UTILITY COMMITTEE

The Utility Committee Meeting was held on September 9, 2013 at 5:30 p.m. with Councilman Perza presiding in the absence of Chairwoman Williams. Members present were Mr. Slavin, Mr. Blakeman, and Mr. Snaman. Members of Council present were Mr. Dixon and Mr. Hutchison. Mayor Carey was also present (arrived at 5:36 p.m.).

AGENDA ADDITIONS/DELETIONS

Mr. Blakeman moved for approval of the agenda as presented, seconded by Mr. Slavin and unanimously carried.

Public Notification - Power Outages

Members reviewed the existing Electric Outage Public Notification Procedure and the Internal Standing Orders for the City's Electric Department. Mr. Scott Koenig, City Manager, advised members that the Public Notification Procedures were currently being implemented when more than one-third (1/3) of the City is affected or the outage is expected to be four (4) hours or longer in duration. He noted that the Electric Director's Standing Orders specify who is to be contacted during electric outages.

In addition to the City's current procedures, Mr. Koenig stated that the System Operations Center had begun sending internal email notifications to the City Manager when there are power outages. He indicated that since the System Operations staff is involved in system restoration, depending on the intensity of the work involved in restoring the outage, some of these emails occur after the fact and others occur when the outage is in the process of being restored. He offered to forward these emails to City Council if they desired.

Staff recommended a review of the Electric Outage Public Notification Procedures and Internal Standing Orders on an annual basis and implementing changes based on comments received during the review.

Responding to Mr. Perza, Mr. Koenig stated that staff was not recommending any revisions at this time and that the information was being provided for the Committee's review for possible amendments. He acknowledged that it was difficult to communicate information publicly regarding the expected duration of an outage and stated his opinion that the current procedures were adequate for public notification.

Regarding customers notifying the City of an outage, Mr. Steve Enss, Interim Electric Director, stated that it is always helpful for the City to be contacted. He explained that City staff is aware of an outage when an entire breaker is involved; however, if an outage is caused by a blown fuse, the City will not be made aware until a customer notifies the City of the outage. During an outage, customers should contact the City's 24/7 Emergency Number at 302-736-7086.

Mr. Slavin noted that the preferred way for people to obtain information is through social media such as Twitter, Facebook, etc. and since these can be very effective tools, he encouraged staff to consider their use for disseminating such information.

Referring to a power outage that occurred on August 25, 2013, Mr. Blakeman advised members that he contacted the City and received a recording indicating that the City was experiencing power outages and requesting that the customer call back if the power had been out for more than two (2) hours. He called back several times and received the same recording. He then called other phone numbers in the Electric Department and the City Manager's Office and there was no answer. He called the Police Department and was advised to quit calling because they had work to do. It was his opinion that the City could quickly get a bad reputation due to the lack of communication during power outages. Since he had always made contact in the past with the City's System Operator, who had been able to provide information regarding an outage, he felt that this was likely an isolated incident; however, he wanted the City to be made aware. Mr. Blakeman noted that the current procedures did not include providing additional personnel to handle telephone calls during "off-hour" outages. He advised members that in previous years (when he served as the City's Electric Director), employees were called in to work for the sole purpose of answering telephone calls.

In response to Mr. Perza, Mr. Koenig stated that the City did not have the ability to maintain the City's website and information systems internally during "off hours" electric outages. He noted that since there would always be customers who use the telephone, if additional personnel were required to maintain information on the website and other information systems, additional personnel should also be called in to man telephones. He indicated that if members wished to have staff called in for these purposes, there would be costs involved and it would be necessary to budget for these expenses, which currently were not included in the budget.

Mr. Perza noted that many people use technology and social media today in order to obtain information and, since only one (1) employee would be involved in posting information on the City's website and keeping it updated, he suggested that staff consider requiring the City's website to be maintained in this way when there is an "off hour" outage.

Responding to Mr. Perza, Mr. Koenig stated that staff would consider the comments made by members and attempt to include them in the City's procedures and orders for implementation. Mr. Slavin suggested that the IT Department could assist in determining the easiest way to disseminate information. It was his feeling that using existing channels, such as Twitter, Facebook, email and/or text push notification systems that allow people to opt in to receive such messages, could be used. Mr. Blakeman suggested that staff include a footnote in the telephone book with the 24/7 emergency phone number that explained the steps to be taken to obtain updated information, noting that he would not think to check Facebook unless he were directed to do so in some way.

Referring to the outage informational message provided when calls are made to the 24/7 emergency phone number, Mr. Slavin suggested that the information be periodically updated and that the message include the date and time.

Mr. Slavin moved to recommend that this matter be referred back to staff for their consideration in implementing the comments and suggestions made by members of the Committee. The motion was seconded by Mr. Blakeman and unanimously carried.

TEA/NAES Report (June and July)

The TEA/NAES Monthly Reports for June and July 2013 were provided to members to enable them to monitor electric sales and revenues received, which will provide a better understanding of any fluctuations that occur and allow the opportunity to make improvements if deemed necessary.

Mr. Scott Koenig, City Manager, noted that the overall cost of power was much lower than budgeted during the previous year and that those savings had been captured in the new rates that went into effect on July 1, 2013. Referring to the Power Supply Summary for July 2013 (Page 44 of the packet), he stated that as the City began Fiscal Year 2014, the overall power supply costs were over budget due to the higher than budgeted cost of energy purchases. In addition, he noted that an insurance payment was made in August that was typically due in July. He assured members that staff would be very conscious of the numbers during FY 2014 since the budget versus actual expenses had tightened based on the rate adjustment that was implemented.

Referring to the picture on Page 13 of the July TEA/NAES Report, which depicted improved lighting in the Hot Water Boiler Room, Mr. Blakeman noted that the hot water boilers were previously used to heat oil, which is no longer used. Since the City now uses No. 2 oil, which is not heated, he questioned the need for lighting in the Hot Water Boiler Room, which should be an area no longer utilized unless used to heat water for another use. Responding, Mr. Koenig stated that safety was required to be maintained throughout the entire plant; however, he would check to determine the current use of the room.

Mr. Blakeman moved to recommend acceptance of the TEA/NAES Monthly Reports for June and July 2013, seconded by Mr. Slavin and unanimously carried.

UPDATES

Members were provided the following updates:

Calpine Energy Center

Mr. Scott Koenig, City Manager, advised members that the Calpine Energy Center had been under construction since April 2013 and foundations, piping, etc. had been worked on. Administratively, vendors had been working with the Delaware Department of Transportation (DelDOT) to obtain the necessary permits to allow for large equipment to be brought to the site. He stated that weekly teleconferences continued and that many issues were ongoing and on track at this point.

Dover Sun Park

Mr. Scott Koenig, City Manager, referred to the spreadsheet provided by Mrs. Donna Mitchell, Controller/Treasurer, that provided the incremental costs for FY2013 for the White Oak Solar Park. He noted that the cost per MWh was $91.29 for July 2013 and the City had budgeted for $86.23 per MWh.

Garrison Oak Technical Park Project

Mr. Scott Koenig, City Manager, stated that the Garrison Oak Technical Park (GOTP) Project was somewhat of a companion project to the Calpine Energy Center. He advised members that the design of the roads and entrances was being completed and the City was hoping to obtain final

approvals from the Delaware Department of Transportation (DelDOT) for the entrance design in order for bids to be requested. In addition, he stated that the design of the pump station, which would accommodate the flows from the Garrison Oak Technical Park, was almost complete; therefore, it was anticipated that bids would be requested sometime very soon.

Mr. Koenig reminded members that the design/build contract for the $1.5M elevated storage tank had been authorized and was underway. He assured members that City staff continued to pursue tenants for the park. Although a land offer had been made to Uzin Utz Manufacturing Corporation, as authorized by City Council, he stated that this transaction had not yet been finalized. He stated that Mr. Bill Neaton, Economic Development Director, continued to entertain interest on other parcels at the GOTP, and that staff hoped to present proposals from these potential tenants to City Council for their consideration.

Mr. Slavin moved for adjournment, seconded by Mr. Blakeman and unanimously carried.

Meeting adjourned at 5:53 p.m.

Adam M. Perza
Acting Chairman

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