UTILITY COMMITTEE
A G E N D A

JANUARY 13, 2014 - 5:00 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. **Request for Abandonment (Improved) - Budd Street - City of Dover**
   (The Planning Commission Recommended Approval of the Request for Abandonment, as Recommended by the Planning Staff)(Public Works Staff Recommends (1) Abandonment of the Subject Right-of-Way with Conveyance of Five-Feet (5') of Said Right-of-Way to 5 E. Reed Street, 45 South State Street and Tax Parcel Number ED-05-077.05-04-36.00 on South American Avenue, Currently Owned by the City of Dover, in Conjunction with the Provision of a Public Utility Easement for Each Parcel; and (2) Adoption of a Resolution by Council Setting a Public Hearing Regarding the Proposed Abandonment for February 10, 2014)

2. **TEA/NAES Report *(November)***
   (Staff Recommends Acceptance of the Report)

3. **Garrison Oak Technical Park Project Updates**
   - **A. City Infrastructure**
     (Committee Action Not Required)
   - **B. Calpine Energy Center**
     (Committee Action Not Required)
   - **C. Dover Sun Park**
     (Committee Action Not Required)

4. **Adjournment by 5:30 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**: 1/3/14
PREPARED BY: Sharon J. Duca, P.E., Public Works Director / City Engineer	
SUBJECT: Abandonment of Right-of-Way – Budd Street	
REFERENCE: N/A	
RELATED PROJECT: N/A	
APPROVALS: City Manager	
EXHIBITS: Attachment A – Map	
EXPENDITURE REQUIRED: $ N/A	**AMOUNT BUDGETED**: $ N/A
FUNDING SOURCE (Dept./Page in CIP & Budget): N/A	
TIMETABLE: The referenced portion of right-of-way shall be abandoned upon approval by City Council.	
RECOMMENDED ACTION: The following actions are recommended should the Committee be in favor: (1) Abandonment of the subject right-of-way with conveyance of five-feet (5') of said right-of-way to 5 E. Reed Street, 45 South State Street and tax parcel number ED-05-077.05-04-36.00 on South American Avenue, currently owned by the City of Dover, in conjunction with the provision of a public utility easement for each parcel. (2) Adoption of a resolution by Council setting a public hearing regarding the proposed abandonment for February 10, 2014.	

BACKGROUND AND ANALYSIS

The City of Dover staff requested that the improved street known as Budd Street be abandoned. It is currently improved between Weyandt Hall at 5 E. Reed Street to the south and the old Dover Public Library at 45 South State Street and the City owned property adjacent to S. American Avenue to the north. Budd Street runs east-west from South State Street to Kings Highway. The names, addresses and tax parcel numbers of the affected properties are as follows:

Property Owner	Address	Tax Parcel Number
City of Dover	5 E. Reed Street	ED-05-077.05-04-35.00
City of Dover	45 S. State Street	ED-05-077.05-04-33.00
City of Dover	S. American Avenue	ED-05-077.05-04-36.00

Public Works staff has confirmed that this area is improved and a public utility easements will be required for the existing water and wastewater infrastructure located therein. As per the plan, the right-of-way for Budd Street is ten-feet (10') wide. Half of the right-of-way, or five-feet (5'), would be conveyed to the requesting parties. The Department of Public Works has no objection to the abandonment of the subject area of right-of-way. The Department recommends conveyance of five-feet (5') of said right-of-way to the above referenced properties in conjunction with the provision of a public utility easement for each parcel.

Budd Street
Proposed Right-of-Way Abandonment



0 40 80 160 Feet

N

Legend

- Dover Parcels
- Storm Sewer Inlet
- Storm Sewer Manhole
- Hydrants
- Storm Sewer Pipe
- Water Main
- Hydrant Line
- Overhead Electric Pole
- Underground Electric Lines
- Overhead Electric Lines
- Sanitary Sewer Manholes
- Sanitary Sewer Line
- Budd St

Date Printed: November 13, 2013
File: m:\gis_data\projects/tech_mxds
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Department: Public Works GIS
City of Dover, Delaware

PETITION TO ABANDON AN IMPROVED CITY STREET

Planning Commission Report to the
Utility Committee
January 13, 2014

Applicant:	City of Dover
Location:	Budd Street between South State Street and Kings Highway
Present Use:	Drive Aisle /Sidewalk in Parking Lot between Weyandt Hall at 5 E. Reed Street and the old Dover Public Library at 45 South State Street
Proposed Use:	Same
Reason for Request:	Clean-up of property lines with adjoining City of Dover owned properties
File Number:	MI-13-21

Summary of the Request:
The applicant has requested abandonment of Budd Street. The existing narrow right-of-way for Budd Street runs east-west between South State Street and Kings Highway, north of East Reed Street.

Budd Street is shown on the *1868 Beers Atlas Map of Dover* connecting South State Street and King Street (Kings Highway). Budd Street also appears on the *W.B. Roe Map of the Town of Dover* dated 1887 and is shown ending opposite the Richardson & Robbins Packing House (the building which now houses DNREC). At that time in the mid-to-late 1800s, Reed Street ended at South State Street and a series of residences lined the east side of South State Street. Budd Street continues to appear (without the current format of Reed Street) on historic maps through at least 1929. The history of the development of the Library at 45 South State Street in late 1950s indicates the City's involvement to acquire and then redevelop several properties in this general area of Budd Street for the Library (dedicated 1961). The current format of Reed Street continuing east to Kings Highway may have been created at that time.

Recommendation of the Planning Staff and Planning Commission:
The Planning Staff has no objection to the proposed abandonment; however we recommend that appropriate easements be retained for any City utilities that may cross through the area. The Staff recommendation was developed before the benefit of public input on the abandonment

request. Following a public hearing on December 16, 2013, where no members of the public spoke with regard to the request to abandon Budd Street, the Planning Commission voted unanimously to recommend approval of the requested abandonment.

Comments from other DAC review agencies are attached.

CITY OF DOVER

DEVELOPMENT ADVISORY COMMITTEE

APPLICATION REVIEW COMMENTARY

STAFF D.A.C. MEETING DATE: NOVEMBER 27, 2013

CITY OF DOVER Electric & Public Works Departments

APPLICATION: **Request for Street Abandonment : Budd Street**

FILE #: **MI-13-21**

REVIEWING AGENCY: **City of Dover Electric and Public Works Departments**

CONTACT PERSON: **Steve Enss - Electric**
Jason A. Lyon, P.E. – Public Works

CONTACT PHONE #: **Electric - 302-736-7070 Public Works – 302-736-7025**

THE SUBJECT PROPOSAL HAS BEEN REVIEWED FOR CODE COMPLIANCE, PLAN CONFORMITY AND COMPLETENESS IN ACCORDANCE WITH THIS AGENCY'S AUTHORITY AND AREA OF EXPERTISE.

THE FOLLOWING ITEMS HAVE BEEN IDENTIFIED AS ELEMENTS WHICH NEED TO BE ADDRESSED BY THE APPLICANT:

CITY AND STATE CODE REQUIREMENTS

ELECTRIC / WATER / WASTEWATER / STORMWATER / STREETS / SANITATION / GROUNDS

1. Our office has no objections to the proposed street abandonment.

RECOMMENDATIONS SUGGESTED AS CONDITIONS OF APPROVAL TO MEET CODE OBJECTIVES

ELECTRIC / WATER / STORMWATER / STREETS / SANITATION / GROUNDS

1. None.

WATER

1. A permanent public utility easement shall be provided for the existing six-inch (6") water main located within this right-of-way. No temporary or permanent structures, including signage or stormwater management areas, shall be placed within the easement areas established.

WASTEWATER

1. A permanent public utility easement shall be provided for the existing twenty-four inch (24") sanitary sewer main located within this right-of-way. No temporary or permanent structures, including signage or stormwater management areas, shall be placed within the easement areas established.

ADVISORY COMMENTS TO THE APPLICANT

ELECTRIC

1. Once streets are abandoned and turned into a private road, the streetlighting is no longer required & becomes private, Customer has four options: (1) contact Customer Service to set up an account to pay for existing lights monthly, (2) contact Customer Service & set up metering for existing lights, (3) City will disconnect existing lights from City system, abandon lights to customer & they can energize from their system or (4) contact Kent County and inquire about the possibility of setting up a lighting district. . Options 1,2 & 4, City of Dover provides maintenance for lights. Option 3, lights & wiring are the sole responsibility of customer (City will recommend a metering point if necessary)

WATER / WASTEWATER / STORMWATER / STREETS / SANITATION / GROUNDS

1. None

GENERAL

1. The parking that is adjacent to Budd Street is completely on the parcel to the south of the abandonment; therefore, the property to the north will not have any parking associated with its parcel.

IF YOU HAVE ANY QUESTIONS OR NEED TO DISCUSS ANY OF THE ABOVE COMMENTS, PLEASE CALL THE ABOVE CONTACT PERSON AND THE PLANNING DEPARTMENT AS SOON AS POSSIBLE.

CITY OF DOVER

DEVELOPMENT ADVISORY COMMITTEE

APPLICATION REVIEW COMMENTARY

D.A.C. MEETING DATE: November 27, 2013

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APPLICATION: Request For Street Abandonment: **Budd Street**
FILE#: MI-13-21 REVIEWING AGENCY: DelDOT

CONTACT PERSON: Julio F. Seneus PHONE#: 760-2145

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THE SUBJECT PROPOSAL HAS BEEN REVIEWED FOR CODE COMPLIANCE, PLAN CONFORMITY AND COMPLETENESS IN ACCORDANCE WITH THIS AGENCY'S AUTHORITY AND AREA OF EXPERTISE.

THE FOLLOWING ITEMS HAVE BEEN IDENTIFIED AS ELEMENTS WHICH NEED TO BE ADDRESSED BY THE APPLICANT:

CITY & STATE CODE REQUIREMENTS:

1. The Department has no comments on the proposed street abandonment.

RECOMMENDATIONS SUGGESTED AS CONDITIONS OF APPROVAL TO MEET CODE OBJECTIVES:

ADVISORY COMMENTS TO THE APPLICANT:

If you have any questions or need to discuss any of the above comments, please call the above contact person and the planning department as soon as possible.

KENT CONSERVATION DISTRICT
800 BAY ROAD SUITE 2 • DOVER, DELAWARE • 19901 (302) 741-2600 EXT. 3 • FAX (302) 741-0347

CITY OF DOVER
DEVELOPMENT ADVISORY COMMITTEE
APPLICATION REVIEW COMMENTARY
December 2013

APPLICATION: *Street Abandonment –Budd Street*

FILE #: MI-13-21

REVIEWING AGENCY: *Kent Conservation District*

CONTACT PERSON: *David C. Cahill* **PHONE #:** *741-2600 ext.3*

THE SUBJECT PROPOSAL HAS BEEN REVIEWED FOR CODE COMPLIANCE, PLAN CONFORMITY AND COMPLETENESS IN ACCORDANCE WITH THIS AGENCY'S AUTHORITY AND AREA OF EXPERTISE. THE FOLLOWING ITEMS HAVE BEEN IDENTIFIED AS ELEMENTS WHICH NEED TO BE ADDRESSED BY THE APPLICANT:

CITY AND STATE CODE REQUIREMENTS:

1. *Kent Conservation District has no objection to the above street being abandon.*

ADVISORY COMMENTS TO THE APPLICANT:
The Following comments are advisory and apply to the development of a detailed site plan for this project.

1. *If at any time expansion or earth disturbing activity (clearing, grubbing tree clearing etc.) takes place and exceeds 5000 square feet; a detailed Sediment and Stormwater Management Plan must be submitted and approved to the Kent Conversation District.*

The Energy Authority, Inc.

Monthly Management Committee Update – November 2013

December 20, 2013

Prepared by:

Robert Trinnear
Client Services Manager
904.360.1309
rtrinnear@teainc.org

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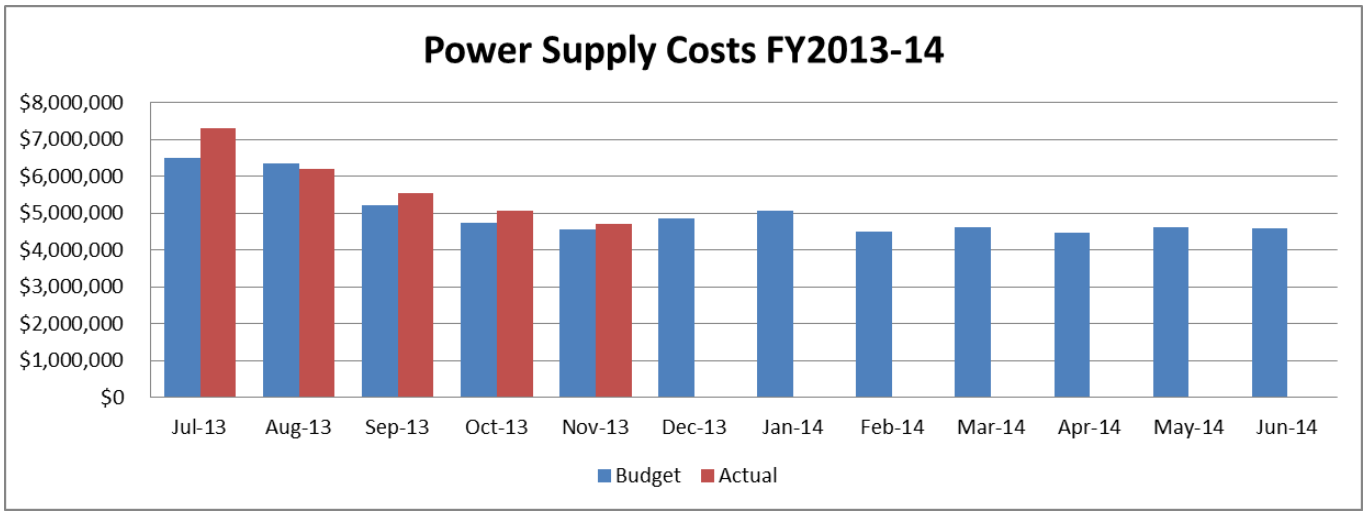
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I. Executive Summary

A. Power Supply Summary:



Overall Power Supply costs were $155,238 over budget due to higher reactive services costs. This was offset somewhat by lower power market purchases.

Dover's budgeted cost for all power supply (capacity AND energy) was $83.62/MWh. The actual cost of all power supply (capacity AND energy) was $82.15/MWh.

The cost of energy alone was $45.34/MWh, versus a budgeted energy cost of $49.80.

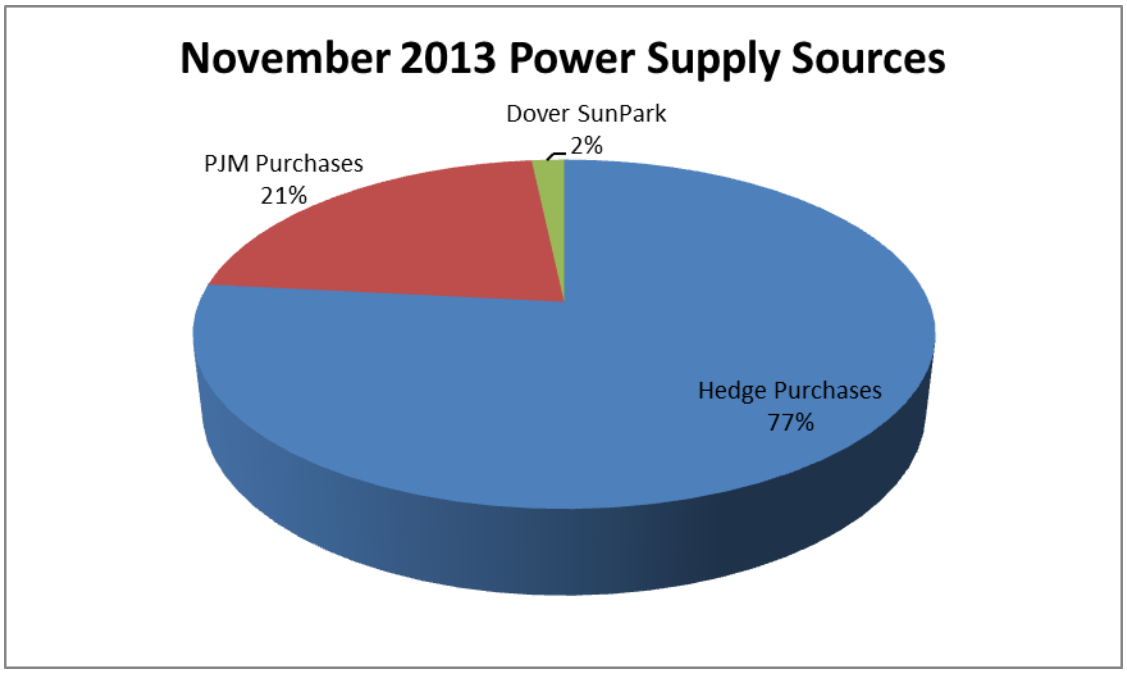
Dover's hedge purchases totaled 44,050 MWh, which was 77% of the actual load. The budgeted hedge purchase totaled 30,420, which was 56% of the budgeted load.

Dover's power purchases from hedge transactions totaled $2,145,418. Purchases from PJM (energy and fees) totaled $1,047,518 with DA Energy purchases totaling $321,601 and Reactive Services Charges totaling $288,961.

Dover's total load was 57,460 MWh versus a forecasted load of 54,592 MWh.

Dover's planned energy purchase from the SunPark solar installation was 912 MWh. Dover's actual energy purchase from the SunPark installation was 971 MWh.

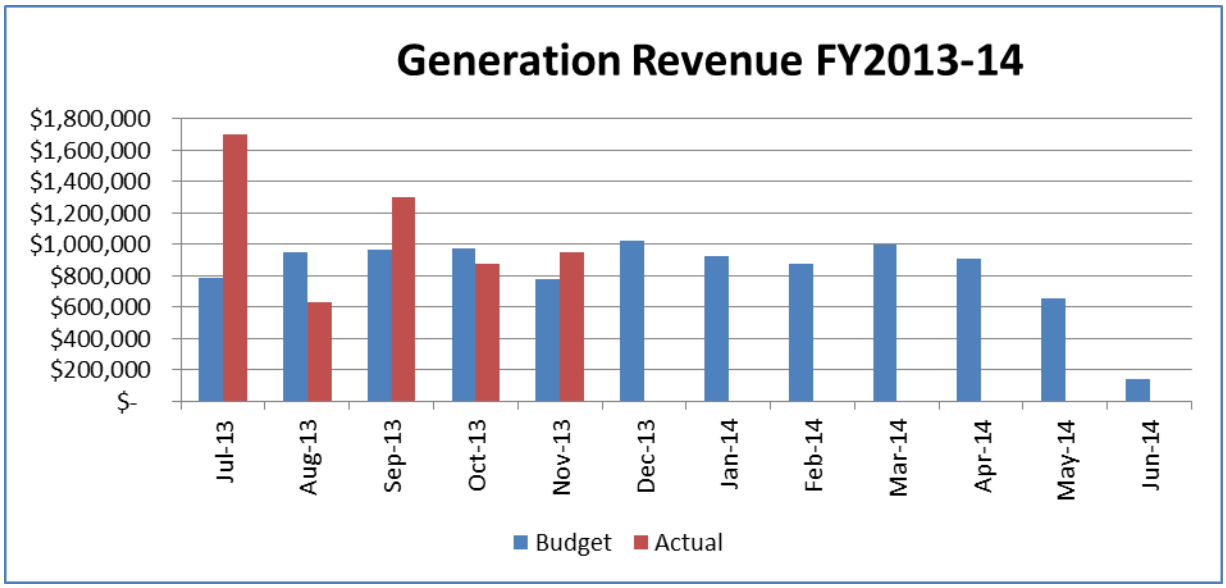
Supply Source Summary:



Supply Variance:

	Budget	Actual	Variance
Gross Load	54,592	57,460	(2,868)
Wholesale Load	53,680	56,489	(2,809)
Hedged Volume (MWh)	30,420	44,050	(13,630)
Unhedged Volume (MWh)	23,260	12,439	10,821
Dover SunPark Volume (MWh)	912	971	(59)
Renewable Energy Credits Volume	137	177	(40)
Hedged Cost ($/MWh)	55.09	48.70	6.38
Unhedged Energy Cost ($/MWh)	$ 41	$ 29	$ 12
Solar Energy Cost ($/MWh)	$ 87	$ 102	$ (15)
Energy Costs ($/MWh)	**$49.80**	**$45.34**	**$4.46**
All-in Costs - Energy, Capacity and RECs ($/MWh)	**$83.62**	**$82.15**	**$1.47**

B. Generation Summary:



Dover generated 0 MWh in the month. Net generation revenue was $955,220 vs. a budget of $775,500. 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)	$	1,286,250.00
PJM - Black Start & Transmission Losses (GEN)	$	49,646.57
Gas Purchases	$	-
Oil Purchases	$	-
Transport / Cash Out	$	-
Gross Margin	**$**	**1,335,896.57**
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 November 30th, 2013
(Includes Nov15, 2011 sale of Seasonal NOx to DEMEC)

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)	
11/30/13	**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). EPA has appealed this ruling to the U.S. Supreme Court, and the Court has agreed to review the DCA opinion. A ruling is not expected before June, 2014.

[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.

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 (12/13/2013)			
Commodity	**$/Ton (Bid/Offer Avg.)**	**Tons**	**Extended Value**
SO_2 Allowances (2009 & earlier)	$ 1.38	5,089	$ 7,022
SO_2 Allowances (2010-13)	$ 0.68	5,964	4,026
NO_x Allowances - Seasonal	$20.00	50	1,000
NO_x Allowances - Annual	$40.00	174	6,960
TOTAL			**$19,008**

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 (11/30/2013)							
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 will no longer receive 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].

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.

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 December 16, 2013 ranged from $3.21 to $3.54/ton, depending settlement month. **Based on the average Intercontinental Exchange prices for December 16, 2013 settlement ($3.21/ton), the value of Dover's existing 120,596 ton RGGI allowance bank is $387,113.**

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 September 2013 SREC auction cleared separately for 2010/2011 through 2013/2014 vintage

[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

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 last month's report ($66,311).**

SREC Vintage (June 1 – May 31)	Auction Clearing Price	SREC Quantity	Market Value
2010/2011	$ 4.01 (Aug-13 Auction)	13	$ 52
2011/2012	$ 19.00	2,375	45,125
2012/2013	$19.00	2,725	51,775
2013/2014	$24.51	1,376	33,726
TOTAL		**6,489**	**$130,678**

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 November, there were no reportable or lost time accidents or injuries. The facility has now gone 1,140 days without an OSHA recordable accident and 1,140 consecutive days without a lost time reportable accident. There were zero Environmental Notices of Violations issued and there were no Near Miss incidents. In the month of November the planned outages of all Units were cleared on November 27. There were no dispatches for any of the Units for the remainder of the month.

Monthly Budget Variance – The actual expenses attributable to O&M of the two sites for the month of November were $380,677 against a budgeted amount of $564,480 for a favorable variance of $183,803 or 32.56%. The principal reason for the favorable variance was due to having two (2) payroll periods expensed in this month as opposed to the 3 payroll periods that were budgeted. This favorable variance was offset somewhat by administrative expenses that were budgeted later in the year but were expensed during the month.

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%	$ 49.17	$ 0.35
2014-15	53%	$ 43.85	$ 0.39
2015-16	29%	$ 41.00	$ 0.03

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II. Budget Report

Variance Report:

	Budget Nov-13	Actual Nov-13	Variance
Gross Load	**54,592**	**57,460**	**(2,868)**
Power Supply			
Hedged Energy	$1,675,700	$2,145,418	($469,718)
PJM - Energy, Congestion & Losses	$963,464	$360,480	$602,984
PJM - ARR, Transmission and Fees	$395,000	$687,038	($292,038)
Dover SUN Park Energy	$79,374	$99,447	($20,073)
Dover SUN Park RECs	$25,000	$25,307	($307)
Management Fees	$83,000	$83,000	$0
PJM - Capacity UCAP Obligated Purchased	$1,343,442	$1,319,528	$23,915
Subtotal - Power Supply	**$4,564,981**	**$4,720,218**	**($155,238)**
Power Generation O&M			
Plant O&M	$546,330	$380,677	$165,653
Subtotal Generation O&M	**$546,330**	**$380,677**	**$165,653**
Power Generation Production Margin			
PJM - Economic and reliability dispatch	$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	($1,286,250)	$ (1,286,250.00)	$0
Emissions Allowance Sales	$0	$ -	$0
PJM - Black Start & Transmission Losses	($35,580)	$ (49,646.57)	$14,067
Subtotal - Non-Production Revenue	**($1,321,830)**	**($1,335,897)**	**$14,067**
SubTotal - All Generation	**(775,500.00)**	**($955,220)**	**$179,720**
Total - Utilities Cost	**$3,789,481**	**$3,764,999**	**$24,482**
Unit Costs			
Total - Power Supply	$83.62	$82.15	$1.47
Total - Power Generation	($14.21)	($16.62)	$2.42
Final Cost of Service to City of Dover Ratepayers	$69.41	$65.52	$3.89

Variance Analysis:

Power Supply

- Dover consumed 2,868 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.
- The result of the higher overall cost for reactive services was offset by lower than expected market purchases. Hedges were placed at below budget levels resulting in a net power supply cost of $82.15/MWh, $1.47/MWh below budget.
- For the month, the city realized an unfavorable variance of $155,238 for power supply vs. the monthly budget.
- Dover Sun Park generated 59 MWh more than forecast.

Generation

- Power generation had a favorable budget variance of $179,720.
- Plant O&M expenses had a favorable budget variance of $165,653 for the month.

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YTD Variance Report:

	Budget YTD	Actual YTD	Variance
Gross Load	**330,269**	**332,355**	**(2,086)**
Power Supply			
Hedged Energy	$12,869,394	$13,913,824	($1,044,430)
PJM - Energy, Congestion & Losses	$4,489,373	$3,484,428	$1,004,945
PJM - ARR, Transmission and Fees	$1,975,000	$3,304,596	($1,329,596)
Dover SUN Park Energy	$622,620	$788,933	($166,313)
Dover SUN Park RECs	$125,000	$193,132	($68,132)
Management Fees	$415,000	$415,000	$0
PJM - Capacity UCAP Obligated Purchased	$6,851,556	$6,729,513	$122,043
Subtotal - Power Supply	**$27,347,943**	**$28,829,425**	**($1,603,526)**
Power Generation O&M			
Plant O&M	$2,516,396	$2,412,851	$103,545
Subtotal Generation O&M	**$2,516,396**	**$2,412,851**	**$103,545**
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	($6,559,875)	($6,559,875)	$0
Emissions Allowance Sales	$0	$0	$0
PJM - Black Start & Transmission Losses	($177,900)	($401,978)	$224,078
Subtotal - Non-Production Revenue	**($6,737,775)**	**($6,961,853)**	**$224,078**
SubTotal - All Generation	**($4,451,851)**	**($5,459,577)**	**$1,007,727**
Total - Utilities Cost	**$22,896,092**	**$23,369,848**	**($473,756)**
Unit Costs			
Total - Power Supply	$82.81	$86.74	($3.94)
Total - Power Generation	($13.48)	($16.43)	$2.95
Final Cost of Service to City of Dover Ratepayers	$69.33	$70.32	($0.99)

III. Operations Management

NAES Corporation
Dover, Delaware

November 2013
Monthly Report



Gary Shisler and Tom Lally
(Newly hired Plant Operations Staff members)

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1.0 Environmental, Health and Safety:

During the month of November, there were no restricted work days or lost time accidents. Plant staff is finalizing plans for the celebration of successfully completing Three Years of being Accident Free. The facility has now gone 3 years and 45 days (1,140 days) through November 30, 2013 without an OSHA Recordable Accident or a Lost Time reportable accident.

The plant received no Notice of Violations (NOVs) during the month. The November (October Discharge) DMR was submitted for the McKee Run site with no NPDES exceedences. There were no IWW discharges to the Kent County Sewer. Kent County has requested PCB sampling to be conducted on an annual basis. Scheduling of this activity is slated for December 2013.

Environmental, Health, and Safety Statistics		
	Month (November)	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	3,941.50	21,087.75
Date last OSHA Recordable		10/14/10
Date last Lost Time Accident		10/14/10
Days since last OSHA recordable		1,140
Days since last Lost Time Accident		1,140

Emissions (NO_x & SO_2) All data thru 11/30/13

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	15,032	514	8,726	6,820
			Total CO2 Allowance Balance		**111,325**

***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.

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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	53/29	4/2
				Total NOx Allowance Balance		**161/49**	**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 – November			
	Actual	Budget	Variance
Personnel	233,301	456,365	223,064
Materials & Supplies	7,239	8,725	1,486
Administrative Expenses	140,137	99,390	(40,747)
Total	**$380,677**	**564,480**	**$183,803**

Financial – Fiscal Year to Date

Number of Months – 5			
	Actual	Budget	Variance
Personnel	1,227,747	1,445,880	218,133
Materials & Supplies	90,352	135,515	45,163
Administrative Expenses	914,788	953,976	39,188
Total	**$2,232,887**	**2,535,371**	**$302,484**

2.1 Variance analysis:

The actual expenses for the month of November are $380,677 against a budgeted amount of $564,480 for a favorable variance of $183,803 or 32.56%. The variance was due to the following:

PERSONNEL EXPENSES – A favorable monthly variance of $233,064 was due to having two (2) payroll periods expensed in this month and three (3) were budgeted. This includes straight time labor, overtime labor, and labor burden costs for November.

MATERIALS AND SUPPLIES EXPENSES- A favorable monthly variance of $1,486 was due to lower water / sewer costs than budgeted.

ADMINISTRATIVE EXPENSES – An unfavorable monthly variance of $40,747 was due to timing of invoices for the stack emission testing and for the purchase of air compressor maintenance kits that were budgeted later in the fiscal year.

The forecasted expenses for this fiscal year are $5,941,916 expensed versus an approved budget of $6,015,800 thereby realizing a 98.77 % expenditure rate.

3.0 Operations

Unit Operations / Outages / Trips

In the month of November, no units were dispatched. Units 1, 2, 3, and 11 Fall 2013 outage was cleared on November 27th at 0700 hours. All units are now available for dispatch.

Month November 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	25.406	25.406	116.807	167.617	3.463	171.080
Auxiliaries purchased	MWh	25.406	25.406	116.807	167.617	3.463	171.080
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	%	12.34	12.34	12.34	12.34	12.34	12.34
Commercial Unavailability (CU)	%	0	0	0	0	0	0
Planned Outage Hours	Hours	632.000	632.000	632.000	1,896.000	632.000	2,528.000
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	89.00	89.00	89.00	267.00	89.00	356.00
HW Boiler Gas Usage	MMBTU				869.408		869.408
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 - October							
		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	160.160	202.167	1,788.995	2,151.322	7.825	2159.147
Auxiliaries purchased	MWh	163.082	205.612	797.313	1,166.007	6.564	1,172.570
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	%	0.87	1.64	3.09	2.63	1.09	2.29
Availability Factor	%	60.55	62.73	62.73	62.00	62.73	62.18
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	2,149.235	2,133.684	2,123.400	6,406.319	2,252.524	8,658.843
HW Boiler Gas Usage	MMBTU				869.408		869.408
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)	428,288	426,525	0	(1,763)	454,725	0	(28,200)
VanSant (#2 Fuel Oil)	124,390	123,674	0	(716)	146,133	0	(22,459)

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

VanSant Lifetime through November 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:

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.

The Operations staff continues to support maintenance activities during the planned outage by serving as Confined Space Attendants for confined space areas as well as other support tasks. The Operations staff has 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.

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 November, the Plant Maintenance staff continued addressing the backlog of work orders and preparing for outage activities. There were thirty-nine work orders issued with fifty-six work orders being completed during the month. There was 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

November - 2013

Priority #	Outstanding From Previous Month	Issued This Month	Completed This Month	Outstanding at the end of the month
1	8	1	4	5
2	42	10	17	35
3	41	0	6	35
4	6	0	0	6
5	19	0	2	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	41	28	27	42
Totals	157	39	56	140

Note: PM Work Orders are included in the priority totals

Notable activities during the month include:

- Fall Outage was cleared on November 27, 2013. Work completed in the outage included boiler inspections, repair of an oil leak on the turbine oil system, repairs to the neutralization pit liner, and numerous Preventative Maintenance activities.

- The NAES Maintenance Staff and APEX Piping Systems completed the removal of the defective boiler drain piping and valves on Unit 3. New boiler drain piping and valves were installed. Pipe hangers were adjusted to allow water to flow down to the blow down tank and neutralization pit.

- The NAES Maintenance Staff adjusted several pipe hangers on the Hot Reheat Line, Cold Reheat Line and the Main Steam Line. These adjustments were

completed in accordance with recommendation included in the report from Intertek-Aptech that is part of the HEP/FAC Program.

- On normal operational rounds at the VanSant Generating Station, Operations Staff noticed a noise coming from the main lube oil pump. The pump was checked out by the Maintenance Staff and it was determined that the bearings in the motor and the pump were damaged. The Maintenance and IC&E staffed changed out the pump and motor and was put back into service with no issues.

5.0 Capital Improvement Projects (CIP)

Project Number	Description	Update
EG1214	MR Industrial Waste water System	Progress: Work is complete 99%. Schedule: Project to be complete in December, 2013 with the final revisions of the system's Standard Operating Procedures and Sampling Procedures in place.
EG1402	Unit #3 Cooling Tower Repairs	Progress: Work is 100% complete Schedule: Work is 100% complete excepting closeout in HTE.
EG1404	McKee Run Auxiliary Component Replacement	Progress: Work planned for the Fall is 90% complete. Schedule: Remaining Fall outage items will be completed in the December time period. 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: Hangar adjustments have been completed. Some scaffold will remain in place until the unit is heated up at which time the adjustments will be checked in the hot (running) position. Schedule: Fall work activities should be complete in December. Adjustments will need to be checked once units are heated up. Spring work still being planned.
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.
EG1408	McKee Run/VanSant Safety Compliance Items	Progress: Work is being planned to be completed in the Spring 2014 outage period. 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.
EG1410	McKee Run/VanSant Crane Replacement	Progress: Crane specifications being developed and were put out for bid in late November. Schedule: Work activities are progressing forward. Bids are due on December 13 after which an analysis of the proposals will be conducted. Estimated time period for purchase of crane is approximately January 2014.
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 approval at their December 9 Council meeting. Schedule: List of consumables has been finalized, quotes received and parts have been placed on order.
EG1415	McKee Run Units #1-#2 Component Repairs	Progress: Cost to be incurred due to repairs on Unit 1 boiler and turbine expected to be complete 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. Schedule: Environmental Support contract work was awarded and data is now being gathered by the contractor for use in the environmental application process.

6.0 General Plant Information

On November 4, Gary Shisler started work at McKee Run as an Operator in the Operations Department. Gary was once with the Liberty plant when NAES operated that facility. Tom Lally, another new hire, is slated to start on December 3 once he has been cleared through the physical and background screening process.

Ron Dove, Compliance Coordinator, submitted his resignation with his last day being November 25. Plant staff is now working on filling his position.
Plant staff continues to interview prospective applicants for the position of Administrative Assistant.

Training:

Topics discussed during the monthly safety committee meeting were reviewed by the entire staff. The monthly safety topic was on "Four Seconds To Safety". Topics discussed during the monthly safety committee meeting were reviewed by the entire staff.

OES-NA was on site for PJM simulation training. PJM requires thirty (30) simulation hours (credits) in order to maintain the three year Generation System operator certification. The only method to receive these credits is to attend a PJM System Operator seminar or to have qualified training observed by PJM. Voltage Control, Congestion Management, and Emergency Operations are some of the topics covered in the two day class using laptops. Five operators and one supervisor attended the class from the plant staff. This class will supply the operator attendees with fourteen (14) simulation credits.

Calendar of Events	Date
Winter Capacity Period	December 1, 2013 to February 28, 2014
Annual Title V Certifications Due	January 30, 2104
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

Measure	Plant Performance FY 2013-2014 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 r

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IV. Appendix 1 – PJM Invoice Breakdown

	Gen	Load	Grand Total
Auction Revenue Rights		($26,010.90)	($26,010.90)
Balancing Operating Reserve		$8,942.57	$8,942.57
Balancing Operating Reserve for Load Response		$10.09	$10.09
Balancing Spot Market Energy		$120,514.22	$120,514.22
Balancing Transmission Congestion		$3,073.30	$3,073.30
Balancing Transmission Losses		$5,179.20	$5,179.20
Black Start Service		$1,912.52	$1,912.52
Capacity Resource Deficiency		($131.10)	($131.10)
Capacity Transfer Rights		($18,612.90)	($18,612.90)
CT Lost Opportunity Cost Allocation		($16.80)	($16.80)
Day-Ahead Load Response Charge Allocation		$382.23	$382.23
Day-ahead Operating Reserve		$2,261.64	$2,261.64
Day-ahead Scheduling Reserve		$4.90	$4.90
Day-ahead Spot Market Energy		$321,601.30	$321,601.30
Day-ahead Transmission Congestion		$13,055.35	$13,055.35
Day-ahead Transmission Losses		$38,476.70	$38,476.70
Demand Resource and ILR Compliance Penalty		($657.30)	($657.30)
Emergency Load Response		$163.76	$163.76
Expansion Cost Recovery		$427.50	$427.50
FERC Annual Recovery		$3,433.27	$3,433.27
Generation Deactivation Refund		($758.19)	($758.19)
Inadvertent Interchange		($1,010.09)	($1,010.09)
Incremental Capacity Transfer Rights		($1,704.30)	($1,704.30)
Load Reconciliation for Balancing Operating Reserve		($514.52)	($514.52)
Load Reconciliation for Day-ahead Scheduling Reserve		($1,227.41)	($1,227.41)
Load Reconciliation for FERC Annual Recovery		($98.69)	($98.69)
Load Reconciliation for Inadvertent Interchange		$53.45	$53.45
Load Reconciliation for Market Monitoring Unit (MMU) Funding		($6.35)	($6.35)
Load Reconciliation for Non-Synchronized Reserve		($59.95)	($59.95)
Load Reconciliation for North American Electric Reliability Corporation (NERC)		($16.59)	($16.59)
Load Reconciliation for Organization of PJM States, Inc. (OPSI) Funding		($1.14)	($1.14)
Load Reconciliation for PJM Scheduling, System Control and Dispatch Service		($342.50)	($342.50)
Load Reconciliation for PJM Scheduling, System Control and Dispatch Service Refund		$11.95	$11.95
Load Reconciliation for Reactive Services		($2,822.34)	($2,822.34)
Load Reconciliation for Regulation and Frequency Response Service		($994.56)	($994.56)
Load Reconciliation for Reliability First Corporation (RFC)		($23.72)	($23.72)
Load Reconciliation for Schedule 9-6 - Advanced Second Control Center		($43.14)	($43.14)
Load Reconciliation for Spot Market Energy		($176,414.02)	($176,414.02)
Load Reconciliation for Synchronized Reserve		($1,613.13)	($1,613.13)
Load Reconciliation for Transmission Congestion		$51,306.00	$51,306.00
Load Reconciliation for Transmission Losses		($2,762.96)	($2,762.96)
Load Reconciliation for Transmission Owner Scheduling, System Control and Dispatch Service		($123.23)	($123.23)
Locational Reliability		$1,339,975.80	$1,339,975.80
Market Monitoring Unit (MMU) Funding		$226.04	$226.04
Meter Error Correction		($3,246.45)	($3,246.45)
Michigan - Ontario Interface Phase Angle Regulators		$197.60	$197.60
Network Integration Transmission Service		$331,131.30	$331,131.30
Non-Firm Point-to-Point Transmission Service		($602.66)	($602.66)
Non-Synchronized Reserve		$143.17	$143.17
North American Electric Reliability Corporation (NERC)		$577.02	$577.02
Organization of PJM States, Inc. (OPSI) Funding		$39.82	$39.82
PJM Annual Membership Fee		$5,000.00	$5,000.00
PJM Scheduling, System Control and Dispatch Service - Advanced Second Control Center		$1,674.03	$1,674.03
PJM Scheduling, System Control and Dispatch Service - Capacity Resource/Obligation Mgmt.		$913.50	$913.50
PJM Scheduling, System Control and Dispatch Service - Control Area Administration		$9,763.16	$9,763.16
PJM Scheduling, System Control and Dispatch Service - Market Support		$2,229.43	$2,229.43
PJM Scheduling, System Control and Dispatch Service - Market Support Offset		($213.52)	($213.52)
PJM Scheduling, System Control and Dispatch Service - Regulation Market Administration		$83.96	$83.96
PJM Scheduling, System Control and Dispatch Service Refund - Capacity Resource/Obligation Mgmt.		($308.11)	($308.11)
PJM Scheduling, System Control and Dispatch Service Refund - Control Area Administration		($3,683.16)	($3,683.16)
PJM Scheduling, System Control and Dispatch Service Refund - Market Support		($856.97)	($856.97)
PJM Scheduling, System Control and Dispatch Service Refund - Regulation Market Administration		($39.52)	($39.52)
PJM Settlement, Inc.		$213.52	$213.52
Reactive Services		$288,960.69	$288,960.69
Reactive Supply and Voltage Control from Generation and Other Sources Service	($29,467.58)	$34,991.62	$5,524.04
Real-Time Load Response Charge Allocation		$340.98	$340.98
Regulation and Frequency Response Service		$9,309.79	$9,309.79
Reliability First Corporation (RFC)		$825.14	$825.14
RPM Auction	($1,286,250.00)		($1,286,250.00)
Synchronized Reserve		$5,385.07	$5,385.07
Synchronous Condensing		$0.11	$0.11
Transmission Enhancement		$4,883.03	$4,883.03
Transmission Losses	($20,178.99)		($20,178.99)
Transmission Owner Scheduling, System Control and Dispatch Service		$4,287.23	$4,287.23
Grand Total	**$ (1,335,896.57)**	**$ 2,367,045.74**	**$1,031,149.17**

V. Appendix 2 – PJM Invoice Summary

	Bill Issued	11/12/2013	11/19/2013	11/26/2013	12/3/2013	12/6/2013	
	Weekly Bill	1st Weekly Bill	2nd Weekly Bill	3rd Weekly Bill	4th Weekly Bill	Monthly	
GL Account #'s	Production Dates	11/1	11/7	11/14	11/21	11/28	Total
		11/6	11/13	11/20	11/27	11/30	
480-8102-592-95-49	PJM - Capacity UCAP Obligated Purchased (LOAD)	$ 263,905.50	$ 307,889.75	$ 307,889.75	$ 307,889.75	$ 131,952.75	$ 1,319,527.50
480-8102-592-95-50	PJM - Generation Capacity Credit (GEN)	$ (257,250.00)	$ (300,125.00)	$ (300,125.00)	$ (300,125.00)	$ (128,625.00)	$(1,286,250.00)
480-8102-592-95-90	PJM - ARR, Transmission and Fees (LOAD)	$ 61,020.72	$ 71,190.84	$ 71,190.84	$ 71,190.84	$ 412,444.89	$ 687,038.13
480-8102-592-95-91	PJM - Energy, Congestion, and Losses (LOAD)	$ 74,748.21	$ 102,738.52	$ 91,342.99	$ 169,292.06	$ (77,641.67)	$ 360,480.11
480-8102-592-95-92	PJM - Economic and reliability dispatch (GEN)	$ -	$ -	$ -	$ -	$ -	$ -
480-8102-592-95-93	PJM - Black Start & Transmission Losses (GEN)	$ (3,649.31)	$ (4,460.85)	$ (4,272.63)	$ (5,592.94)	$ (31,670.84)	$ (49,646.57)
	Net Due/From PJM	$ 138,775.12	$ 177,233.26	$ 166,025.95	$ 242,654.71	$ 306,460.13	$ 1,031,149.17

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

	July	August	September	October	November	YTD	Original Budget
Power Supply & Generation							
Dover Sun Park - Energy	$ 187,421	$ 176,372	$ 204,852	$ 120,839	$ 99,447	$ 788,931	$ 1,565,800
Dover Sun Park - REC's	43,005	38,516	42,894	25,307	-	149,722	300,000
Total Power Supply Cost	230,426	214,888	247,746	146,146	99,447	938,653	1,865,800
Non-Solar Power Supply Cost	(180,227)	(154,545)	(154,590)	(100,770)	(83,724)	(673,856)	(689,650)
Incremental Energy Cost	$ 50,199	$ 60,343	$ 93,156	$ 45,376	$ 15,723	$ 264,798	$ 1,176,150
Revenues							
Customer Sales - Electricity	(9,404)	(7,389)	(7,538)	(7,662)	(7,721)	(39,714)	(26,300)
Rent Receipts	(14,446)	-	-	(14,446)	-	(28,892)	(58,300)
Total Revenues	(23,850)	(7,389)	(7,538)	(22,108)	(7,721)	(68,606)	(84,600)
Incremental Sun Park Cost	$ 26,349	$ 52,954	$ 85,618	$ 23,268	$ 8,002	$ 196,192	$ 1,091,550
MWh Purchased/Generated - Solar	2,052.584	1,815.656	2,000.128	1,179.844	970.972	8,019.184	18,159.000
MWh $ Solar Energy	$ 91.31	$ 97.14	$ 102.42	$ 102.42	$ 102.42	$ 98.38	$ 86.23
Solar REC's MWh	307.000	272.000	300.000	177.000	-	1,056.000	
MWh $ Solar REC (one month lag)*	$ 140.08	$ 141.60	142.98	142.98	$ -	$ 141.78	
MWh $ Non-Solar Energy	$ 87.81	$ 85.12	$ 77.29	$ 85.41	$ 86.23		

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