729.53	$ 3,729.53
	Generation Deactivation Refund		$ (757.91)	$ (757.91)
	Load Management Test Failure		$ (306.02)	$ (306.02)
	Load Reconciliation for Transmission Losses		$ 214.54	$ 214.54
	Market Monitoring Unit (MMU) Funding		$ 245.26	$ 245.26
	Michigan - Ontario Interface Phase Angle Regulators		$ 187.87	$ 187.87
	Network Integration Transmission Service		$ 342,169.01	$ 342,169.01
	Non-Firm Point-to-Point Transmission Service		$ (592.62)	$ (592.62)
	Non-Synchronized Reserve		$ 125.09	$ 125.09
	North American Electric Reliability Corporation (NERC)		$ 1,325.77	$ 1,325.77
	Organization of PJM States, Inc. (OPSI) Funding		$ 43.23	$ 43.23
	PJM Scheduling, System Control and Dispatch Service - Advanced Second Control Center		$ 1,437.09	$ 1,437.09
	PJM Scheduling, System Control and Dispatch Service - Capacity Resource/Obligation Mgmt.		$ 943.95	$ 943.95
	PJM Scheduling, System Control and Dispatch Service - Control Area Administration		$ 10,605.76	$ 10,605.76
	PJM Scheduling, System Control and Dispatch Service - Market Support		$ 2,417.71	$ 2,417.71
	PJM Scheduling, System Control and Dispatch Service - Market Support Offset		$ (231.92)	$ (231.92)
	PJM Scheduling, System Control and Dispatch Service - Regulation Market Administration		$ 83.32	$ 83.32
	PJM Scheduling, System Control and Dispatch Service Refund - Capacity Resource/Obligation Mgmt.		$ (231.57)	$ (231.57)
	PJM Scheduling, System Control and Dispatch Service Refund - Control Area Administration		$ (2,927.24)	$ (2,927.24)
	PJM Scheduling, System Control and Dispatch Service Refund - Market Support		$ (678.39)	$ (678.39)
	PJM Scheduling, System Control and Dispatch Service Refund - Regulation Market Administration		$ (28.62)	$ (28.62)
	PJM Settlement, Inc.		$ 231.92	$ 231.92
	Reactive Services		$ 204,596.05	$ 204,596.05
	Reactive Supply and Voltage Control from Generation and Other Sources Service		$ 34,801.45	$ 34,801.45
	Real-Time Load Response Charge Allocation		$ 237.96	$ 237.96
	Regulation and Frequency Response Service		$ 10,083.95	$ 10,083.95
	Reliability First Corporation (RFC)		$ 1,946.26	$ 1,946.26
	Synchronized Reserve		$ 5,929.62	$ 5,929.62
	Transmission Enhancement		$ 4,883.03	$ 4,883.03
	Transmission Owner Scheduling, System Control and Dispatch Service		$ 4,657.24	$ 4,657.24
480-8102-592-95-90 Total			**$ 614,072.28**	**$ 614,072.28**
⊟480-8102-592-95-91	Balancing Spot Market Energy		$ 139,188.46	$ 139,188.46
	Balancing Transmission Congestion		$ 4,429.15	$ 4,429.15
	Balancing Transmission Losses		$ 8,193.76	$ 8,193.76
	Day-ahead Spot Market Energy		$ 487,512.59	$ 487,512.59
	Day-ahead Transmission Congestion		$ (42,798.26)	$ (42,798.26)
	Day-ahead Transmission Losses		$ 68,632.29	$ 68,632.29
	Emergency Load Response		$ 108,131.01	$ 108,131.01
	Inadvertent Interchange		$ (1,176.76)	$ (1,176.76)
	Load Reconciliation for Balancing Operating Reserve		$ (4.18)	$ (4.18)
	Load Reconciliation for Day-ahead Scheduling Reserve		$ (0.24)	$ (0.24)
	Load Reconciliation for FERC Annual Recovery		$ (28.08)	$ (28.08)
	Load Reconciliation for Inadvertent Interchange		$ 9.83	$ 9.83
	Load Reconciliation for Market Monitoring Unit (MMU) Funding		$ (1.79)	$ (1.79)
	Load Reconciliation for Non-Synchronized Reserve		$ (3.50)	$ (3.50)
	Load Reconciliation for North American Electric Reliability Corporation (NERC)		$ (4.72)	$ (4.72)
	Load Reconciliation for Organization of PJM States, Inc. (OPSI) Funding		$ (0.33)	$ (0.33)
	Load Reconciliation for PJM Scheduling, System Control and Dispatch Service		$ (97.45)	$ (97.45)
	Load Reconciliation for PJM Scheduling, System Control and Dispatch Service Refund		$ 27.04	$ 27.04
	Load Reconciliation for Reactive Services		$ (4,087.14)	$ (4,087.14)
	Load Reconciliation for Regulation and Frequency Response Service		$ (153.13)	$ (153.13)
	Load Reconciliation for Reliability First Corporation (RFC)		$ (6.75)	$ (6.75)
	Load Reconciliation for Schedule 9-6 - Advanced Second Control Center		$ (12.51)	$ (12.51)
	Load Reconciliation for Spot Market Energy		$ (22,754.79)	$ (22,754.79)
	Load Reconciliation for Synchronized Reserve		$ (58.62)	$ (58.62)
	Load Reconciliation for Transmission Congestion		$ (5,870.47)	$ (5,870.47)
	Load Reconciliation for Transmission Losses		$ (975.76)	$ (975.76)
	Load Reconciliation for Transmission Owner Scheduling, System Control and Dispatch Service		$ (35.06)	$ (35.06)
	Meter Error Correction		$ (2,993.04)	$ (2,993.04)
480-8102-592-95-91 Total			**$ 735,061.55**	**$ 735,061.55**
⊟480-8102-592-95-93	Reactive Supply and Voltage Control from Generation and Other Sources Service	$ (29,467.58)		$ (29,467.58)
	Transmission Losses	$ (28,516.52)		$ (28,516.52)
480-8102-592-95-93 Total		**$ (57,984.10)**		**$ (57,984.10)**
Grand Total		**$ (1,387,109.10)**	**$ 2,712,648.53**	**$ 1,325,539.43**

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	Incremental Capacity Transfer Rights		$ (1,761.11)	$ (1,761.11)
	Locational Reliability		$ 1,384,641.66	$ 1,384,641.66
480-8102-592-95-49 Total			**$ 1,363,514.70**	**$ 1,363,514.70**
⊟480-8102-592-95-50	RPM Auction	$ (1,329,125.00)		$ (1,329,125.00)
480-8102-592-95-50 Total		**$ (1,329,125.00)**		**$ (1,329,125.00)**
⊟480-8102-592-95-90	Auction Revenue Rights		$ (26,877.93)	$ (26,877.93)
	Balancing Operating Reserve		$ 17,428.99	$ 17,428.99
	Balancing Operating Reserve for Load Response		$ (693.39)	$ (693.39)
	Black Start Service		$ 1,902.10	$ 1,902.10
	CT Lost Opportunity Cost Allocation		$ (17.36)	$ (17.36)
	Day-Ahead Load Response Charge Allocation		$ 119.04	$ 119.04
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	Day-ahead Scheduling Reserve		$ 22.91	$ 22.91
	Demand Resource and ILR Compliance Penalty		$ (8,588.65)	$ (8,588.65)
	Expansion Cost Recovery		$ 427.49	$ 427.49
	FERC Annual Recovery		$ 3,729.53	$ 3,729.53
	Generation Deactivation Refund		$ (757.91)	$ (757.91)
	Load Management Test Failure		$ (306.02)	$ (306.02)
	Load Reconciliation for Transmission Losses		$ 214.54	$ 214.54
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	Michigan - Ontario Interface Phase Angle Regulators		$ 187.87	$ 187.87
	Network Integration Transmission Service		$ 342,169.01	$ 342,169.01
	Non-Firm Point-to-Point Transmission Service		$ (592.62)	$ (592.62)
	Non-Synchronized Reserve		$ 125.09	$ 125.09
	North American Electric Reliability Corporation (NERC)		$ 1,325.77	$ 1,325.77
	Organization of PJM States, Inc. (OPSI) Funding		$ 43.23	$ 43.23
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	PJM Scheduling, System Control and Dispatch Service - Capacity Resource/Obligation Mgmt.		$ 943.95	$ 943.95
	PJM Scheduling, System Control and Dispatch Service - Control Area Administration		$ 10,605.76	$ 10,605.76
	PJM Scheduling, System Control and Dispatch Service - Market Support		$ 2,417.71	$ 2,417.71
	PJM Scheduling, System Control and Dispatch Service - Market Support Offset		$ (231.92)	$ (231.92)
	PJM Scheduling, System Control and Dispatch Service - Regulation Market Administration		$ 83.32	$ 83.32
	PJM Scheduling, System Control and Dispatch Service Refund - Capacity Resource/Obligation Mgmt.		$ (231.57)	$ (231.57)
	PJM Scheduling, System Control and Dispatch Service Refund - Control Area Administration		$ (2,927.24)	$ (2,927.24)
	PJM Scheduling, System Control and Dispatch Service Refund - Market Support		$ (678.39)	$ (678.39)
	PJM Scheduling, System Control and Dispatch Service Refund - Regulation Market Administration		$ (28.62)	$ (28.62)
	PJM Settlement, Inc.		$ 231.92	$ 231.92
	Reactive Services		$ 204,596.05	$ 204,596.05
	Reactive Supply and Voltage Control from Generation and Other Sources Service		$ 34,801.45	$ 34,801.45
	Real-Time Load Response Charge Allocation		$ 237.96	$ 237.96
	Regulation and Frequency Response Service		$ 10,083.95	$ 10,083.95
	Reliability First Corporation (RFC)		$ 1,946.26	$ 1,946.26
	Synchronized Reserve		$ 5,929.62	$ 5,929.62
	Transmission Enhancement		$ 4,883.03	$ 4,883.03
	Transmission Owner Scheduling, System Control and Dispatch Service		$ 4,657.24	$ 4,657.24
480-8102-592-95-90 Total			**$ 614,072.28**	**$ 614,072.28**
⊟480-8102-592-95-91	Balancing Spot Market Energy		$ 139,188.46	$ 139,188.46
	Balancing Transmission Congestion		$ 4,429.15	$ 4,429.15
	Balancing Transmission Losses		$ 8,193.76	$ 8,193.76
	Day-ahead Spot Market Energy		$ 487,512.59	$ 487,512.59
	Day-ahead Transmission Congestion		$ (42,798.26)	$ (42,798.26)
	Day-ahead Transmission Losses		$ 68,632.29	$ 68,632.29
	Emergency Load Response		$ 108,131.01	$ 108,131.01
	Inadvertent Interchange		$ (1,176.76)	$ (1,176.76)
	Load Reconciliation for Balancing Operating Reserve		$ (4.18)	$ (4.18)
	Load Reconciliation for Day-ahead Scheduling Reserve		$ (0.24)	$ (0.24)
	Load Reconciliation for FERC Annual Recovery		$ (28.08)	$ (28.08)
	Load Reconciliation for Inadvertent Interchange		$ 9.83	$ 9.83
	Load Reconciliation for Market Monitoring Unit (MMU) Funding		$ (1.79)	$ (1.79)
	Load Reconciliation for Non-Synchronized Reserve		$ (3.50)	$ (3.50)
	Load Reconciliation for North American Electric Reliability Corporation (NERC)		$ (4.72)	$ (4.72)
	Load Reconciliation for Organization of PJM States, Inc. (OPSI) Funding		$ (0.33)	$ (0.33)
	Load Reconciliation for PJM Scheduling, System Control and Dispatch Service		$ (97.45)	$ (97.45)
	Load Reconciliation for PJM Scheduling, System Control and Dispatch Service Refund		$ 27.04	$ 27.04
	Load Reconciliation for Reactive Services		$ (4,087.14)	$ (4,087.14)
	Load Reconciliation for Regulation and Frequency Response Service		$ (153.13)	$ (153.13)
	Load Reconciliation for Reliability First Corporation (RFC)		$ (6.75)	$ (6.75)
	Load Reconciliation for Schedule 9-6 - Advanced Second Control Center		$ (12.51)	$ (12.51)
	Load Reconciliation for Spot Market Energy		$ (22,754.79)	$ (22,754.79)
	Load Reconciliation for Synchronized Reserve		$ (58.62)	$ (58.62)
	Load Reconciliation for Transmission Congestion		$ (5,870.47)	$ (5,870.47)
	Load Reconciliation for Transmission Losses		$ (975.76)	$ (975.76)
	Load Reconciliation for Transmission Owner Scheduling, System Control and Dispatch Service		$ (35.06)	$ (35.06)
	Meter Error Correction		$ (2,993.04)	$ (2,993.04)
480-8102-592-95-91 Total			**$ 735,061.55**	**$ 735,061.55**
⊟480-8102-592-95-93	Reactive Supply and Voltage Control from Generation and Other Sources Service	$ (29,467.58)		$ (29,467.58)
	Transmission Losses	$ (28,516.52)		$ (28,516.52)
480-8102-592-95-93 Total		**$ (57,984.10)**		**$ (57,984.10)**
Grand Total		**$ (1,387,109.10)**	**$ 2,712,648.53**	**$ 1,325,539.43**

FUND SUMMARY as of 01/24/2014

Total Collected	$	986,223.49
DEMEC Admin Fee Paid	$	51,816.23
State Admin Fee Paid	$	22,292.26
Total Grant Dollars Paid	$	689,770.82
Customer Only Grants/Fees Reserved and Amount Owed	$	40,219.81
Community Project Funds Requested - Dov. Lib - Requested	$	1,970,000.00
Community Project Funds Requested - Dov. Lib -Still Owed	$	1,769,591.68
Energy Depot Fees Paid	$	48,441.12
Efficiency Program Dollars Paid	$	37,268.34
Solar Electric Power Association (SEPA) Fee Paid	$	4,317.61
Unencumbered Funds Available Grants	**$**	**9,119.59**
Collected Funds Available for Dover Library	**$**	**82,977.71**
Current Grant Payment Delay (Months)		**0.0**

GRANTS PAID

Date Grant Paid	Applicant	Type	Grant Amount Paid	Review Fee Paid	Amount Owed
9/21/2007	Laura Drew Kelly	Geo - Res	$ 3,000.00	$ 225.00	$ -
12/5/2007	Domingo Reye	Solar - Res	$ 12,762.50	$ 750.00	$ -
4/16/2008	Lakeland Commercial Group	Geo - Comm	$ 10,800.00	$ 750.00	$ -
6/19/2008 & 08/25/2008	L.D. Shank - Triad Farms	Solar - Comm	$ 30,000.00	$ 750.00	$ -
10/6/2008	City of Dover	Solar - Comm	$ 40,820.00	$ 750.00	$ -
10/21/2008	Robert & Cynthia Hartman	Geo HP- Res	$ 1,800.00	$ 135.00	$ -
10/21/2008	Robert Varipapa	Geo HP- Res	$ 2,400.00	$ 180.00	$ -
2/27/2009	David Jump	Solar - Res	$ 15,000.00	$ 750.00	$ -
2/27/2009	Jakob Seren	Solar - Res	$ 15,000.00	$ 750.00	$ -
2/27/2009	William Sweet	Solar - Res	$ 15,000.00	$ 750.00	$ -
3/31/2009	LD Shank - Triad Farms	Solar WH-Comm	$ 3,000.00	$ 225.00	$ -
3/31/2009	Warren & Joan Seaver	Geo HP- Res	$ 3,000.00	$ 225.00	$ -
4/22/2009	William Sweet	Solar HW	$ 3,000.00	$ 225.00	$ -
4/28/2009	State of DE/DNREC - DE National	Solar - Comm	$ 30,000.00	$ 750.00	$ -
4/29/2009	Delaware Primary Care, LLC	Solar - Comm	$ 30,000.00	$ 750.00	$ -
9/11/2009	NCALL	Solar - Comm	$ 30,000.00	$ 750.00	$ -
9/11/2009	D. Brian Beckman	Geo HP- Res	$ 2,000.00	$ 150.00	$ -
9/21/2009	LKSC Dover, LLC Kids Cottage	Solar - Comm	$ 29,925.00	$ 750.00	$ -
10/5/2009	Mark F. Boller	Geo HP- Res	$ 3,000.00	$ 225.00	$ -
10/5/2009	John Welgan	Solar - Res	$ 15,000.00	$ 750.00	$ -
11/4/2009	LKSC Dover, LLC Kids Cottage	Geo - Comm	$ 12,000.00	$ 750.00	$ -
3/25/2010	Minaxi Patel	Solar - Res	$ 15,000.000	$ 750.000	$ -
3/23/2010	J. McGiffin Jr. & K. Doyle	Geo HP- Res	$ 3,000.000	$ 225.000	$ -
5/28/2010	Nancy Warner	Geo HP- Res	$ 1,200.000	$ 90.000	$ -
6/2/2010	David Teel	Geo HP - Res	$ 1,800.000	$ 135.000	$ -
6/2/2010	Dewey J. Barich	Geo HP- Res	$ 2,400.00	$ 180.000	$ -
7/12/2010	Mike & Sharonb Laverty	Solar - Res	$ 5,105.000	$ 382.880	$ -
8/19/2010	James Grilli	Geo HP- Res	$ 1,800.00	$ 135.000	$ -
8/19/2010	Michael Noble	Solar - Res	$ 15,000.000	$ 750.000	$ -
9/17/2010	David Teel	Solar - Res	$ 7,500.000	$ 562.500	$ -
3/8/2011	Michael & Carol Apgar	Solar - Res	$ 7,500.000	$ 562.500	$ -
3/17/2011	Elizabeth Murphey School	Geo HP - Comm	$ 9,200.000	$ 690.000	$ -
5/24/2011	Richard Avant	Geo HP - Res	$ 2,400.000	$ 180.000	$ -
6/23/2011	Charles Messina Plumbing	Solar - Comm	$ 10,000.000	$ 750.000	$ -
10/4/2011	Charles Bounds	Geo HP - Res	$ 1,800.000	$ 135.000	$ -
3/29/2011	Psychiatric Access Central DE	Solar - Comm	$ 13,187.500	$ 750.000	$ -
7/8/2011	Michael J. Kopp	Geo - Res	$ 2,300.000	$ 135.000	$ 37.50
10/17/2011	City of Dover ** Library	Geo - Comm	$ 48,267.000	$ -	$ -
3/7/2012	Ruth Ann Piper	Geo - Res	$ 1,200.000	$ 90.00	$ -
3/7/2012	Robert Hall	Geo - Res	$ 3,000.000	$ 225.00	$ -
3/7/2012	Elizabeth Murphey School	Geo - Comm	$ 13,800.000	$ 750.00	$ -
3/7/2012	Elizabeth Murphey School	Geo - Comm	$ 12,000.000	$ 750.00	$ -
3/7/2012	Elizabeth Murphey School	Geo - Comm	$ 5,400.000	$ 405.00	$ -
3/7/2012	Elizabeth Murphey School	Geo - Comm	$ 1,800.000	$ 135.00	$ -
3/7/2012	Elizabeth Murphey School	Geo - Comm	$ 10,200.000	$ 750.00	$ -
3/7/2012	Frank Daniels	Geo - Res	$ 4,400.00	$ 303.75	$ 26.25
8/15/2012	Chong S. Tamburo-Lepage	Geo - Res	$ 2,300.00	$ 172.50	$ -
12/5/2012	City of Dover ** Library	Geo - Comm	$ 152,141.32	$ -	$ -
12/19/2012	Christopher W. Los	Geo - Res	$ 3,000.00	$ 225.00	$ -
1/30/2013	Matthew and Kimberly Chesser	Geo - Res	$ 3,000.00	$ 225.00	$ -
2/25/2013	Dennis Ho	Solar - Res	$ 6,775.00	$ 508.13	$ -
6/28/2013	John DeMarie	Geo - Res	$ 3,000.00	$ -	$225.00
10/30/2013	James and Corinna Fritsch	Solar - PV - Res	$ 5,287.50	$ -	$396.56
10/30/2013	James and Deri Austin	Solar - PV - Res	$ 7,500.00	$ -	$562.50
		Total	**$ 689,770.82**	**$ 22,292.26**	**$ 1,247.81**

ARRA RELIEF GRANTS PAID

Paid by State	Customer	System Type	Amount
6/10/2011	Arturo Sanchez	Solar - PV - Res	$ 7,500.00
10/19/2011	John Diamond Enterprise LLC	Solar - PV - Com	$ 30,000.00
10/19/2011	John Diamond Enterprise LLC	Geo HP - Com	$ 10,000.00
		Total	**$ 47,500.00**

RECEIVED APPLICATIONS

Status	Applicant	Type	Grant Reservation Request	Review Fee
Approved Pending Completion	Calogero Guarraggi	Solar - PV - Res	$ 7,500.00	$ 562.50
Approved Pending Completion	Elizabeth Murphy School	Geo HP - Com	$ 3,700.00	$ 277.50
Approved Pending Completion	Governors Avenue Animal Hospital	Solar - PV - Com	$ 13,550.75	$ 750.00
Approved Pending Completion	Holly Pfeifer	Solar - PV - Res	$ 5,750.00	$ 431.25
Approved Pending Completion	Mohammed Fuad	Geo HP - Res	$ 3,000.00	$ 225.00
Approved Pending Completion	Julia M. Pillsbury	Geo HP - Res	$ 3,000.00	$ 225.00
		Total	**$ 36,500.75**	**$ 2,471.25**

ENERGY DEPOT FEES

Paid	Fee Period	Amount
3/3/2008	Start-up Fees	$ 5,872.50
4/15/2008	Start-up Fees	$ 1,957.50
4/15/2008	Mar, Apr, May 2008	$ 1,692.13
7/22/2008	June, July, Aug 2008	$ 1,692.13
10/10/2008	Sept, Oct, Nov 2008	$ 1,692.13
1/2/2009	Dec 08, Jan, Feb 2009	$ 1,692.13
4/3/2008	Mar, Apr, May 2009	$ 1,692.13
7/1/2009	June, July, Aug 2009	$ 1,692.13
9/11/2009	Sept, Oct, Nov 2009	$ 1,692.13
1/4/2010	Dec 09, Jan, Feb 2010	$ 1,692.13
3/29/2010	Mar, April, May 2010	$ 1,692.13
6/30/2010	June, July, Aug 2010	$ 1,692.13

SEPA Fees

Date	Measure	Cost
3/19/2012	2012 Annual Membership	$ 2,158.81
1/31/2013	2013 Annual Membership	$ 2,158.80
Total		**$ 4,317.61**

10/4/2010	Sept, Oct, Nov 2010	$	1,692.13
1/3/2011	Dec 2010, Jan, Feb 2011	$	1,692.13
4/5/2011	Mar, Apr, May 2011	$	1,692.13
7/8/2011	June, July, Aug 2011	$	1,692.13
10/4/2011	Sept, Oct, Nov, 2011	$	1,692.13
1/3/2012	Dec 2011; Jan, Feb 2012	$	1,692.13
4/5/2012	Mar, Apr, May 2012	$	1,692.13
7/2/2012	June, July, Aug 2012	$	1,692.13
10/2/2012	Sept, Oct, Nov 2012	$	1,692.13
11/30/2012	Dec 12, Jan, Feb 2013	$	1,692.13
2/25/2013	Mar, Apr, May 2013	$	1,692.13
7/22/2013	June, July, Aug 2013	$	1,692.13
8/26/2013	Sept, Oct, Nov, 2013	$	1,692.13
12/3/2013	Dec 13. Jan, Feb 2014	$	1,692.13
	Mar, Apr, May 2014		
	June, July, Aug 2014		
	Sept, Oct, Nov 2014		
	Dec 14, Jan, Feb 2015		
	Total Paid	**$**	**48,441.12**

ENERGY EFFICIENCY CAMPAIGNS/EDUCATION PROGRAMS

Paid	Program Measure	Amount
10/21/2008	1,500 CFL Campaign &	$ 5,012.29
12/11/2008	Reimbursement for Green Energy/Information Pamphlets	$ 3,459.12
3/31/2009	Thermal Imager for Home Audits Program	$ 5,581.12
1/4/2011	Eco @ Home Energy Conserve. Calendars	$ 20,015.81
1/14/2014	Presbyterian Church of Dover - Energy Efficiency Grant	$3,200.00
	Total	**$ 37,268.34**

Dover Library Community Funds Collection - **$ 1,970,000.00** Allocation change from Dover

Collections	
$ 5,021.15	1/2 of Oct 2009 GEF Payment
$ 4,783.94	1/2 of Nov 2009 GEF Payment
$ 4,813.23	1/2 of Dec 2009 GEF Payment
$ 5,454.02	1/2 of Jan 2010 GEF Payment
$ 5,147.49	1/2 of Feb 2010 GEF Payment
$ 4,897.69	1/2 of March 2010 GEF Payment
$ 3,976.14	1/2 of April 2010 GEF Payment
$ 5,638.90	1/2 of May 2010 GEF Payment
$ 5,645.35	1/2 of June 2010 GEF Payment
$ 6,590.60	1/2 of July 2010 GEF Payment
$ 7,786.09	1/2 of August 2010 GEF Payment
$ 6,415.31	1/2 of Sept 2010 GEF Payment
$ 5,327.96	1/2 of Oct 2010 GEF Payment
$ 4,787.73	1/2 of Nov 2010 GEF Payment
$ 4,939.75	1/2 of Dec 2010 GEF Payment
$ 5,452.55	1/2 of Jan 2011 GEF Payment
$ 5,410.35	1/2 of Feb 2011 GEF Payment
$ 4,646.32	1/2 of March 2011 GEF Payment
$ 4,742.22	1/2 of April 2011 GEF Payment
$ 4,702.48	1/2 of May 2011 GEF Payment
$ 5,664.97	1/2 of June 2011 GEF Payment
$ 6,430.15	1/2 of July 2011 GEF Payment
$ 6,916.50	1/2 of Aug 2011 GEF Payment
$ 6,149.31	1/2 of Sept 2011 GEF Payment
$ 5,243.92	1/2 of Oct 2011 GEF Payment
$ 4,829.91	1/2 of Nov 2011 GEF Payment
$ 4,531.81	1/2 of Dec 2011 GEF Payment
$ 4,990.50	1/2 of Jan 2012 GEF Payment
$ 5,071.81	1/2 of Feb 2012 GEF Payment
$ 4,828.32	1/2 of March 2012 GEF Payment
$ 4,857.07	1/2 of April 2012 GEF Payment
$ 4,230.04	1/2 of May 2012 GEF Payment
$ 5,711.19	1/2 of June 2012 GEF Payment
$ 6,085.89	1/2 of July 2012 GEF Payment
$ 7,347.66	1/2 of Aug 2012 GEF Payment
$ 6,453.66	1/2 of Sept 2012 GEF Payment
$ 4,886.43	1/2 of Oct 2012 GEF Payment
$ 4,132.99	1/2 of Nov 2012 GEF Payment
$ 5,513.86	1/2 of Dec 2012 GEF Payment
$ 5,187.25	1/2 of Jan 2013 GEF Payment
$ 5,307.83	1/2 of Feb 2013 GEF Payment
$ 4,783.25	1/2 of March 2013 GEF Payment
$ 4,903.40	1/2 of April 2013 GEF Payment
$ 4,673.21	1/2 of May 2013 GEF Payment
$ 5,322.04	1/2 of June 2013 GEF Payment
$ 6,352.74	1/2 of July 2013 GEF Payment
$ 6,519.11	1/2 of Aug 2013 GEF Payment
$ 5,995.23	1/2 of Sept 2013 GEF Payment
$ 4,913.73	All of Oct 2013 GEF Payment
$ 9,543.51	All of Nov 2013 GEF Payment
$ 9,829.60	All of Dec 2013 GEF Payment
	All of Jan 2014 GEF Payment
	All of Feb 2014 GEF Payment
	All of March 2014 GEF Payment
	All of April 2014 GEF Payment
	All of May 2014 GEF Payment
	All of June 2014 GEF Payment
	All of July 2014 GEF Payment
	All of Aug 2014 GEF Payment
	All of Sept 2014 GEF Payment
	All of Oct 2014 GEF Payment
	All of Nov 2014 GEF Payment
	All of Dec 2014 GEF Payment
	All of Jan 2015 GEF Payment
	All of Feb 2015 GEF Payment
	All of March 2015 GEF Payment
$ 283,386.04	**Total Collections**

Per Allocation Request from Dover 10/30/2013

10/30/2013 **Dover Library Community Grant Payment Schedule**

Payment Due Date	Requested Amount	Funds Available	Funds Paid to Date
10/17/2011	$ 48,267.00		$ 48,267.00
12/5/2012	$ 152,141.32		$ 152,141.32
June 1, 2014	$ 98,500	$ 82,977.71	
June 1, 2015	$ 98,500		
June 1, 2016	$ 98,500		
June 1, 2017	$ 98,500		
June 1, 2018	$ 98,500		
June 1, 2019	$ 98,500		
June 1, 2020	$ 98,500		
June 1, 2021	$ 98,500		
June 1, 2022	$ 98,500		
June 1, 2023	$ 98,500		
June 1, 2024	$ 98,500		
June 1, 2025	$ 98,500		
June 1, 2026	$ 98,500		
June 1, 2027	$ 98,500		
June 1, 2028	$ 98,500		
June 1, 2029	$ 98,500		
June 1, 2030	$ 98,500		
June 1, 2031	$ 98,500		
June 1, 2032	$ 98,500		
June 1, 2033	$ 98,500		
Total	**$ 1,970,000.00**	**$ 82,977.71**	**$ 200,408.32**

City of Dover
Electric Revenue Fund
FY14 - White Oak Solar Park Incremental Cost

	July	August	September	October	November	December	YTD	Original Budget
Power Supply & Generation								
Dover Sun Park - Energy	$ 187,421	$ 176,372	$ 204,852	$ 120,839	$ 99,447	$ 64,684	$ 853,615	$ 1,565,800
Dover Sun Park - REC's	43,005	38,516	42,894	25,307	20,875	-	170,598	300,000
Total Power Supply Cost	230,426	214,888	247,746	146,146	120,322	64,684	1,024,212	1,865,800
Non-Solar Power Supply Cost	(180,227)	(154,545)	(154,590)	(100,770)	(79,066)	(52,146)	(721,344)	(743,964)
Incremental Energy Cost	$ 50,199	$ 60,343	$ 93,156	$ 45,376	$ 41,256	$ 12,538	$ 302,868	$ 1,121,836
Revenues								
Customer Sales - Electricity	(9,404)	(7,389)	(7,538)	(7,662)	(7,721)	(7,662)	(47,376)	(26,300)
Rent Receipts	(14,446)	-	-	(14,446)	-	-	(28,892)	(58,300)
Total Revenues	(23,850)	(7,389)	(7,538)	(22,108)	(7,721)	(7,662)	(76,268)	(84,600)
Incremental Sun Park Cost	$ 26,349	$ 52,954	$ 85,618	$ 23,268	$ 33,535	$ 4,876	$ 226,600	$ 1,037,236
MWh Purchased/Generated - Solar	2,052.584	1,815.656	2,000.128	1,179.844	970.972	631.556	8,650.740	18,159.000
MWh $ Solar Energy	$ 91.31	$ 97.14	$ 102.42	$ 102.42	$ 102.42	$ 102.42	$ 98.68	$ 86.23
Solar REC's MWh	307.000	272.000	300.000	177.000	146.000	-	1,202.000	
MWh $ Solar REC (one month lag)*	$ 140.08	$ 141.60	142.98	142.98	142.98	-	$ 141.93	
MWh $ Non-Solar Energy	$ 87.81	$ 85.12	$ 77.29	$ 85.41	$ 81.43	$ 82.57		

Note: Solar REC's are one month behind due to the time the invoice is received.