UTILITY COMMITTEE
AGENDA

FEBRUARY 9, 2015 - 5:15 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. **REIMBURSEMENT AGREEMENT WITH PIONEER MATERIALS - ABANDONMENT OF SHALLOW WELL #7A**
   (STAFF RECOMMENDS AUTHORIZING THE CITY MANAGER TO EXECUTE THE REIMBURSEMENT AGREEMENT)

2. **QUARTERLY REVIEW OF UTILITY RELATED CAPITAL INVESTMENT PLAN (CIP) (ELECTRIC AND WATER/WASTEWATER) (OCTOBER, NOVEMBER, AND DECEMBER)**
   (COMMITTEE ACTION NOT REQUIRED)

3. **TEA/NAES REPORT (*DECEMBER*)**
   (STAFF RECOMMENDS ACCEPTANCE OF THE REPORT)

4. **UPDATES**
   (COMMITTEE ACTION NOT REQUIRED ON THE BELOW ITEMS)
   - **A. GARRISON OAK TECHNICAL PARK PROJECT UPDATES**
     - **A-1. CITY INFRASTRUCTURE**
     - **A-2. CALPINE ENERGY CENTER**
     - **A-3. DOVER SUN PARK**

5. **ADJOURNMENT BY 5:40 P.M.**

/TM
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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.

ACTION FORM

PROCEEDING: Utility Committee	**AGENDA ITEM**:
DEPARTMENT OF ORIGIN: Public Works	**DATE SUBMITTED**: 01/30/15
PREPARED BY: Sharon J. Duca, P.E., Public Works Director / City Engineer	
SUBJECT: Reimbursement Agreement – Abandonment of Shallow Well 7A	
REFERENCE: N/A	
RELATED PROJECT: N/A	
APPROVALS: City Manager	
EXHIBITS: Reimbursement Agreement, Estimates, Aerial Exhibit	
EXPENDITURE REQUIRED: $ N/A	**AMOUNT BUDGETED**: $ N/A
FUNDING SOURCE (Dept./Page in CIP & Budget): N/A	
TIME TABLE: Agreement will be accepted and well will be abandoned upon action by City Council.	
RECOMMENDED ACTION: Acceptance and authorization for the City Manager to execute the reimbursement agreement.	

BACKGROUND AND ANALYSIS

In December of 2007, Pioneer Materials (formerly known as Tilcon) was performing dredging operations at their quarry on Long Point Road. Within the property in question, the City of Dover (City) owns a water production well and associated water main that provides water to our water treatment plant, which is adjacent to the Pioneer property. The City has an easement agreement with Pioneer to utilize said lands for the use of said infrastructure. During the operations in 2007, Pioneer excavated into the easement with the City and undermined the water supply line, electrical line and communication line for well 7A, rendering the well, its support equipment and alarms inoperable. Due to the limited amount of stable land remaining in the vicinity of the encroachment, restoring the well is not a feasible solution.

Following this event, representatives of Pioneer voiced a concern that the City's water line may not have been within the City's easement. A survey was subsequently performed by Compass Point Associates. That survey indicated that the City's lines are within the easement.

Pioneer accepted the easement findings and began negotiating with the City on a reimbursement agreement. The City obtained two (2) estimates from A.C. Schultes; the first was to abandon the well only, the second was to abandon the well as well as remove the piping and vault. Pioneer reviewed the two (2) estimates and believed the second option was best suited for their long term plans.

Pioneer has accepted the attached agreement as written. Please note that if the City chooses to replace the well, Pioneer is required to provide compensation in the amount of $50,000 for the construction of the new well.

Due to the above, the City of Dover Department of Public Works requests acceptance of this agreement and authorization for the City Manager to execute.

AGREEMENT

FUNDING FOR SHALLOW WELL 7A ABANDONMENT

This **AGREEMENT** made this _____ day of _____ 2014 by and between the City of Dover, a Delaware Municipal Corporation, whose address is 15 Loockerman Plaza, P.O. Box 475, Dover, Delaware 19903-0475 (hereinafter referred to as the **CITY**), and Pioneer Materials, whose address is 880 Long Point Road, Dover, Delaware, 19901 (hereinafter referred to as **PIONEER**).

WITNESSETH:

WHEREAS, PIONEER provides the **CITY** the amount of $13,126.00 prior to authorizing the following **CITY** project:

1. Abandonment of Shallow Well 7A, including Piping and Vault Removal, scheduled to begin in FY 2015 (July 1, 2014 – June 30, 2015).

WHEREAS, the purpose of these monies is to provide compensation to the **CITY** for properly abandoning the existing, inoperable Well 7A, in lieu of **PIONEER** providing the required services for abandoning Well 7A.

WHEREAS, this abandonment falls within the limits of a **CITY** operational project rather than a private construction project.

Now therefore, **CITY** and **PIONEER**, for and in consideration of the mutual covenants hereinafter stipulated to be kept and performed, agree as follows:

SECTION I

PIONEER agrees to the following terms:

A. **PIONEER** is directly responsible for the inoperability of Shallow Well 7A due to the undermining of land near the well.

B. **PIONEER** will provide the **CITY** reimbursement in the amount of $13,126.00 within thirty (30) days after project completion of the Shallow Well 7A Abandonment.

C. **PIONEER** shall be required to provide the **CITY** additional compensation up to $50,000 for the construction of a new well if one can be constructed within ten (10) years, which began in December of 2007. The location of the well shall be limited to the Columbia aquifer and within proximity of the existing distribution mains that feed the existing water treatment plant on Long Point Road.

SECTION II

CITY agrees to the following terms:

A. **CITY** will provide appropriate notice to **PIONEER** when the Shallow Well 7A Abandonment project begins and finishes.

B. **CITY** will provide appropriate notice and/or justification to **PIONEER** if the Shallow Well 7A Abandonment project is delayed.

C. **CITY** will indemnify, defend, and save harmless **PIONEER** from such claims, damages, litigation, and liabilities that result from, arise out of, or are caused by, and only to the extent of, **CITY's** acts or omissions or the acts or omissions of **CITY's** subcontractors or agents.

D. In consideration of the sum of $13,126.00, to be paid hereunder, **CITY** agrees to release, discharge, and hold harmless **PIONEER**, its officers, employees, agents, insurers, subsisdiaries, affiliates, and assigns from any and all claims, causes of action, demands or liability arising from the undermining of Shallow Well 7A in 2007.

E. **CITY** shall give eighteen (18) months prior written notice should **CITY** elect to install a new well pursuant to Section I(C) herein.

CITY and **PIONEER** consent that this agreement is the entire and complete Agreement between the parties and that no alterations, modification or amendments of this Agreement shall be made or deemed valid unless approved in writing and signed by both parties.

IN WITNESS THEREOF, the parties hereunto have caused this Agreement to be executed in duplicate, the day and year first above written.

CITY OF DOVER

Approved as to form: By:

_____ _____

City Solicitor Scott D. Koenig, P.E.
City Manager

PIONEER MATERIALS

Approved as to form: By:

_____ _____

A.C. Schultes of Delaware, Inc.
P.O. Box 188 – 16289 Sussex Highway
Bridgeville, Delaware 19933
24 Hour Service
(302) 337-8254
Fax: (302) 337-8234

November 19, 2013

Mr. John Sisson
City of Dover
P.O. Box 475
Dover, DE 19903

RE: WELL ABANDONMENT PRICING – WELL #7A
ACSD QUOTE MC#7205

Dear Mr. Sisson:

Per our recent meeting, A.C. SCHULTES OF DELAWARE, INC. is pleased to quote you the following options for abandoning Well #7A:

Option #1 – Well Abandonment Only:

- Remove existing submersible pump, motor, drop pipe and wire
- Verify well diameter
- Sound well to determine present depth
- Abandon well per State of Delaware regulations
- Submit abandonment report to regulatory agency

TOTAL COST TO COMPLETE OPTION #1. . . . . .$5,725.00

Option #2 – Well Abandonment Including Piping & Vault Removal:

- Remove existing submersible pump, motor, drop pipe and wire

- Verify well diameter
- Sound well to determine present depth
- Abandon well per State of Delaware regulations
- Submit abandonment report to regulatory agency
- Remove and dispose of discharge piping in vault
- Excavate and remove existing 8’ x 8’ x 8’ concrete vault
- Backfill excavated area with select fill, tamp and rough grade

TOTAL COST TO COMPLETE OPTION #2. . . . . .$13,126.00

Thank you for allowing our firm the opportunity to submit a proposal on this project. Our payment terms are Net 30 Days. All unpaid invoices beyond 30 days will be assessed a 1.5% finance charge per month. We also accept Visa and MasterCard credit card payments. If payment is made with a credit card, please add 3% to total invoice amount for credit card processing. This proposal may be withdrawn or renegotiated by our firm if not accepted within 30 days. Authorization to proceed can be given by signing the attached authorization form, checking the option selected and returning it to my attention at P.O. Box 188, Bridgeville, DE 19933, faxing it to 302-337-8234 or e-mailing it to rmcacsde@verizon.net .

Respectfully,

A.C. SCHULTES OF DELAWARE, INC.

R. Michael Collison

R. Michael Collison
President

RMC/bh

AUTHORIZATION TO PROCEED

I, _____, representing_____

hereby authorize A.C. SCHULTES OF DELAWARE, INC. to proceed with the scope of work as described in their proposal dated, November 19, 2013.

Date: _____ Signed: _____

Printed: _____

PO # _____ Witnessed: _____

ACSD QUOTE MC#7205

TAX EXEMPTION CERTIFICATE #

Options: (please check)

___ Option #1 – Well Abandonment only

___ Option #2 – Well Abandonment with Piping & Vault Removal

Exhibit A

Well 7A - Location Map



0 500 1,000 2,000 Feet

N

Legend

- Utility Relocation Area
- Parcel Lines
- **Fire Hydrants**
  - 1500 GPM
  - 1000 - 1499 GPM
  - 500 - 999 GPM
  - Below 500 GPM
- Dead End
- Sanitary Manhole
- Pump Station
- Service Line
- Sanitary Force Main
- Reducer
- Well #7A
- Service Connection
- Meter Pit
- Hydrant Valve
- Division Valve
- Curb Stop/Meter Pit
- Curb Stop/House
- Curb Stop
- Blow Off
- **Water Main**: 1", 2", 3", 4", 6", 8", 10", 12", 14", 16", 20"
- **Sanitary Sewer Line**: 10", 12", 15", 16", 18", 20", 21", 24", 27", 30", 35", 36", 4", 6", 8"

Date Printed: January 30, 2015
File: m:\gis_data\projects\tech_mxds
\jason_lyon_maps\caf_maps
\caf_well_7a
Department: Public Works GIS
City of Dover, Delaware

City of Dover
Capital Investment Plan
Project Tracking Report
Quarterly Report as of Dec 31, 2014

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.

Current Year Budget Funding Sources	General	Community Transportation	Water & Wastewater	Electric	Total CIP
Budget Balance	$ 2,069,300	$ -	$ 10,981,300	$ 2,318,900	$ 15,369,500
General Billings for Reimbursement of Expense	-	-	-	250,000	250,000
Debt Financing	3,532,200	-	-	-	3,532,200
Other State/Federal Grants	208,000	-	-	-	208,000
State Community Transportation Funds	-	1,677,800	-	-	1,677,800
Transfer from WW Impact Fee Reserve	-	-	1,315,600	-	1,315,600
Transfer from General Fund	2,196,000	-	-	-	2,196,000
Transfer from Operating Funds	-	-	3,000,000	4,750,000	7,750,000
Transfer from Parkland Reserve	104,000	-	-	-	104,000
Interest Income	-	-	25,000	24,800	49,800
Total Funding Sources (Unaudited)	$ 8,109,500	$ 1,677,800	$ 15,321,900	$ 7,343,700	$ 32,452,900

City of Dover
General Fund - Major CIP Projects
Quarterly Report as of Dec 31, 2014

				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	Original Fiscal Year Budget	Revised Fiscal Year Budget	Fiscal YTD Expenses	Budget Balance	% Budget Spent	Status	Comments
1			**FY 2013**												
2	ST1304	M B/L	Garrison Farm Improvements	$ 1,924,000	$ 4,600,000	$ 1,229,035	$ 3,370,965	26.7%	$ 2,600,000	$ 4,226,700	$ 855,724	$ 3,370,976	20.2%	In Process	Project approximately 55% complete
3			**Totals - FY 2013**	$ 1,924,000	$ 4,600,000	$ 1,229,035	$ 3,370,965	26.7%	$ 2,600,000	$ 4,226,700	$ 855,724	$ 3,370,976	20.2%		
4															
5			**FY 2014**												
6	---		Equipment (Sprayer)	$ 18,600	$ 18,600	$ -	$ 18,600	0.0%	$ -	$ 18,600	$ -	$ 18,600	0.0%	In Process	30 Gallon Sprayer
7	CS1402	G	Security Cameras/Fence	55,000	55,000	77	54,923	0.1%	-	55,000	77	54,923	0.1%	In Process	To be completed in Feb 2015
8	PR1401		A/C System @ Pitts Center	65,000	104,000	46,800	57,200	45.0%	-	104,000	46,800	57,200	45.0%	In Process	Installed and 99% complete. Punch list
9	PR1402	G	Schutte Park Land Improvement	30,000	49,700	49,700	0	100.0%	-	48,300	48,276	24	99.9%	Complete	
10	PR1403	G	Demolition @ White Oak Park	-	70,500	59,452	11,048	84.3%	-	66,100	55,047	11,053	83.3%	In Process	
11	ST1402		Concrete Program	70,000	45,500	3,937	41,563	8.7%	-	42,300	702	41,598	1.7%	In Process	Project underway, awaiting invoices
12	ST1403	B/L	FY 2014 Bonded Street Program	570,869	522,969	505,430	17,539	96.6%	-	60,700	150	60,550	0.2%	Complete	Project complete, awaiting final invoice / maintenance bond
13	ST1403	B/L	Pear Street	126,100	126,100	120,942	5,159	95.9%	-	126,100	120,942	5,159	95.9%	Complete	Project complete, awaiting final invoice / maintenance bond
	ST1403	B/L	WQI - Rt 13 Water Main	43,000	43,000	43,031	(31)	100.1%	-	43,000	43,031	(31)	100.1%	Complete	
14	ST1404		Village of Westover IV	129,400	129,400	-	129,400	0.0%	-	129,400	-	129,400	0.0%	Complete	Funds for project transferred to Cannon Mill repaving
15			**Totals - FY 2014**	$ 1,107,969	$ 1,164,769	$ 829,368	$ 335,401	71.2%	$ -	$ 693,500	$ 315,024	$ 378,476	45.4%		
16															
17			**FY 2015**												
18	---		Vehicles & Equipment	$ 673,100	$ 673,100	$ 91,979	$ 581,121	13.7%	$ 673,100	$ 673,100	$ 91,979	$ 581,121	13.7%	In Process	
19	---	G	Stormwater Utility Plan	90,000	90,000	-	90,000	0.0%	90,000	90,000	-	90,000	0.0%	In Process	Received authorization to begin in December. Project underway.
20	---		800 MHZ Radio Replacement - Police	329,500	329,500	226,181	103,320	68.6%	329,500	329,500	226,181	103,320	68.6%	In Process	
21	FR1500		Annual Contribution to Robbins Hose	238,500	238,500	237,965	535	99.8%	238,500	238,500	237,965	535	99.8%	Complete	
22	FR1501		SCBA Equipment/Radios	588,800	588,800	-	588,800	0.0%	588,800	588,800	-	588,800	0.0%	In Process	
23	PR1501	50%G	Park & Playground Impr Equipment	66,000	66,000	-	66,000	0.0%	66,000	66,000	-	66,000	0.0%		
24	PR1502		Dover Park Improvement	80,000	80,000	-	80,000	0.0%	80,000	80,000	-	80,000	0.0%	Deferred	Awaiting completion of needs assessment. Put in Reserve for now.
25	ST1501		Salt Storage Barn	50,000	50,000	-	50,000	0.0%	-	50,000	-	50,000	0.0%	In Process	Staff working to piggyback off of State contract
26	ST1502		Streets, Alleys and Concrete Prog.	900,000	669,400	2,227	667,173	0.3%	900,000	669,400	2,227	667,173	0.3%	In Process	Patching contract awarded, concrete work underway.
27	ST1503		Misc Emergency Street/Storm Repairs	75,000	75,000	34,201	40,799	45.6%		75,000	34,201	40,799	45.6%	In Process	Project ongoing
28	ST1504	G	Old PW2 Site Improvements	150,000	150,000	-	150,000	0.0%	150,000	150,000		150,000	0.0%	In Process	Design work occuring, awaiting invoices
29	ST1505		Silver Lake Dam Inspection	51,400	51,400	13,491	37,909	26.2%	51,400	51,400	13,491	37,909	26.2%	In Process	Initial report complete, secondary revision forthcoming
30	ST1506		Stormwater Ditch Maintenance	15,000	15,000	-	15,000	0.0%	15,000	15,000	-	15,000	0.0%		
31	ST1507		Buttner Place Flooding Design	-	10,000	-	10,000	0.0%		10,000		10,000	0.0%	In Process	Design work occuring, bid in Feb
32	CS1502		12 Additional Security Cameras	102,600	102,600	-	102,600	0.0%	102,600	102,600	-	102,600	0.0%		
33				$ 3,409,900	$ 3,189,300	$ 606,043	$ 2,583,257	19.0%	$ 3,284,900	$ 3,189,300	$ 606,043	$ 2,583,257	19.0%		
34															
35			**Grand Totals**	$ 6,441,869	$ 8,954,069	$ 2,664,447	$ 6,289,622	29.8%	$ 5,884,900	$ 8,109,500	$ 1,776,792	$ 6,332,708	21.9%		

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.
G = Grant funded project
B/L = To be financed through bonds or commercial loan.

City of Dover
Community Transportation - Major CIP Projects
Quarterly Report as of Dec 31, 2014

				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	Original Fiscal Year Budget	Revised Fiscal Year Budget	Fiscal YTD Expenses	Budget Balance	% Budget Spent	Status	Comments
1			**FY 2009 - FY 2013**												
2	CT0212		South Street Paving	$ 80,400	$ 42,200	$ 42,198	$ 2	100.0%	$ -	$ -	$ -	$ -	0.0%	Complete	Remaining funds transferred to CT1562
3	ST0232		Pat Lynn Drive/D.H.S. Storm Drain Pipe	155,200	190,300	184,778	5,522	0.0%	-	5,500	-	5,500	0.0%	Complete	Unused funds still available
4	CT0555		Little League Parking Lot paving	11,600	-	-	-	0.0%	-	-	-	-	0.0%	Complete	Remaining funds transferred to CT1562
5	TE0601	M	Lincoln Park Center	900,000	1,423,500	523,277	900,223	36.8%	-	900,200	-	900,200	0.0%	In Process	On-going
6	CT0708		E Water Street Brick	65,000	65,000	-	65,000	0.0%	-	65,000	-	65,000	0.0%		Specialty contract needed
7	CT0977		Schutte Park Parking Lot	22,000	-	-	-	0.0%	-	-	-	-	0.0%	Complete	Budget transferred to CT1562
8	CT1201		North Street Roundabout	500,000	572,200	572,205	(5)	100.0%	-	17,800	17,840	(40)	100.2%	Complete	
9	CT1317		Wesley College Phase II	148,600	148,600	119,241	29,359	80.2%	-	29,400	-	29,400	0.0%	In Process	Funds transferred to concrete project, which is underway, awaiting invoices
10	CT1369		Bayard Ave (Orchard Av & Morris Dr)	24,700	24,700	3,396	21,304	13.7%	-	24,700	3,396	21,304	13.7%	In Process	Awaiting final invoice
11			**Totals - FY 2009 - FY 2013**	$ 1,907,500	$ 2,466,500	$ 1,445,095	$ 1,021,405	58.6%	$ -	$ 1,042,600	$ 21,236	$ 1,021,364	2.0%		
12															
13			**FY 2014**												
14	CT1405		Lakeview Drainage Study	$ 24,400	$ 24,400	$ 12,097	$ 12,303	49.6%	$ -	$ 24,400	$ 12,097	$ 12,303	49.6%	In Process	Final design alignment approved by owner
15	CT1412		Inner City Cultural League - S. West St.	38,400	38,400	-	38,400	0.0%	-	38,400	-	38,400	0.0%		Bids to go out in February
16	CT1490		Persimmon Park Place Planning Study	600	6,000	-	6,000	0.0%	-	6,000	-	6,000	0.0%		Awaiting final authorization from 21st Century funding (DNREC)
17			**Totals - FY 2014**	$ 63,400	$ 68,800	$ 12,097	$ 56,703	17.6%	$ -	$ 68,800	$ 12,097	$ 56,703	17.6%		
18															
19			**FY 2015**												
20	CT1542		Loockerman Plaza	$ 42,600	$ 42,600	$ -	$ 42,600	0.0%	$ 42,600	$ 42,600	$ -	$ 42,600	0.0%	In Process	Contractor to complete work as weather allows
21	CT1551		Townsend Blvd Striping	5,100	5,100	5,067	33	99.4%	5,100	5,100	5,067	33	99.4%	Complete	
22	CT1562		Village of Cannon Mill Repavement	315,000	386,900	-	386,900	0.0%	315,000	386,900	-	386,900	0.0%	In Process	Project underway
23	CT1571		Solid Rock Church	25,000	25,000	-	25,000	0.0%	25,000	25,000	-	25,000	0.0%	In Process	Purchase order provided to contractor
24	CTxxxx		Unapplied CT Projects (placeholder)	500,000	500,000	-	500,000	0.0%	112,300	106,800	-	106,800	0.0%		Future CT Agreements
25			**Totals - FY 2015**	$ 887,700	$ 959,600	$ 5,067	$ 954,533	0.5%	$ 500,000	$ 566,400	$ 5,067	$ 561,333	0.9%		
26															
27															
28			**Grand Totals**	$ 2,858,600	$ 3,494,900	$ 1,462,258	$ 2,032,642	41.8%	$ 500,000	$ 1,677,800	$ 38,400	$ 1,639,400	2.3%		

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

City of Dover
Water/Wastewater Improvement & Extension Fund - Major CIP Projects
Quarterly Report as of Dec 31, 2014

				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	Original Fiscal Year Budget	Revised Fiscal Year Budget	Fiscal YTD Expenses	Budget Balance	% Budget Spent	Status	Comments
1			**FY 2008 - FY 2013**												
2	WD0804	M	1.0 MG Elevated Water Storage	$ 4,196,600	$ 2,556,000	$ 87,827	$ 2,468,173	3.4%	$ -	$ 2,470,700	$ 2,500	$ 2,468,200	0.1%	In Process	Staff trying to site tank, in negotiations
3	WD0805	M	Piney Point Well	398,800	1,096,200	1,093,212	2,988	99.7%	-	3,000	-	3,000	0.0%	Complete	Pending final approval from DNREC
4	WW1010	I	Tar Ditch Interceptor Upgrade	518,200	518,200	50,082	468,118	9.7%	-	468,200	-	468,200	0.0%	In Process	Easement request sent to residents
5	WD1302	M	Garrison Farm Water Storage Tank	1,828,000	4,677,000	1,537,170	3,139,831	32.9%	400,000	4,221,600	1,081,780	3,139,820	25.6%	In Process	Multiyear Project
6	WW1304	M	Garrison Farm WW Improvements	1,828,000	3,779,600	1,611,175	2,168,425	42.6%	-	3,240,900	1,072,459	2,168,441	33.1%	In Process	Multiyear project
7			**Totals - FY 2008 - FY 2013**	$ 8,769,600	$ 12,627,000	$ 4,379,466	$ 8,247,534	34.7%	$ 400,000	$ 10,404,400	$ 2,156,739	$ 8,247,661	20.7%		
8															
9			**FY 2014**												
10	WW1205		Dover Brook Gardens PS Upgrade	$ 52,800	$ 16,000	$ 16,043	$ (43)	100.3%	$ -	$ 2,400	2,414	$ (14)	100.6%	Complete	
11	WW1206		Brandywine Pump Station	402,000	402,000	59,331	342,669	14.8%	-	365,500	22,856	342,644	6.3%	In Process	Contractor to mobilize in January
12	WW1207		McKee PS	55,000	55,000	7,724	47,276	14.0%	-	47,300	-	47,300	0.0%	In Process	Contractor to mobilize in February
13	WW1301		Hazlettville Rd Interceptor	20,400	20,400	5,129	15,271	25.1%	-	16,300	1,075	15,225	6.6%	Complete	
14	WW1302		Lakeview PS	52,700	52,700	42,871	9,829	81.3%	-	10,600	804	9,796	7.6%	Complete	
15	WW1303		Westover PS	768,800	768,800	56,987	711,813	7.4%	718,000	718,000	6,240	711,760	0.9%	In Process	Bids due February 4
16	II1402		West Dover Connector	37,800	37,800	37,800	(0)	100.0%	-	2,000	2,000	-	100.0%	Complete	
17	II1404		Basin #5 I & I Buck Drive	342,000	378,400	39,151	339,249	10.3%	-	339,200	-	339,200	0.0%	In Process	Contractor to mobilize in mid January
18			**Totals - FY 2014**	$ 1,731,500	$ 1,731,100	$ 265,037	$ 1,466,063	15.3%	$ 718,000	$ 1,501,300	$ 35,389	$ 1,465,911	2.4%		
19															
20			**FY 2015**												
21	---		Vehicles & Equipment	$ 382,300	$ 382,300	$ -	$ 382,300	0.0%	$ 382,300	$ 382,300	$ -	$ 382,300	0.0%		
22	WD1500		Meter Replacement Project	19,000	19,000	-	19,000	0.0%	19,000	19,000	-	19,000	0.0%	In Process	Obtaining quotes for meters
23	WD1501		Wellhead Redevelopment	80,000	80,000	-	80,000	0.0%	80,000	80,000	-	80,000	0.0%	In Process	Contractor has begun, awaiting invoices
24	WQ1501		Water Quality Improvements	527,500	340,800	-	340,800	0.0%	527,500	340,800	-	340,800	0.0%	In Process	West Dover Connector WQ, bid due in January
25	WQ1502		Misc Emergency Water Quality Repairs	75,000	75,000	25,065	49,935	33.4%	-	75,000	25,065	49,935	33.4%	In Process	Ongoing
26	WD1503		WTP Process Improvements	175,000	175,000	-	175,000	0.0%	175,000	175,000	-	175,000	0.0%	In Process	Project underway, awaiting invoices from consultant
27	WD1504		SCADA Equipment Tech Upgrade	78,000	78,000	-	78,000	0.0%	78,000	78,000	-	78,000	0.0%	In Process	Sole Source contract CAF in January
28	WD1505		Well #11 VFD Repair	6,000	6,000	-	6,000	0.0%	-	6,000	-	6,000	0.0%	In Process	Installation 95% complete, awaiting invoices
29	WW1501		Inflow/Infiltration Removal	917,400	693,100	-	693,100	0.0%	917,400	693,100	-	693,100	0.0%	In Process	West Dover Connector I&I bid due in January
30	WW1503		Hazzletteville Road Interceptor	755,000	755,000	-	755,000	0.0%	755,000	755,000	-	755,000	0.0%	In Process	Bids due February 26
31	WW1504		Lakeview Dr Pump Stn Replacement	450,000	450,000	1,008	448,992	0.2%	450,000	450,000	1,008	448,992	0.2%	In Process	Contractor to mobilize in Spring
32	WW1505		Pump Station Repairs	36,000	38,000	12,444	25,556	32.7%	36,000	38,000	12,444	25,556	32.7%	In Process	Awaiting delivery of materials
33	WW1506		Walker Rd PS Gen Replacement	58,000	58,000	-	58,000	0.0%	58,000	58,000	-	58,000	0.0%	In Process	Bid advertised in February
34	WW1507		Retreat Pump Station Replacement	52,000	52,000	15,976	36,024	30.7%	52,000	52,000	15,976	36,024	30.7%	In Process	Final bid documents expected in February
35	WW1508		McKee Run PS Generator Repair	14,000	14,000	-	14,000	0.0%	-	14,000	-	14,000	0.0%	In Process	Contractor to mobilize in late January
36	II1501		Misc Emergency I&I Repairs	200,000	200,000	104,010	95,990	52.0%	-	200,000	104,010	95,990	52.0%	In Process	Ongoing
37			**Totals - FY 2015**	$ 3,825,200	$ 3,416,200	$ 158,502	$ 3,257,698	4.6%	$ 3,530,200	$ 3,416,200	$ 158,502	$ 3,257,698	4.6%		
38															
39															
40			**Grand Totals**	$ 14,326,300	$ 17,774,300	$ 4,803,004	$ 12,971,296	27.0%	$ 4,648,200	$ 15,321,900	$ 2,350,630	$ 12,971,270	15.3%		

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

City of Dover
Electric Improvement & Extension Fund - Major CIP Projects
Quarterly Report as of Dec 31, 2014

				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 2012 - FY 2013**												
2	EG1212	M	Unit 3 Turbine Inspection/Repair	$ 1,494,000	$ 1,653,536	$ 1,561,756	$ 91,780	94.4%	$ -	$ 91,800	$ -	$ 91,800	0.0%	In Process	Will complete in spring
3	EE1308	M	Horsepond Substation Upgrade	730,900	1,088,700	912,504	176,196	83.8%	-	469,100	292,935	176,165	62.4%	In Process	
4	EE1312	M	General Scott Switchgear	1,155,000	1,155,000	25,224	1,129,776	2.2%	1,100,000	1,137,600	7,851	1,129,750	0.7%	In Process	
5	EE1314		Capitol Park Upgrade	-	347,872	328,997	18,875	94.6%		27,500	8,574	18,926	31.2%	In Process	Under construction
6			**Totals - FY 2012 - FY 2013**	$ 3,379,900	$ 4,245,108	$ 2,828,482	$ 1,416,626	66.6%	$ 1,100,000	$ 1,726,000	$ 309,360	$ 1,416,640	17.9%		
7															
8			**FY 2014**												
9	---		Metering Infrastructure & Freightliner	$ 392,000	$ 425,000	$ 241,828	$ 183,172	56.9%	$ 33,000	$ 425,000	$ 241,828	$ 183,172	56.9%	In Process	
10	EE1443		GOTP Transmission Line Relocation	550,000	550,000	19,548	530,453	3.6%	-	550,000	19,548	530,453	3.6%	In Process	
11	EG1402	M	Unit 3 Cooling Tower Repairs	803,000	1,123,000	577,286	545,714	51.4%	676,000	1,091,200	545,501	545,699	50.0%	In Process	Will complete in January - February
12	EG1406		McKee Run Energy Pipe Replacement	80,000	80,000	77,692	2,308	97.1%	-	26,500	24,178	2,322	91.2%	In Process	Work complete, waiting on invoicing
13	EG1407	M	Metering System Upgrades	150,000	150,000	-	150,000	0.0%	125,000	150,000	-	150,000	0.0%	In Process	Schedule and scope under evaluation
14	EG1408		McKee/VanSant Safety & Compliance	185,000	86,000	30,329	55,671	35.3%	-	63,100	7,403	55,697	11.7%	In Process	Will complete in spring
15	EG1413		McKee/VanSant Preserve Structure	42,000	42,000	-	42,000	0.0%	-	42,000	-	42,000	0.0%	Cancelled	Project cancelled
16	EG1416	M	VanSant Capacity Increase	1,500,000	1,000,000	314,040	685,960	31.4%	750,000	901,900	215,984	685,916	23.9%	In Process	Multi-year project - design to be complete in spring
17	EE1421		Richardson Circle Upgrade	-	-	307	(307)	0.0%	-	-	307	(307)	0.0%	Complete	Project complete in FY14. Final invoice rec'd FY15. BA to cover overage submitted in January.
18	EE1433		Chandelle Airport URD	117,900	100,200	100,129	71	99.9%	-	52,900	52,828	72	99.9%	Complete	
19	EE1429		Clearview Meadows	88,000	85,300	4,108	81,192	4.8%	-	81,200	-	81,200	0.0%	In Process	
20	EE1438		Dover Downs Tower	53,800	51,600	51,508	92	99.8%	-	51,600	51,508	92	99.8%	Complete	
21	EE1439		Family Dollar Store	9,800	7,500	7,357	143	98.1%	-	7,500	7,357	143	98.1%	Complete	
22	EE1440		Kraft Foods 69kv Temp	10,000	10,000	5,739	4,261	57.4%	-	4,300	-	4,300	0.0%	In Process	
23			**Totals - FY 2014**	$ 3,981,500	$ 3,710,600	$ 1,429,869	$ 2,280,731	38.5%	$ 1,584,000	$ 3,447,200	$ 1,166,442	$ 2,280,758	33.8%		
24															
25			**FY 2015**												
26	---		Vehicles & Equipment	$ 53,100	$ 53,100	5,320	$ 47,780	10.0%	$ 53,100	$ 53,100	$ 5,320	$ 47,780	10.0%	In Process	
27	EG1503		McKee Unit 3 Aux Sys Comp	160,000	89,000	9,743	79,257	10.9%	160,000	89,000	9,743	79,257	10.9%	In Process	
28	EG1504		McKee Unit 3 Boiler System	295,000	138,000	-	138,000	0.0%	295,000	138,000	-	138,000	0.0%		
30	EG1506		McKee & VanSant Safety Improvement	52,000	52,000	-	52,000	0.0%	52,000	52,000	-	52,000	0.0%		
32	EG1508		Plants - Preserve Structure	120,000	93,800	-	93,800	100.0%	120,000	93,800	-	93,800	0.0%		
33	EE1500		69 kV Rebuild	75,000	75,000	-	75,000	0.0%	75,000	75,000	-	75,000	0.0%		
34	EE1505		DNREC R&R Metering	41,000	-	-	-	0.0%	41,000	-	-	-	0.0%	Cancelled	Cancelled by state due to lack of state funding for FY15
35	EE1506	R	Lighting Proj & Rehab	50,000	50,000	-	50,000	0.0%	50,000	50,000	-	50,000	0.0%		
36	EE1509		West Dover Connector	250,000	250,000	32,000	218,000	12.8%	250,000	250,000	32,000	218,000	12.8%	In Process	Underground relocation to begin depending on weather
37	EE1513	M	Town Point Distribution Feeders	250,000	250,000	16,609	233,391	6.6%	250,000	250,000	16,609	233,391	6.6%	In Process	Directional boring has begun
38	EE1514		Meadows @ Jefferson Terrace	15,400	15,400	-	15,400	0.0%	15,400	15,400	-	15,400	0.0%		Waiting on developer
39	EE1515	R	New Developments FY 2015	171,300	162,600	-	162,600	0.0%	171,300	162,600	-	162,600	0.0%		
40	EE1516		Chestnut Grove	299,000	299,000	118,999	180,001	39.8%	299,000	299,000	118,999	180,001	39.8%	In Process	Contractor to install conduit to proceed, PS completed
41	EE1520		69 kV Cable Replacement North Street	85,000	85,000	-	85,000	0.0%	85,000	85,000	-	85,000	0.0%		In design
42	EE1521		College to McKee Feeders	50,000	50,000	-	50,000	0.0%	50,000	50,000	-	50,000	0.0%	Cancelled	PW not doing their portion for several years
43	EE1522		Garrison Oak Park	184,000	184,000	68,850	115,150	37.4%	184,000	184,000	68,850	115,150	37.4%	In Process	
44	EE1523		Uzin Utz	39,300	8,000	7,936	64	99.2%	39,300	8,000	7,936	64	99.2%	Complete	
45	EE1524		Best Buy Transformer	12,400	12,400	12,339	61	99.5%		12,400	12,339	61	99.5%	Complete	
46	EE1526		Playtex Addition	200,000	200,000	1,250	198,750	0.6%		200,000	1,250	198,750	0.6%	In Process	NSC permits being submitted
47	EE1527		DAFB Temporary Concrete Plant	36,000	36,000	2,319	33,681	6.4%		36,000	2,319	33,681	6.4%	In Process	
48	EE1528		640 Beechwood Avenue	6,600	6,600	6,919	(319)	104.8%		6,600	6,919	(319)	104.8%	Complete	
49	EE1530		Bayhealth URD Relocation	12,600	12,600	10,144	2,456	80.5%		12,600	10,144	2,456	80.5%	Complete	
50	EE1531		Windstream DAFB/College Road	17,700	17,700	752	16,948	4.2%		17,700	752	16,948	4.2%	In Process	Fiber path from College to DAFB complete
51	EE1533		DE State Police Generator	5,500	5,500	-	5,500	0.0%		5,500	-	5,500	0.0%	In Process	
52	EE1534		Hardees Rte 13 Damage	7,800	7,800	7,782	18	99.8%		7,800	7,782	18	99.8%	Complete	
53	EE1535		Eden Hill Lights Phase 1	17,000	17,000	-	17,000	0.0%		17,000	-	17,000	0.0%	In Process	
54			**Totals - FY 2015**	$ 2,567,700	$ 2,170,500	$ 300,961	$ 1,869,539	13.9%	$ 2,252,100	$ 2,170,500	$ 300,961	$ 1,869,539	13.9%		
55															
56			**Grand Totals**	$ 9,929,100	$ 10,126,208	$ 4,559,312	$ 5,566,896	45.0%	$ 4,936,100	$ 7,343,700	$ 1,776,762	$ 5,566,938	24.2%		

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.
B = Bonded Project
S = State fully or partially reimbursed project

The Energy Authority, Inc.

Monthly Management Committee Update – December 2014

January 22, 2014

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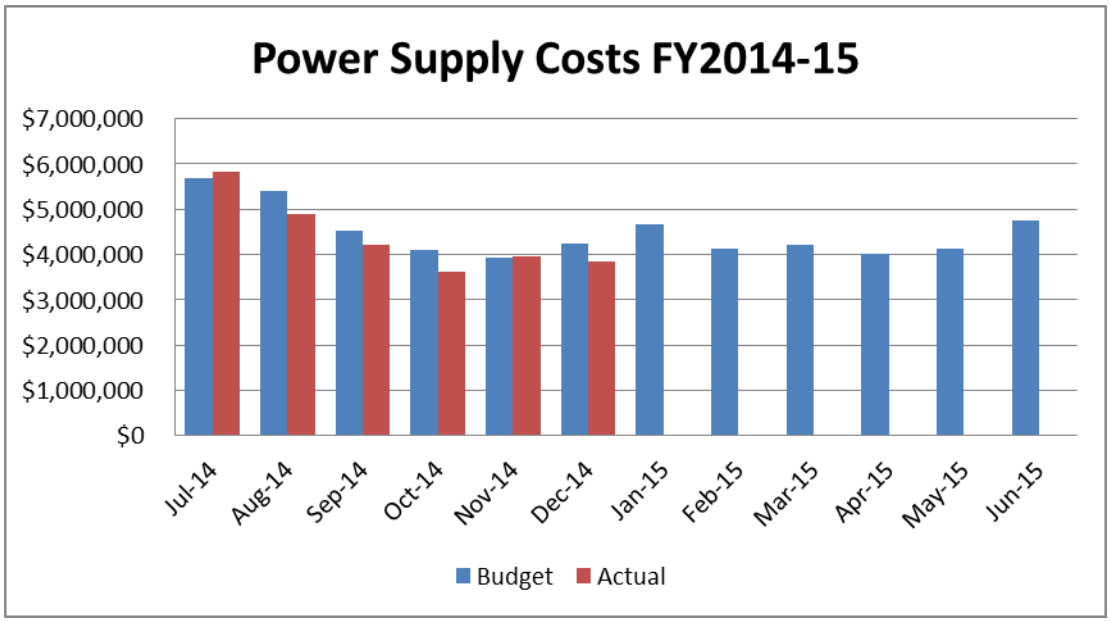
TABLE OF CONTENTS

I.	Executive Summary	1
II.	Budget Report	12
III.	Operations Management	15
IV.	Appendix	29

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I. Executive Summary

A. Power Supply Summary:



Overall Power Supply costs were $406,238 under budget driven by lower PJM fees and market prices.

Dover's budgeted cost for all power supply (capacity AND energy) was $71.97/MWh. The actual cost of all power supply (capacity AND energy) was $63.19/MWh.

The cost of energy alone was $40.65/MWh, versus a budgeted energy cost of $45.87.

Dover's hedge purchases totaled 47,376 MWh, which was 78% of the actual load. The budgeted hedge purchase totaled 35,816, which was 61% of the budgeted load.

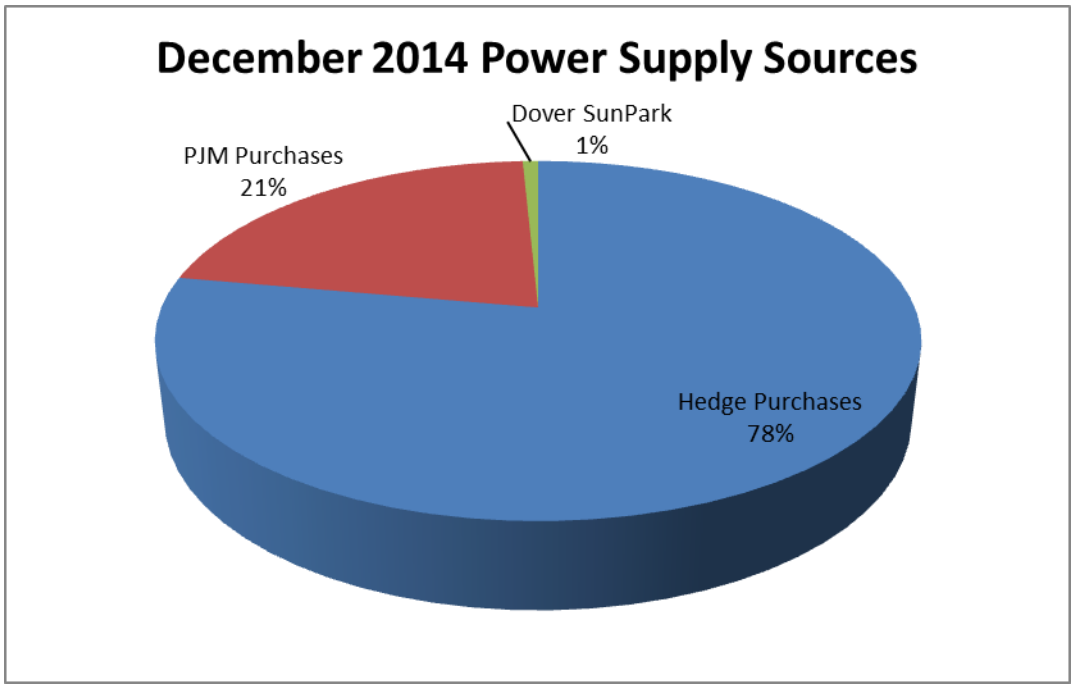
Dover's power purchases from hedge transactions totaled $2,034,022. Purchases from PJM (energy and fees) totaled $845,654. This number includes DA spot market energy charges of $440,646 and Network Integration Transmission Service charges of $420,278.

Dover's total load was 60,875 MWh versus a forecasted load of 59,097 MWh.

Dover's planned energy purchase from the SunPark solar installation was 804 MWh. Dover's actual energy purchase from the SunPark installation was 473 MWh.

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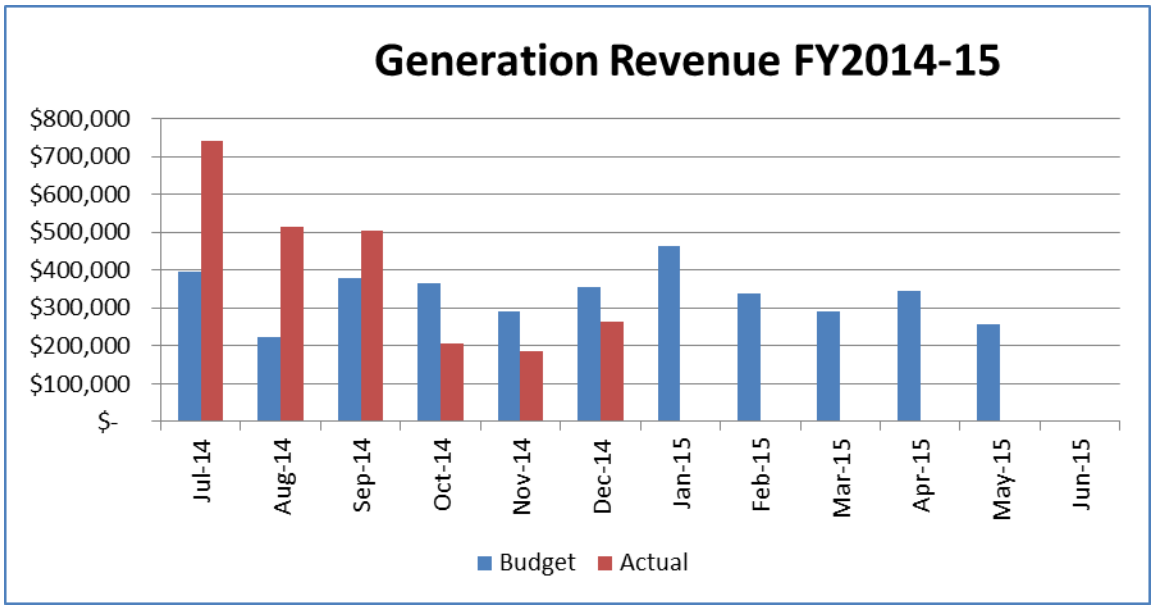
Supply Source Summary:



Supply Variance:

	Budget	Actual	Variance
Gross Load	59,097	60,875	(1,778)
Wholesale Load	58,293	60,402	(2,109)
Hedged Volume (MWh)	35,816	47,376	(11,560)
Unhedged Volume (MWh)	22,477	13,026	9,451
Dover SunPark Volume (MWh)	804	473	331
Renewable Energy Credits Volume	121	125	(4)
Hedged Cost ($/MWh)	$ 45.72	$ 42.93	$ 2.79
Unhedged Energy Cost ($/MWh)	$ 43.64	$ 29.59	$ 14.04
Solar Energy Cost ($/MWh)	$ 115.11	$ 115.97	$ (0.86)
Energy Costs ($/MWh)	**$45.87**	**$40.65**	**$5.22**
All-in Costs - Energy, Capacity and RECs ($/MWh)	**$71.97**	**$63.19**	**$8.77**

B. Generation Summary:



Dover generated 0 MWh in the month. Net generation revenue was $263,495 vs. a budget of $356,264.

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Generation Breakdown:

City of Dover

Monthly Wholesale Generation

December, 2014

Net Generation
0.00

Production Margin

				Formula
PJM - Generation				
	Economic and Reliability Dispatch	$	-	A
Natural Gas & Oil Consumption				
	Purchases for Generation	$	-	
	Natural Gas Transport	$0.00		
	Eastern Shore Cashout	$0.00		
	Oil Consumption	$	-	
	Subtotal: Natural Gas & Oil Consumption	$	-	B
Gross Production Margin		$	-	C = (A + B)
$/MWh Generation Production Gross Margin		$	-	E = (C/D)
PJM - Capacity				
	Generation Capacity Credit	$	725,758.98	
	Reactive Supply and Transmission Losses	$	52,079.42	
	Subtotal: PJM - Capacity	$	777,838.40	F
All in Generation Margin				
	All in Generation Margin Total	$	777,838.40	(G = C + F)

C. Emissions Summary:

Emissions Allowance Summary through December 31, 2014

McKee Run 3 and VanSant Unit 11 (Dover's two units covered by the Clean Air Interstate Rule or CAIR) were not operated during the month of November, 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
	2014 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	2013 Emissions	(0)	(20)	(20)
12/31/14	**2014 CYTD Emissions**	**(1)**	**(36)**	**(44)**
REMAINING ALLOWANCES		**13,040**	**99**	**201**

Due to a series of federal court decisions discussed in previous monthly reports, beginning January 1, 2015 the reinstated CSAPR replaces CAIR. The final CAIR true-

[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.

ups for 2014 will occur in 2015, after which CAIR allowances will have no value. To avoid confusion, EPA CAMD will remove all post-2014 CAIR allowances from the Allowance Tracking System on March 3, 2015.

While Delaware is included in the CAIR footprint, it is not included in the CSAPR footprint. CAIR allowances cannot be used for CSAPR compliance, so Dover's CAIR allowances will become valueless when CSAPR is reinstated. The separate Clean Air Act acid rain deposition control program which governs SO_2 national allowance trading program will remain in effect, however the CAIR provisions for SO_2 will also disappear for Delaware.

Market liquidity for CAIR allowances is very low, with few transactions occurring. The following table shows estimated values for Dover's banked allowances, based on mid-point of bids and offers from Evolution Markets.

For the January 2015 report, TEA will no longer include a CAIR summary. It will continue to report on Dover's Clean Air Act Title IV SO2 allowances

Mark Value for CAIR Allowances			
Commodity	**$/Ton ICE Settlement as of January 15, 2015**	**Tons**	**Market Value**
SO_2 Allowances – Title IV	$0.375	13,040	$ 4,890
NO_x Allowances - Seasonal	$0.00[3]	99	0
NO_x Allowances - Annual	$ 6.25	201	1,256
TOTAL			**$ 6,164**

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 adopted 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).

[3] No ICE or Broker price was available for seasonal NOx allowances

CO2 Allowance Summary (12/15/2014)							
1	2	3	4	5	6	7	8
CO_2 Allowance Vintage	CO_2 Allowances (Sold) Purchased YTD	CO_2 Allowances (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	(17,746)[4]	19,565	92,729
2012	0	27,058	925	27,983	(15,957)	12,026	104,755
2013	0	22,879	1,939	24,818	(10,231)	14,587	119,343
2014	**1,000**	-0-	-0-	-0-	(25,426)	(25,426)	**94,917**

Dover no longer receives allocations of RGGI allowances (columns 3-5). The cumulative balance can be utilized for generation in 2014 and future years. Note that the 2014 emissions through the end of October are larger than four out of the last five years.

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 and produces 25,000 tons of CO_2 emissions annually, it should be able to maintain a positive balance through around 2018.

In anticipation of needing additional RGGI allowances in the future, Dover participated in Auction 26 held on December 3, 2014. It submitted a tiered bid totaling 4,000 allowances. It was awarded 1,000 allowances from its highest price bid, with the auction clearing price of $5.21/ton.

Based on the January 15, 2015 ICE price for the January 2015 strip ($5.50/ton), the estimated market value of Dover's existing 94,917 ton RGGI allowance bank is $522,044.

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

[4] 2011 and 2012 emissions corrected to match values in RGGI COATS.

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 Solar Renewable Energy Credits (SRECS).

Dover participates in the Delaware Municipal Electric Corporation's (DEMEC) Renewable Portfolio Standard (RPS) for compliance with the State of Delaware's RPS laws applicable to municipal utilities. The first compliance period under DEMEC's RPS was for the 36 months ending May 2014.

Through the end of November 2014, Dover had accumulated a total of 6,281 SRECS from these renewable energy resources, net of 2,941 SREC transferred to DEMEC for retirement in accordance with the RPS requirement for the first compliance period.

While Delaware does periodically hold auctions for SRECs, these auctions are for size tiers N1 – N3, E1 and E2. The Dover Sun Park is in the N4 tier for very large facilities. State-wide carve outs for Tier 4 has been fully subscribed, so there is not a market for tier 4 SRECs in Delaware.

The nearest viable market for Dover's SRECs is Pennsylvania. Daily settlement prices from Flett Exchange Environmental services (www.flettexchange.com) were used for 2011/12 through 2014/15 vintage allowances. The December 12, 2014 daily settlement prices for Pennsylvania SRECS are used in the table below.

SREC Vintage (June 1 – May 31)	Market Clearing Price	SREC Balance	Market Value
2012/2013	$27.25	1,834	49,976
2013/2014	$36.00	2,735	98,460
2014/2015	$42.00	1,837	77,154
TOTAL		**6,406**	**$225,590**

TEA continues to recommend to Dover to retain these allowances for compliance with its Renewable Portfolio Standard (RPS) which DEMEC is working on.

D. Operations Management Summary:

During the month of December there were no reportable or lost time accidents or injuries. The facility has now gone 1,539 days without an OSHA recordable accident and 1,539 consecutive days without a lost time reportable accident. There were no Environmental Notices of Violations or exceedances issued. There were no near misses reported. The planned outages for Units 1, 2 and 11 were cleared on December 1 and the planned outage for Unit 3 was cleared on December 11. There were no unit dispatches during the month for PJM and there were no self- scheduled unit operations.

Monthly Budget Variance – The actual expenses attributable to O&M of the two sites for the month of December were $514,343 against a budgeted amount of $401,281 for an unfavorable variance of $113,062 or 28.17%. The principal reasons for the unfavorable variance were due to; having three (3) payrolls expensed in December rather than the two (2) that were budgeted.

E. Risk Management Summary:

Forward power prices in PJM have declined from last month.

The current projected cost of service is below:

PY	Hedge Ratio	Blended Cost ($/MWh)	Monthly Change ($/MWh)
2014-15	80%	$ 46.33	$ (0.44)
2015-16	69%	$ 43.25	$ (0.96)
2016-17	43%	$ 41.86	$ (1.12)
2017-18	34%	$ 42.07	$ (1.34)
2018-19	14%	$ 41.69	$ (2.10)

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II. Budget Report

	Budget Dec-14	Actual Dec 14	Variance
Gross Load	**59,097**	**60,875**	**(1,778)**
Power Supply			
Hedged Energy	$1,637,471	$2,034,022	($396,551)
PJM - Energy, Congestion & Losses	$980,794	$385,440	$595,354
PJM - ARR, Transmission and Fees	$616,981	$460,214	$156,767
Dover SUN Park Energy	$92,550	$54,848	$37,702
Dover SUN Park RECs	$18,935	$17,303	$1,633
Management Fees	$83,000	$83,000	$0
PJM - Capacity UCAP Obligated Purchased	$823,464	$812,129	$11,335
Subtotal - Power Supply	**$4,253,195**	**$3,846,957**	**$406,238**
Power Generation O&M			
Plant O&M	$401,281	$514,343	(113,062)
Subtotal Generation O&M	**401,281.00**	**514,343.00**	**($113,062)**
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	$ (740,515)	$ (725,759)	$ (14,756)
Capacity Replacement Charge	$ 11,160	$ -	$ 11,160
PJM - Reactive Supply & Transmission Losses	$ (28,190)	$ (52,079)	$ 23,889
Subtotal - Non-Production Revenue	**($757,545)**	**($777,838)**	**$20,293**
SubTotal - All Generation	**(356,264)**	**($263,495)**	**($92,769)**
Total - Utilities Cost	**$3,896,931**	**$3,583,461**	**$313,470**
Unit Costs			
Total - Power Supply	$71.97	$63.19	$8.77
Total - Power Generation	($6.03)	($4.33)	($1.70)
Final Cost of Service to City of Dover Ratepayers	$65.94	$58.87	$7.07

Variance Analysis:

Power Supply

- Dover consumed 1,778 MWh more than forecast for the month.
- PJM transmission and fees were lower than expected with minimal monthly reactive services charges.
- This resulted in a net power supply cost of $63.19/MWh, $8.77/MWh below budget.
- For the month, the city realized a favorable variance of $406,238 for power supply vs. the monthly budget.
- Dover Sun Park generated 331 MWh less than forecast.

Generation

- Power generation had an unfavorable budget variance of $92,769.
- Plant O&M expenses had an unfavorable budget variance of $113,062 for the month.

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	Budget YTD	Actual YTD	Variance	Source	Formula
Gross Load	387,895	381,405	6,490	PJM load Inschedules + White Oak-Dover invoice	G = (Net PJM Wholesale Load + Dover SunPark Mwh)
Power Supply					
Hedged Energy	$11,269,691	$13,874,771	($2,605,080)	TEA Deal capture system, verified by settlement checking out with counterparties	
PJM - Energy, Congestion & Losses	$6,444,614	$3,201,910	$3,242,704	PJM Invoice	
PJM - ARR, Transmission and Fees	$3,697,467	$2,769,913	$927,554	PJM Invoice	
Dover SUN Park Energy	$912,640	$969,196	($56,556)	White Oak-Dover Invoice	
Dover SUN Park RECs	$201,940	$222,420	($20,480)	White Oak-Dover Invoice	
Management Fees	$498,000	$498,000	$0	Annual Contract	
PJM - Capacity UCAP Obligated Purchased	$4,887,659	$4,804,934	$82,725	PJM Invoice	
Subtotal - Power Supply	$27,912,011	$26,341,144	$1,570,867		A
Power Generation O&M					
Plant O&M	$2,926,036	$3,167,509	($241,473)	Monthly NAES report	
Subtotal Generation O&M	$2,926,036	$3,167,509	($241,473)		B
Power Generation Production Margin					
PJM - Economic and reliability dispatch	($1,339,680)	($1,946,803)	$607,123	PJM Invoice	
Fixed Fuel and Transport Charges	$966,800	$991,866	($25,066)	TEA Deal capture system, verified by settlement checking out	
Subtotal Generation Production Margin	($372,880)	($954,937)	$582,057		C
Power Generation Non-Production Revenue					
PJM - Generation Capacity Credit	($4,395,312)	($4,298,788)	($96,524)	PJM Invoice	
Capacity Replacement Charge	$66,240	$0	$66,240	Budgeted amount for incremental 3.6 mw purchase. Actuals been shown in PJM - Capacity UCAP Obligated purchased.	
PJM - Reactive Supply & Transmission Losses	($235,970)	($326,806)	$90,836	PJM Invoice	
Subtotal - Non-Production Revenue	($4,565,042)	($4,625,594)	$60,552		D
SubTotal - All Generation	($2,011,886)	($2,413,022)	$401,136		E = (B+C+D)
Total - Utilities Cost	$25,900,125	$23,928,123	$1,972,002		F = (A+E)
Unit Costs					
Total - Power Supply	$71.96	$69.06	$2.89		H = (A/G)
Total - Power Generation	($5.19)	($6.33)	$1.14		I = (E/G)
Final Cost of Service to City of Dover Ratepayers	$66.77	$62.74	$4.03		J =(H+I)

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Operations Management

NAES Corporation
Dover, Delaware
December 2014
Monthly Report



Happy Holidays from McKee Run Generating Station!

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Table of Contents

1.0 Environmental, Health, and Safety

2.0 Financial

3.0 Operations

4.0 Maintenance

5.0 CIP

6.0 General Plant Information

7.0 Summary of NAES Performance

1.0 Environmental, Health and Safety:

During the month of December, there were no restricted work days or lost time accidents. The facility has now gone 4 years, two month and 17 days (1,539 days) through December 31, 2014 without an OSHA Recordable Accident or a Lost Time reportable accident. There were no Near Misses reported in December at McKee Run.

Ken Beard, O&M Manager, received the NAES President's "Good Catch" Award for reporting a Near Miss which occurred on November 5, 2014 while in the course of monitoring work activities on the Unit 3 Cooling Tower Project.

During the month of December, a total of 15.45 tons of Special Waste was generated from the Unit 3 Cooling Tower Project. The Special Waste, which is pressure treated wood, was disposed of at the Delaware Solid Waste Authority (DSWA) facility in Sandtown, DE under permit #CSW 14.14. Additionally, 6.95 tons of Unit 3 construction and demolition debris were also disposed of at the DSWA site.

The plant received no Notice of Violations (NOVs) during the month. The December DMR was submitted for the McKee Run site with no NPDES exceedences. Since no units ran in December, there were no opacity deviations from any unit in December.

During the month of December, there were sixteen IWW discharges to the Kent County Public Works sewer system. The monthly sampling occurred on December 2, 2014. The laboratory analytical data indicated no exceedances. The December SIU Report was submitted to Kent County. The December DMR was submitted for the McKee Run site with no NPDES exceedances.

The City of Dover VanSant submitted to DNREC a wet compression permit extension letter under permit #APC 1990/0183 dated September 14, 2014. As was discussed in a conference call in September 2014 with Mr. Jordan Matthews and Ms. Joanna French of DNREC, the plant will be faced with several challenges to complete this project. Some of these challenges will be prep work during the winter season, the late delivery of equipment, the installation and connections to electrical panels, diagnostic testing of the wet compression system and performance testing/tuning. DNREC has not responded to the extension request as of December 31, 2014.

The McKee Run plant conducted a Facility Response Plan (FRP) drill on December 10, 2014. The drill was designed to test the reaction times of staff operators and supervisors in the event of an oil spill. The Oil Spill Response Organization (OSRO) also participated in the drill and responded with a crew support truck and spill trailer as well

as a vacuum truck. The EPA requires these pieces of equipment be present when conducting the FRP drill. The drill was written up and photo-documented to document this event.

On December 23, 2014, DNREC performed their annual NPDES Storm Water Pollution Prevention audit. At the time of the audit, no issues were found except that the plant should install silt fencing around the storm drain for Outfall 005, located west of the Unit 3 Cooling Tower. DNREC inspected the storm water run-off at Outfall 005 and noticed it was slightly turbid at the time of inspection. The turbidity was directly related to construction activities at the Unit 3 tower. McKee Run immediately installed silt fencing and photo-documented its installation. These photos were forwarded to the DNREC inspector shortly after he left the site. On December 30, 2014, the DNREC inspector revisited the site as follow-up to the earlier inspection. No issues were found on the follow-up visit.

On December 24, 2014, McKee Run collected the annual DNREC NPDES samples as part of the new NPDES permit issued on October 1, 2014. As directed by the permit, McKee Run collected PCB cogener samples at Outfall 001 and 004 and collected samples for pH and total recoverable iron. The samples were submitted to a special environmental laboratory for analysis. No results have been generated.

Environmental, Health, and Safety Statistics		
	Month (December)	Fiscal Year to Date (7/1/14-6/30/15)
NOVs	0	0
Opacity Deviations	0	1
Environmental Deviations	0	0
OSHA Recordable	0	0
OSHA LTA's	0	0
First Aid cases	0	0
Restricted Workday Accident	0	0
Near Miss	0	12
Man Hours Worked	4,251	79,523.25
Date last OSHA Recordable		10/14/10
Date last Lost Time Accident		10/14/10
Days since last OSHA recordable		1,539
Days since last Lost Time Accident		1,539

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) McKee Run - VanSant	CAIR NOx Allowances Purchased YTD	NOx Allowance Balance	
		McKee Run (Yr/Season)	***VanSant (Yr/Season)***			***McKee Run* (Yr/Season)***	***VanSant* (Yr/Season)***
2013 and earlier						160/78	9/8
2014	0	71/46	5/3	40/35 - 4/1	0/0 – 0/0	31/11	1/2
				Total NOx Allowance Balance		**191/89**	**10/10**

***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	SO_2 Allowances Balance*
		Unit #3	***Unit #11***		
2013 and earlier	0	10,365	690	2	11,053
2014	0	1850	138	1	1,987
			Total SO2 Allowance Balance		**13,040**

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

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***		
2013 and earlier	0	194,244	7,799	82,700**	119,343**
2014	0	0	0	25,426	(25,426)
			Total CO2 Allowance Balance		**93,917****

***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
****Note: 2011 and 2012 Emissions in previous reports were incorrect. The October 2014 Report now correctly reflects the actual emissions.**

NOx Summary – Ozone Season (May-Sep) Tons					
Year	*Unit #1*	*Unit #2*	*Unit #3*	*Unit #11*	*TOTAL*
2012	1.2	1.0	35.8	1.0	33.1
2013	1.1	1.7	19.3	1.3	23.4
2014	0.4	0.6	35.0	0.8	36.8
NOx Summary - Year (Jan-Dec) Tons					
Year	*Unit #1*	*Unit #2*	*Unit #3*	*Unit #11*	*TOTAL*
2012	1.2	1.1	35.8	1.0	36.9
2013	1.1	1.7	19.4	1.3	23.5
2014	0.8	1.1	39.8	3.7	45.4
SO_2 Summary - Year (Jan-Dec) Tons					
Year	*Unit #1*	*Unit #2*	*Unit #3*	*Unit #11*	*TOTAL*
2012	0.0		0.0	0.1	0.1
2013	0.0	0.0	0.0	0.2	0.2
2014	0.0	0.0	0.4	0.6	1.0

2.0 Financial

Financial – Current Month

Month – December			
	Actual	Budget	Variance
Personnel	354,145	241,400	(112,745)
Materials & Supplies	9,402	16,700	7,298
Administrative Expenses	150,796	143,181	(7,615)
Total	**$514,343**	**$401,281**	**($113,062)**

Financial – Fiscal Year to Date

Number of Months – 6			
	Actual	Budget	Variance
Personnel	1,557,795	1,661,200	103,405
Materials & Supplies	195,087	151,550	(43,537)
Administrative Expenses	1,139,323	1,113,286	(26,037)
Total	**$2,892,205**	**$2,926,036**	**$33,831**

2.1 Variance analysis:

The actual expenses for the month of December are $514,343 against a budgeted amount of $401,281 for an unfavorable variance of $113,062 or 28.17%. The variance was due to the following:

PERSONNEL EXPENSES – An unfavorable monthly variance of $112,745 was due to three (3) payroll periods being expensed versus the two (2) that were budgeted. As a result, this impacted three (3) labor accounts – Straight Time, Overtime, and Labor Burdens.

MATERIALS AND SUPPLIES EXPENSES- A favorable monthly variance of $7,298 was due to funds budgeted for computer replacements in December were spent earlier in the FY.

ADMINISTRATIVE EXPENSES – An unfavorable monthly variance of $7,615 due to higher than anticipated electricity costs. A portion of this was offset by funds for breaker and relay testing that has been deferred to the spring 2015 outage.

The forecasted expenses for this fiscal year are $6,124,769 expensed versus an approved budget of $6,141,100 thereby realizing a 99.73% expenditure rate.

3.0 Operations

Unit Operations / Outages / Trips: The Planned Outage for Units 1, 2 and 11 was cleared at 0700 hours on December 1, 2014. The Planned Outage for Unit 3 was cleared on December 11, 2014 at 0700 hours. The repair activity on Unit 3 Cooling Tower continues however it is available for use if Unit 3 is dispatched. Additional fuel oil was purchased to increase tank inventories at both McKee Run and VanSant Generating Stations to take advantage of low fuel oil costs.

Month - December 2014							
		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	0.0	0.0	0.0	0.0	0.0	0.0
Auxiliaries purchased	MWh	33.968	33.968	170.097	238.033	5.790	243.823
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
Capacity Factor	%	0.0	0.0	0.0	0.0	0.0	0.0
Availability Factor	%	99.06	99.06	66.80	88.31	99.06	90.99
Commercial Unavailability (CU)	%	0.0	0.0	0.0	0.0	0.0	0.0
Planned Outage Hours	Hours	7.000	7.000	247.000	261.000	7.000	268.000
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	737.000	737.000	497.000	1,971.000	737.000	2,708.000
HW Boiler Gas Usage	MMBTU				1,315.00		1,315.00
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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2014-2015 Fiscal Year-to-Date (6 Months)							
		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	30.966	35.134	433.682	499.782	17.350	517.132
Starts	#	3	5	33	41	5	46
Gross Generation	MWh	261.694	252.941	22,525.426	23,040.061	578.081	23,618.142
Net Generation	MWh	247.853	233.930	20,511.856	20,993.639	567.702	21,561.341
Total Auxiliaries	MWh	176.017	181.187	3,446.639	3,803.843	16.423	3,820.266
Auxiliaries purchased	MWh	162.176	162.176	1,483.189	1,807.541	16.044	1,823.585
Fuel Gas Used	MMBTU	3,780.381	3,255.417	238,464.654	245,500.452	7,544.726	253,045.178
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	3,780.381	3,255.417	238,464.654	245,500.452	7,544.726	253,045.178
Net Heat Rate	BTU/KWh	15.253	13.916	11.825	13.664	13.278	13.471
Unit Trips	#	1	3	0.0	4	1	5
Capacity Factor	%	0.33	0.31	4.55	3.44	0.33	2.75
Availability Factor	%	49.23	49.23	54.49	50.98	49.23	50.55
Commercial Unavailability (CU)	%	0.0	0.0	0.17	0.05	0.0	0.04
Planned Outage Hours	Hours	1,512.000	1,512.000	1,752.000	4,776.000	1,512.000	6,288.000
Maintenance Outage Hours	Hours	0.0	0.0	0.0	0.0	0.0	0.0
Forced Outage Hours	Hours	0.0	0.0	7.667	7.667	0.0	7.667
Reserve Shutdown Hours	Hours	2,873.034	2,868.866	2,222.651	7,964.551	2,886.650	10,851.201
HW Boiler Gas Usage	MMBTU				2,021.095		2,021.095
Pilot Gas Usage	MMBTU	527.631	527.631		1,055.263		1,055.263

Fuel Oil Inventory							
	Monthly Inventory (Start)	Monthly Inventory (End)	Fuel Purchases (Month)	Monthly Inventory (Change)	FY 14-15 Inventory (Start)	Fuel Purchases (FYTD)	FY 14-15 Inventory (Change)
McKee Run (#2 Fuel Oil)	679,444	722,625	45,177	43,181	452,963	279,528	269,662
VanSant (#2 Fuel Oil)	180,433	216,587	37,371	36,154	73,572	148,595	143,015

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

VanSant Lifetime through December 2014			
	Actual Starts	Factored Starts	Fired Hours
VanSant	1372	2,349.75	4,333.90
Since HGP - Dec 2004	261	682.05	950.32

Team Report:

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

The Operations staff supported maintenance activities during the outage by serving as Confined Space Attendants for confined space areas as well as other support tasks. The Operations staff also supported the outage by clearing various LO/TO tasks to put equipment back in service to make the units available to the PJM system once the outage was cleared. Staff continues to ensure the units are in readiness condition should they be dispatched.

Capacity Testing – FY 2014-2015

Summer 2014 (June 1- Aug 31)			**Winter 2014-2015 (Dec 1- Feb 28)**		
Unit	Rated Net Capability (MW)	Reported Net Capability (MW)	Unit	Rated Net Capability (MW)	Reported Net Capability (MW)
1	17	17.4	1	17	17*
2	17	17.5	2	17	17*
3	102	103.99	3	102	102*
11	39	39.8#	11	39	39*
Total	175	175	Total	175	175

Note: * Denotes Unit is qualified for the PJM Winter Demonstration Period Exemption Program.
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-eight work orders issued with seventy-six 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 - 2014				
Priority #	Outstanding From Previous Month	Issued This Month	Completed This Month	Outstanding at the end of the month
1	24	14	18	20
2	44	3	10	37
3	32	11	3	40
4	6	0	2	4
5	14	0	2	12
SW1	1	0	1	0
SW2	0	0	0	0
SW3	0	0	0	0
SW4	0	0	0	0
SW5	0	0	0	0
PM	18	50	40	28
EM	0	0	0	0
Totals	139	78	76	141
Note: PM Work Orders are included in the priority totals				

Notable activities during the month include:

The NAES Maintenance staff removed and replaced the Unit 1Hotwell manual inlet and by-pass valves. The valves were replaced due to the valves leaking by thereby causing inconsistent hotwell level during unit operation. The replacement of the valves will provide operations improved control of the Hotwell level when operating the unit if n the future.

The NAES Maintenance Staff installed a check valve and rerouted a vent line in the industrial waste water line just before the line enters the sewer system. This was installed to correct inaccurate flow readings on the industrial waste water discharge to the sewer each day.

The NAES IC&E Staff replaced the external flow meter sensor and flow meter transmitter with a new magnetic type sensor and operator friendly transmitter on both the industrial waste water discharge line and the sanitary sewer discharge lines. The new equipment will provide more reliable readings of wastewater being discharged to the City/County sewer for environmental recording purposes and for sewer billing purposes.

5.0 Capital Improvement Projects (CIP)

Project Number	Description	Update
EG1212	Unit 3 Turbine Repairs	Progress: All work planned is now complete. Follow-up activities include contacting suppliers for the replacement of the damaged rotor expansion instrumentation. This equipment is obsolete and will be replaced with current technology. Replacement of other turbine supervisory instrumentation will also be investigated. High vibration experienced during hot starts will require an additional balancing. Plant staff is collecting data that will help determine where and how much balance weight will need to be installed in the next outage. Schedule: Continuing to pursue the replacement rotor expansion instrumentation and evaluate balancing of turbine-generator for Spring 2015 Outage.
EG1402	Unit #3 Cooling Tower Repairs	Progress: Contractor began work on September 29 and continued work until Christmas. At this time, three cells were complete excepting minor punch list items and the other two cells were nearing completion. Work will continue once remaining materials are on site. Schedule: Shortage of materials to complete work was encountered and has been addressed. Parts and manpower are expected in late January or early February.
EG1406	McKee Run HEP Pipe Repairs	Progress: Work is complete and final report has been received. Several answers to follow-up questions are lacking but will not affect report. Schedule: Final report received and project may be expected to be closed once all invoicing has been submitted and paid.
EG1407	Metering System Upgrades	Progress: Project on Hold. Schedule: Project is on Hold until next year when RFP process will begin again. Project would be slated to be completed once Units 1 and 2 are taken out of service.
EG1416	VanSant Capacity Increase	Progress: No progress made on equipment installation during the month due to plant maintenance support of planned outage. The secondary breaker equipment and additional MCC equipment has been received. Schedule: Coordination with electrical contractor to develop a timeline to install the equipment and make tie-ins prior to the Spring Outage is forthcoming. Other miscellaneous materials are on order.
EG1503	Unit #3 Auxiliary System Component Replacement	Progress: Work scopes being developed for the Spring 2015 Outage. Schedule: Spring 2015 Outage work scopes being developed.
EG1504	Unit#3 Boiler System Repairs	Progress: Work scopes being developed for the Spring 2015 Outage. Schedule: Spring 2015 Outage work scopes being developed.
EG1505	VanSant Station Component Replacement	Progress: Work scope is being deferred until next FY. Schedule: Work scopes will continue to be developed for next fiscal year.
EG1506	McKee Run/VanSant Safety Improvements	Progress: Contract had been awarded; parts ordered and have been received. Schedule: Scheduling of work is in planning stages for spring 2015 outage.

		Installation will commence once parts arrive. Some work will require planned power outage to accomplish tie-in of circuitry and equipment.
EG1507	McKee Run Units #1-#2 Component Replacement	Progress: Project on Hold Schedule: Project on Hold
EG1508	McKee Run/VanSant Structural Preservation	Progress: Plant staff completed development of paint specifications and bid requests were to be received in mid-August. Schedule: Re-evaluation of work scope and bids is needed given the amount of time since the bids were originally received.

6.0 General Plant Information

Sarah Maher began work on December 15, 2014 in the position of Administrative Assistant. Since coming onboard, she has had many opportunities to meet plant staff and is readily adapting to her new work environment.
On-going efforts are being made to fill two (2) open Operator positions. Interviews have been held in this effort.

Training:

Onsite coaching and supervising training was held for leadership staff members on December 3 and 4, 2014 by Fred Pryor Seminars. Topics were; "How to Become a More Effective Supervisor", "Leadership, Team-Building, and Coaching Skills", and "Training the Trainer".

Topics discussed during the monthly safety committee meeting were reviewed by the entire staff. The monthly safety topic was on "Strains and Sprains".

Calendar of Events	Date
Winter Capacity Period	December 1, 2014 to February 28, 2015
Title V Annual Certifications Due	January 31, 2015
NOx Emissions Reconciliation Due	March 1, 2015
SO2 Emissions Reconciliation Due	March 1, 2015
SARA III / Tier II Report Due	March 1, 2015
Units 1, 2, and 3 Spring Outage	TBD – Spring 2015
Unit 11 Spring Outage	TBD – Spring 2015
Air Emission Inventory	April 30, 2015
NOx Ozone Season Starts	May 1, 2015
PJM Summer Capacity Test Period	June 1, 2015 – August 31, 2015
FY 2014-201454 Budget Year Begins	July 1, 2015
Toxic Release Inventory (TRI) Annual Report	July 1, 2015
Semi-Annual Title V Certification Due	July 31, 2015
NOx Ozone Season Ends	September 30, 2014
Annual VanSant Black Start Test	TBD
Units 1, 2, 3 and 11 Fall Outage Starts	TBD
Five Years Accident Free	October 14, 2015

7.0 Summary of NAES Performance to Date

Measure	Plant Performance FY 2014-2015 Month		Year to Date		YTD Incentive	FY Maximum Incentive
Commercial Unavailability (CU)	0.00%		0.05%		$94,679	$96,875
Safety	0		0		$18,163	$18,163
Environmental	0		0		$18,163	$18,163
Capacity Tests Completed	Summer	Winter	Summer	Winter		
Unit 1	No	No	Yes	Yes*	$3,634	$3,634
Unit 2	No	No	Yes	Yes*	$3,634	$3,634
Unit 3	No	No	Yes	Yes*	$21,797	$21,797
Unit 11	No	No	Yes	Yes*	$7,266	$7,266
Total YTD Incentive %	98.7%		***Total YTD Incentive***		$167,335	$169,532

Note*: All units have successfully completed the Summer (FY 2014-2015) Testing for PJM and are now entered in the PJM Winter Capacity Test Exemption Program.

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III. Appendix 1 – PJM Invoice Breakdown

			Gen	Load	Grand Total
480-8102-592-95-49	1610	Locational Reliability		$814,257.78	$814,257.78
	2630	Capacity Transfer Rights		$60.76	$60.76
	2661	Capacity Resource Deficiency		($2,189.13)	($2,189.13)
480-8102-592-95-49 Total				**$812,129.41**	**$812,129.41**
480-8102-592-95-50	1600	RPM Auction	$14,753.52		$14,753.52
	2600	RPM Auction	($740,512.50)		($740,512.50)
480-8102-592-95-50 Total			**($725,758.98)**		**($725,758.98)**
480-8102-592-95-90	1100	Network Integration Transmission Service		$420,278.16	$420,278.16
	1108	Transmission Enhancement		$65,748.32	$65,748.32
	1242	Day-Ahead Load Response Charge Allocation		$140.66	$140.66
	1243	Real-Time Load Response Charge Allocation		$412.26	$412.26
	1301	PJM Scheduling, System Control and Dispatch Service - Control Area Administration		$10,461.70	$10,461.70
	1302	PJM Scheduling, System Control and Dispatch Service - FTR Administration		$17.61	$17.61
	1303	PJM Scheduling, System Control and Dispatch Service - Market Support		$2,392.76	$2,392.76
	1304	PJM Scheduling, System Control and Dispatch Service - Regulation Market Administration		$79.98	$79.98
	1305	PJM Scheduling, System Control and Dispatch Service - Capacity Resource/Obligation Mgmt.		$952.63	$952.63
	1306	PJM Scheduling, System Control and Dispatch Service - Advanced Second Control Center		$1,341.55	$1,341.55
	1307	PJM Scheduling, System Control and Dispatch Service - Market Support Offset		($241.15)	($241.15)
	1308	PJM Scheduling, System Control and Dispatch Service Refund - Control Area Administration		($1,428.27)	($1,428.27)
	1310	PJM Scheduling, System Control and Dispatch Service Refund - Market Support		($328.94)	($328.94)
	1311	PJM Scheduling, System Control and Dispatch Service Refund - Regulation Market Administration		($13.62)	($13.62)
	1312	PJM Scheduling, System Control and Dispatch Service Refund - Capacity Resource/Obligation Mgmt.		($115.63)	($115.63)
	1313	PJM Settlement, Inc.		$241.15	$241.15
	1314	Market Monitoring Unit (MMU) Funding		$248.17	$248.17
	1315	FERC Annual Recovery		$4,340.47	$4,340.47
	1316	Organization of PJM States, Inc. (OPSI) Funding		$43.28	$43.28
	1317	North American Electric Reliability Corporation (NERC)		$1,472.86	$1,472.86
	1318	Reliability First Corporation (RFC)		$2,095.72	$2,095.72
	1320	Transmission Owner Scheduling, System Control and Dispatch Service		$4,594.01	$4,594.01
	1330	Reactive Supply and Voltage Control from Generation and Other Sources Service		$36,011.64	$36,011.64
	1340	Regulation and Frequency Response Service		$8,936.92	$8,936.92
	1360	Synchronized Reserve		$5,146.49	$5,146.49
	1362	Non-Synchronized Reserve		$519.06	$519.06
	1365	Day-ahead Scheduling Reserve		$0.05	$0.05
	1370	Day-ahead Operating Reserve		$7,802.63	$7,802.63
	1371	Day-ahead Operating Reserve for Load Response		$2.07	$2.07
	1375	Balancing Operating Reserve		$3,508.37	$3,508.37
	1376	Balancing Operating Reserve for Load Response		($0.43)	($0.43)
	1378	Reactive Services		$4,610.99	$4,610.99
	1380	Black Start Service		$1,934.81	$1,934.81
	1730	Expansion Cost Recovery		$408.27	$408.27
	1911	Michigan - Ontario Interface Phase Angle Regulators		$177.61	$177.61
	1932	Generation Deactivation Refund		($665.52)	($665.52)
	2108	Transmission Enhancement		($63,193.77)	($63,193.77)
	2140	Non-Firm Point-to-Point Transmission Service		($1,276.52)	($1,276.52)
	2420	Load Reconciliation for Transmission Losses		($267.28)	($267.28)
	2510	Auction Revenue Rights		($54,971.37)	($54,971.37)
	2666	Load Management Test Failure		($1,153.23)	($1,153.23)
	2912	CT Lost Opportunity Cost Allocation		($48.36)	($48.36)
	1309	PJM Scheduling, System Control and Dispatch Service Refund - FTR Administration		($2.08)	($2.08)
480-8102-592-95-90 Total				**$460,214.03**	**$460,214.03**
480-8102-592-95-91	1200	Day-ahead Spot Market Energy		$440,646.44	$440,646.44
	1205	Balancing Spot Market Energy		$22,671.08	$22,671.08
	1210	Day-ahead Transmission Congestion		($118,552.85)	($118,552.85)
	1215	Balancing Transmission Congestion		$5,087.76	$5,087.76
	1220	Day-ahead Transmission Losses		$15,058.48	$15,058.48
	1225	Balancing Transmission Losses		$991.81	$991.81
	1230	Inadvertent Interchange		($248.91)	($248.91)
	1250	Meter Error Correction		($5,534.48)	($5,534.48)
	1400	Load Reconciliation for Spot Market Energy		$29,773.41	$29,773.41
	1410	Load Reconciliation for Transmission Congestion		($5,367.20)	($5,367.20)
	1420	Load Reconciliation for Transmission Losses		$390.23	$390.23
	1430	Load Reconciliation for Inadvertent Interchange		$6.63	$6.63
	1440	Load Reconciliation for PJM Scheduling, System Control and Dispatch Service		$151.14	$151.14
	1441	Load Reconciliation for PJM Scheduling, System Control and Dispatch Service Refund		($20.72)	($20.72)
	1442	Load Reconciliation for Schedule 9-6 - Advanced Second Control Center		$20.88	$20.88
	1444	Load Reconciliation for Market Monitoring Unit (MMU) Funding		$2.86	$2.86
	1445	Load Reconciliation for FERC Annual Recovery		$51.38	$51.38
	1446	Load Reconciliation for Organization of PJM States, Inc. (OPSI) Funding		$0.51	$0.51
	1447	Load Reconciliation for North American Electric Reliability Corporation (NERC)		$7.83	$7.83
	1448	Load Reconciliation for Reliability First Corporation (RFC)		$11.13	$11.13
	1450	Load Reconciliation for Transmission Owner Scheduling, System Control and Dispatch Service		$54.38	$54.38
	1460	Load Reconciliation for Regulation and Frequency Response Service		$206.82	$206.82
	1470	Load Reconciliation for Synchronized Reserve		$5.31	$5.31
	1472	Load Reconciliation for Non-Synchronized Reserve		$6.49	$6.49
	1478	Load Reconciliation for Balancing Operating Reserve		$8.43	$8.43
	1490	Load Reconciliation for Reactive Services		$11.52	$11.52
480-8102-592-95-91 Total				**$385,440.36**	**$385,440.36**
480-8102-592-95-93	2220	Transmission Losses	($22,611.84)		($22,611.84)
	2330	Reactive Supply and Voltage Control from Generation and Other Sources Service	($29,467.58)		($29,467.58)
480-8102-592-95-93 Total			**($52,079.42)**		**($52,079.42)**
Grand Total			**$ (777,838.40)**	**$ 1,657,783.80**	**$879,945.40**

City of Dover
Electric Revenue Fund
FY15 - White Oak Solar Park Incremental Cost

	July	August	September	October	November	December	YTD	Original Budget
Power Supply & Generation								
Dover Sun Park - Energy	$ 227,139	$ 219,981	$ 185,885	$ 140,672	$ 96,640	$ 54,849	$ 925,165	$ 2,067,600
Dover Sun Park - REC's	47,469	42,307	33,221	25,192	17,303	-	165,492	378,600
Total Power Supply Cost	274,609	262,288	219,105	165,864	113,943	54,849	1,090,657	2,446,200
Non-Solar Power Supply Cost	(170,970)	(136,533)	(97,948)	(80,182)	(63,893)	(26,336)	(575,862)	(717,778)
Incremental Energy Cost	$ 103,639	$ 125,755	$ 121,157	$ 85,682	$ 50,050	$ 28,513	$ 514,795	$ 1,728,422
Revenues								
Customer Sales - Electricity	(9,870)	(8,024)	(7,893)	(7,840)	(8,061)	(8,135)	(49,823)	(84,600)
Rent Receipts	(14,807)	-	-	(14,807)	-	-	(29,614)	(101,400)
Total Revenues	(24,677)	(8,024)	(7,893)	(22,647)	(8,061)	(8,135)	(79,437)	(186,000)
Incremental Sun Park Cost	$ 78,962	$ 117,731	$ 113,264	$ 63,034	$ 41,989	$ 20,378	$ 435,358	$ 1,542,422
MWh Purchased/Generated - Solar	2,217.724	2,006.392	1,602.868	1,213.000	833.320	472.956	8,346.260	18,159.000
MWh $ Solar Energy	$ 102.42	$ 109.64	$ 115.97	$ 115.97	$ 115.97	$ 115.97	$ 110.85	$ 113.86
Solar REC's MWh	332.000	301.000	240.000	182.000	125.000	-	1,180.000	
MWh $ Solar REC (one month lag)*	142.98	140.56	138.42	138.42	138.42	-	$ -	
MWh $ Non-Solar Energy	$ 77.09	$ 68.05	$ 61.11	$ 66.10	$ 76.67	$ 55.68		

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