UTILITY COMMITTEE
A G E N D A

NOVEMBER 13, 2012 - 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. Water Quality and Inflow and Infiltration (I & I) Updates

2. Quarterly Review of Utility Related Capital Investment Plan (CIP) (Electric and Water/Wastewater) *(July, August, and September)*

3. TEA/NAES Report *(August)*

4. Updates
   A. Garrison Oak Technical Park Project

5. Adjournment by 5:25 P.M.

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

City of Dover

Capital Investment Plan

Project Tracking Report

September 30, 2012

Points to Remember -

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

Current Year Budget Funding Sources	General	Community Transportation	Water & Wastewater	Electric	Total CIP
Budget Balance	$ 92,000	$ 298,800	$ 4,508,500	$ 234,700	$ 5,134,000
Budget Balance - Restricted MSA (non Public Safety)	132,200	-	-	-	132,200
Library Funding - FY11 Budget Balance	(127,000)	-	-	-	(127,000)
Federal and/or State Grants	1,746,000	-	-	-	1,746,000
Transfer from Library Foundation	71,000	-	-	-	71,000
Friends of the Library Donation	102,400	-	-	-	102,400
Kent County Library Contribution	250,000	-	-	-	250,000
Sale of Assets - Library	1,200,000	-	-	-	1,200,000
Debt Financing - Green Energy Components	648,500				648,500
Construction Loan	289,400	-	-	-	289,400
Community Transportation Fund - FY11 Balances	-	1,630,050	-	-	1,630,050
Debt Financing	4,000,000	-	4,000,000	-	8,000,000
Other State/Federal Grants	108,000	-	-	-	108,000
Police Grants	33,800	-	-	-	33,800
Transfer from Capital Reserves	-	-	-	550,000	550,000
Impact Fee Reserves	-	-	550,000	-	550,000
State Community Transportation Funds	-	700,000	-	-	700,000
Transfer Loan Proceeds to CT Fund - Street Program	-	1,606,700	-	-	1,606,700
Transfer from Operating Funds	613,400	-	2,900,000	3,500,000	7,013,400
Interest Income	-	-	25,000	40,700	65,700
Total Funding Sources (Unaudited)	$ 9,159,700	$ 4,235,550	$ 11,983,500	$ 4,325,400	$ 29,704,150

City of Dover
General Fund - Major CIP Projects
September, 2012

			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 Yr. Budget	Revised Fiscal Yr. Budget	Fiscal YTD Expenses	% Budget Spent	Status	Comments
		FY2009											
LB0901	M/G/L	New Library Project	$ 18,200,000	$ 20,469,080	$ 17,230,752	$ 3,238,328	84.2%	$ 2,535,000	$ 4,180,300	$ 941,972	22.5%	In Process	Overall project 80% Complete on 7/31/12
ST1203		Dump Truck Refurbishment	30,000	24,000	20,354	3,646	84.8%	-	12,000	8,333	69.4%	In Process	
		FY12 MSA - Capital non-safety	-	132,200	-	132,200	200.0%	-	132,200	-	0.0%		Restricted MSA Funding
		Totals - FY09	$ 18,230,000	$ 20,625,280	$ 17,251,106	$ 3,374,174	83.6%	$ 2,535,000	$ 4,324,500	$ 950,305	22.0%		
		FY2013											
---		Vehicles & Equipment	$ 399,900	$ 399,900	$ 70,062	$ 329,838	17.5%	$ 399,900	$ 399,900	$ 70,062	17.5%		
---		Annual Fire Truck Payments	238,500	238,500	96,275	142,225	40.4%	238,500	238,500	96,275	40.4%		
Mayor		Security Cameras	33,000	33,000	-	33,000	0.0%	33,000	33,000	-	0.0%		
FC1302	B/L	City Hall Fire Suppression	288,000	288,000	-	288,000	0.0%	288,000	288,000	-	0.0%		Financed by PNC Loan - FY12
FC1303	G	City Hall Emergency Generator	93,000	93,000	-	93,000	0.0%	93,000	93,000	-	0.0%		DEMA Grant funded;
IT1301	G	Server & Backup Solution	57,000	57,000	-	57,000	0.0%	57,000	57,000	-	0.0%		$15K is DEMA grant funded;
PR1301		Dover Park- Roof Replacement	30,000	30,000	-	30,000	0.0%	30,000	30,000	-	0.0%		
ST1303	B/L	Salt Storage Facility-Schutte Park	50,000	50,000	-	50,000	0.0%	50,000	50,000	-	0.0%		Financed by PNC Loan - FY12
ST1304	B/L	Garrison Farm Improvements	1,924,000	1,924,000	-	1,924,000	0.0%	1,924,000	1,924,000	-	0.0%		Financing to be determined
PD1301	G	Police Elec Breaker Rplcmnt	33,800	33,800	-	33,800	0.0%	33,800	33,800	-	0.0%		Police Grant funded
PD1302	B/L	Police Micro Seal Parking Lots	25,300	25,300	-	25,300	0.0%	25,300	25,300	-	0.0%		Financed by PNC Loan - FY12
		Totals - FY12	$ 2,501,100	$ 2,501,100	$ -	$ 2,501,100	0.0%	$ 3,172,500	$ 3,172,500	$ 166,337	5.2%		
		Debt issuance cost - PNC/Other	56,000	56,000	-	56,000	0.0%	56,000	56,000	-	0.0%		
		Transfer to CT Fund - Streets	1,606,700	1,606,700	-	1,606,700	0.0%	1,606,700	1,606,700	-	0.0%		PNC Loan for FY12/FY13 Street Prog.
		Grand Totals	$ 22,393,800	$ 24,789,080	$ 17,251,106	$ 7,537,974	69.6%	$ 7,370,200	$ 9,159,700	$ 1,116,641	12.2%	12.2%	

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.
G = Grant funded project
B/L = To be financed through bonds or commercial loan; Projects will be completed through CT Fund, therefore the loan proceeds will be transferred from Capital Fund into the Community Transportation Fund;

City of Dover
Community Transportation & General Fund Street Funds - Major CIP Projects
September, 2012

		TOTAL PROJECT - PAST, CURRENT & FUTURE BUDGETS					CURRENT FISCAL YEAR						
Type	Description	Original Project Budget	Latest Project Budget	Project To Date Expenses	Project Budget Balance	% Budget Spent	Current Fiscal Yr. Budget	Revised Fiscal Yr. Budget	Fiscal YTD Expenses	Budget Balance	% Budget Spent	Status	Comments
	FY 2002												
	North Street sidewalk	$ 80,400	$ 80,400	$ -	$ 80,400	0.0%	$ -	$ 80,400	$ -		0.0%		Waiting on DDP improvements
	Totals	$ 80,400	$ 80,400	$ -	$ 80,400	0.0%	$ -	$ 80,400	$ -		0.0%		
	FY 2009												
	Little League Park paving	$ 11,600	$ 11,600	$ -	$ 11,600	0.0%	$ -	$ 11,600	$ -	11,600	0.0%		Re-program for signage
	Totals	$ 11,600	$ 11,600	$ -	$ 11,600	0.0%	$ -	$ 11,600	$ -	$ 11,600	0.0%		
	FY 2007												
	E. Water Street Brick	$ 65,000	$ 65,000	$ -	$ 65,000	0.0%	$ -	$ 65,000	$ -		0.0%		Specialty contract needed.
	Totals	$ 65,000	$ 65,000	$ -	$ 65,000	0.0%	$ -	$ 65,000	$ -		0.0%		
	FY 2009												
M	Schutte Parking Lot	$ 21,950	$ 21,950	$ -	$ 21,950	0.0%	$ -	$ 21,950	$ -	21,950	0.0%		Deferred
	Totals	$ 21,950	$ 21,950	$ -	$ 21,950	0.0%	$ -	$ 21,950	$ -	$ 21,950	0.0%		
	FY2012												
M	North Street Roundabout	$ -	$ 500,000	$ -	$ 500,000	0.0%	$ -	$ 500,000	$ -		0.0%	35%	Site work initiated.
	Stoney Creek Lighting	-	40,000	-	40,000	100.0%	-	40,000	-		0.0%		
M	Lincoln Park Center	900,000	1,423,500	516,260	907,240	0.0%	-	911,100	3,932		0.4%	Started	
	Street & Alley Program	300,000	298,800	-	298,800	100.0%	-	298,800	-		0.0%		General Fund Appropriaitons
	Totals	$ 1,200,000	$ 2,262,300	$ 516,260	$ 1,746,040	22.8%	$ -	$ 1,749,900	$ 3,932	$ -	0.0%		
	FY2013												
	Unapplied CT Projects (placeholder)	$ 700,000	$ 700,000	$ -	$ 700,000	0.0%	$ 700,000	$ 700,000	$ -		0.0%		Future CT Agreements
	FY13 Concrete Program	60,000	60,000	-	60,000	0.0%	60,000	60,000	1,933		3.2%		Financed by PNC Loan - FY12
	FY12/FY13 Street & Alley Program	1,546,700	1,546,700	-	1,546,700	0.0%	1,546,700	1,546,700	-		0.0%		Financed by PNC Loan - FY12
		$ 2,306,700	$ 2,306,700	$ -	$ 2,306,700	0.0%	$ 2,306,700	$ 2,306,700	$ 1,933	$ -	0.1%		
	Grand Totals	$ 3,593,650	$ 4,655,950	$ 516,260	$ 4,139,690	11.1%	$ 2,306,700	$ 4,235,550	$ 5,865	$ 21,950	0.3%		

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
B/L = To be financed through bonds or commercial loan;Projects will be completed through CT Fund, therefore the loan proceeds will be transferred from Capital Fund into the Community Transportation Fun

City of Dover
Water/Wastewater Improvement & Extension Fund - Major CIP Projects
September, 2012

			TOTAL PROJECT - PAST, CURRENT & FUTURE BUDGETS					CURRENT FISCAL YEAR					
Project Code	Type	Description	Original Project Budget	Latest Project Budget	Project To Date Expenses	Project Budget Balance	% Budget Spent	Approved Fiscal Yr. Budget	Revised Fiscal Yr. Budget	Fiscal YTD Expenses	% Budget Spent	Status / % Complete	Comments
		FY 2008											
WD0804	M	1.0 MG Elevated Water Storage	$ 4,196,600	$ 2,590,000	$ 17,839	$ 2,572,161	0.7%	$ 2,000,000	$ 2,166,000	$ 4,914	0.2%	Started	Staff reviewing agreement docs
WD0805	M	Piney Point Well	398,800	665,000	7,284	657,716	1.1%	450,000	505,600	556	0.1%	Started	Staff reviewing RFP
		Totals - FY08	$ 4,595,400	$ 3,255,000	$ 25,123	$ 3,229,877	0.8%	$ 2,450,000	$ 2,671,600	$ 5,470	0.2%		
		FY2009											
WQ0907	SL/C	Rt. 13 Water Main	1,023,700	2,214,600	2,078,383	136,217	93.8%	-	192,600	20,056	10.4%	100.0%	Complete; Awating final charges
		FY2010											
WW1007	M/SL	Fox Hall Pump Station	427,900	358,900	273,226	85,674	76.1%	-	144,800	59,139	40.8%	98.0%	Final punchlist items outstanding
WW1010	I	Tar Ditch Interceptor Upgrade	518,230	495,400	5,143	490,257	1.0%	-	490,300		0.0%	Started	Easement request sent to residents
		Totals - FY10	$ 427,900	$ 358,900	$ 273,226	$ 85,674	76.1%	$ -	$ 635,100	$ 59,139	9.3%		
		FY2011											
WW1104	SL	Lepore Road P/S Replacement	350,000	402,000	17,850	384,150	4.4%	-	384,200	-	0.0%	Started	Contractor ordered Station;
		Totals - FY11	$ 350,000	$ 402,000	$ 17,850	$ 384,150	4.4%	$ -	$ 384,200	$ -	0.0%		
		FY2012											
WD1201		Pay-As-You-Go Water Station	30,200	30,200	-	30,200	0.0%	-	30,200	-	0.0%	Started	Specs being developed
WQ1202		WQI - New Street	-	113,960	26,600	87,360	0.2334	-	87,400	-	0.0%	Started	Project on hold - Design complete
WQ1203		WQI - Silver Lake	-	279,840	190,030	89,810	67.9%	-	90,800	1,032	1.1%	100.0%	Complete; Awaiting final charges
WW1201	M/SL	Inflow/Infiltration Removal **(1)**	1,000,000	971,900	55,075	916,825	5.7%	-	-	-	0.0%		See FY13 I & I Program; $916.800
WW1202	M	SCADA Equpment Upgrade	84,900	84,900	76,389	8,511	90.0%	29,300	29,300		0.0%	Started	Awaiting delivery of materials
WW1204	M	Baltray Pump Station Rplcmnt	125,000	125,000	20,581	104,419	16.5%	100,000	100,000		0.0%	Started	Project on hold - Bid specs ready
WW1205	M	Dover Brook Gardens Pump Station	65,000	65,000	12,194	52,806	18.8%	50,000	50,000	2,342	4.7%	Started	Project on hold - Bid specs ready
WW1206	M	Brandywine Pump Station Rplcmntq	402,000	402,000	33,582	368,418	8.4%	350,000	350,000		0.0%	Started	Project on hold - Bid specs ready
WW1207	M	McKee Pump Station Comm Rplcmt	55,000	55,000	7,431	47,569	13.5%	45,000	45,000		0.0%	Started	Project on hold - Bid specs ready
		Totals - FY12	$ 1,762,100	$ 2,127,800	$ 421,882	$ 1,705,918	99.2%	$ 574,300	$ 782,700	$ 3,374	0.4%		
		FY2013											
---		Vehicles & Equipment	$ 524,500	$ 524,500	$ -	$ 524,500	0.0%	$ 524,500	$ 524,500	$ -	0.0%	Started	All ordered or bid;
WW1301	M	Hazlettville Road Interceptor	770,000	770,000	-	770,000	0.0%	30,000	30,000	-	0.0%	Not started	Project on hold
WW1302	M	Lakeview Drive PS Replacement	502,000	502,000	-	502,000	0.0%	52,000	52,000	-	0.0%	Not started	Project on hold
WW1303	M	Westover Pump Station	768,800	768,800	-	768,800	0.0%	65,000	65,000	-	0.0%	Not started	Project on hold
WW1304	M	Garrison Farm Improvements	1,828,000	1,828,000	-	1,828,000	0.0%	1,828,000	1,828,000	-	0.0%	Started	Pending Council approval 9/24
WD1302	M	Garrison Farm Storage Tank	1,828,000	1,828,000	-	1,828,000	0.0%	1,828,000	1,828,000	-	0.0%	Started	Pending Council approval 9/24
WD1304		Future Columbia Well Design	55,000	55,000	-	55,000	0.0%	55,000	55,000	-	0.0%	Not started	Project on hold
WD1301	R	Wellhead Redevelopment	70,000	70,000	67,675	2,325	96.7%	70,000	70,000	67,675	0.0%	15.0%	Contractor finishing Well 10 & 14
WQ1301		North Street WMR	45,000	45,000	33,335.00	11,665	74.1%	45,000	45,000	33,335	0.0%		
N/A		Water Quality Improvements	479,000	479,000	-	479,000	0.0%	479,000	479,000	-	0.0%		Locations to be determined;
N/A		I & I Improvements **(1)**	1,000,000	27,000	-	27,000	0.0%	1,000,000	943,800	-	0.0%		Locations to be determined;
II1301		New/Reed Street	-	330,000	43,941			-	330,000	43,941	0.0%	65.0%	Contractor finishing New Street
II1302		Fox Hall	-	142,000	-			-	142,000	-	0.0%	Scheduled	
II1303		Morris Estates	-	276,000	-			-	276,000	-	0.0%	Scheduled	
II1304		Wesley College	-	10,000	7,200			-	10,000	7,200	72.0%	Scheduled	
II1305		NRG sanitary sewer upgrade	-	175,000	-			-	175,000	-	0.0%	Not started	Bids due 10/4/12
II1306		I & I Design	-	40,000	4,025			-	40,000	4,025	10.1%	In progess	Staff reviewing consultant report
WD1306	R	Emergency Generators	80,000	80,000	-	80,000	0.0%	80,000	80,000	-	0.0%	85.0%	Start on bid docs 10/1/12
			$ 7,950,300	$ 7,950,300	$ 156,176	$ 6,876,290	0.0%	$ 6,056,500	$ 6,973,300	$ 156,176	2.2%		
N/A		Debt issuance cost-Garrison Farm	344,000	344,000	-	344,000	0.0%	344,000	344,000	-	0.0%		
		Grand Totals	$ 16,453,400	$ 16,652,600	$ 2,972,639	$ 12,762,127	17.9%	$ 9,424,800	$ 11,983,500	$ 244,214	2.0%		

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

(1) Transferred remaining project balance from FY12 to the FY13 I & I Project $916,800
Adjusted Project Budget for FY13 will be $1,916,800 for I & I; Locations to be determined;

City of Dover
Electric Improvement & Extension Fund - Major CIP Projects
September, 2012

Project Code	Type	Description	TOTAL PROJECT - PAST, CURRENT & FUTURE BUDGETS: Original Project Budget	Latest Project Budget	Project To Date Expenses	Project Budget Balance	% Budget Spent	CURRENT FISCAL YEAR: Current Fiscal Yr. Budget	Revised Fiscal Yr. Budget	Fiscal YTD Expenses	% Budget Spent	Status	Comments
		FY2012											
EE1205	M	Frazier Substation Upgrade	$ 765,200	$ 765,200	$ 211,314	$ 553,886	27.6%	$ 610,200	$ 611,800	$ 57,955	9.5%	In process	Materials ordered
EG1202	M	Unit 3 Boiler Systems	390,000	250,000	84,409	165,591	33.8%	129,000	167,300	1,757	1.1%	In process	Will complete Spring outage;
EG1212	M	Unit 3 Turbine Inspection/Repair	1,494,000	1,494,000	403,190	1,090,810	27.0%	115,000	115,000	6,367	5.5%	In process	Will complete Spring outage;
EG1214	M	Industrial WW Discharge System	272,000	272,000	35,255	236,745	13.0%	-	242,000	4,910	2.0%	In process	
EU1202	M	Persimmon Tree Lane Feeder Rplcmt	113,500	113,500	111,828	1,672	98.5%	-	8,500	8,279	97.4%	In process	
EG1204		Unit 3DCS Comp & Softwre							-	3,075			
		Total	$ 3,034,700	$ 2,894,700	$ 845,996	$ 2,048,704	29.2%	$ 854,200	$ 1,144,600	$ 82,343	7.2%		
		FY2013											
N/A	R	Vehicles & Equipment	$ 146,000	$ 146,000	$ -	$ 146,000	0.0%	$ 146,000	$ 146,000	$ -	0.0%		All vehicles received
N/A	R	FY13 New Dvlpmnts - UG Transformers	50,000	(66,100)	-	(66,100)	0.0%	50,000	(66,100)	-	0.0%		Over Budget; Revenue offset;
EE1302		Bayard Plaza	-	21,000	-	21,000	0.0%	-	21,000	-	0.0%		
EE1310		YMCA	-	22,000	20,916	1,084	95.1%	-	22,000	20,916	95.1%		
EE1311		Super 8 Motel	-	5,200	5,136	64	98.8%		5,200	5,136	98.8%		
EE1315		State Street Plaza	-	5,800	-	5,800	0.0%	-	5,800		0.0%		
EE1317		The Grand Apartments	-	42,000	-	42,000	0.0%	-	42,000	-	0.0%		
EE1318		M & L Ventures Warehouses	-	12,500	-	12,500	0.0%	-	12,500	-	0.0%		
EE1322		Grottos Pizza	-	7,600	-	7,600	0.0%	-	7,600	-	0.0%		
EE1313	R	FY13 New Dvlpmnts - UG Conductors	350,000	37,800	4,882	32,918	12.9%	350,000	37,800	4,882	12.9%		
EE1301		Willow Tree Park	-	9,800	13,077	(3,277)	133.4%	-	9,800	13,077	133.4%		
EE1302		Bayard Plaza	-	9,000	22,154	(13,154)	246.2%	-	9,000	22,154	246.2%		
EE1311		Super 8 Motel	-	1,000	666	334	66.6%	-	1,000	666	66.6%		
EE1315		State Street Plaza	-	2,900	1,408	1,492	48.6%	-	2,900	1,408	48.6%		
EE1317		The Grand Apartments	-	23,500	63,338	(39,838)	269.5%	-	23,500	63,338	269.5%		
EE1318		M & L Ventures Warehouses	-	15,000	1,747	13,253	11.6%	-	15,000	1,747	11.6%		
EE1319		Proctor & Gamble	-	30,000	19,225	10,775	64.1%	-	30,000	19,225	64.1%		
EE1320		Generals Green Lights	-	7,200	-	7,200	0.0%	-	7,200	-	0.0%		
EE1322		Grottos Pizza	-	37,800	-	37,800	0.0%	-	37,800	-	0.0%		
EE1323		Dover High Lighting	-	176,000	-	176,000	0.0%	-	176,000	141,283	80.3%		
N/A	R	FY13 New Dvlpmnts - 1 Phase Meters	50,000	50,000	10,752	39,248	21.5%	50,000	50,000	10,752	21.5%		
EE1303		Frazier Sub Upgrade	-	-	3,500	(3,500)		-	-	3,500	0.0%		
EE1304	R	FY13 Lighting Project & Rehab	100,000	100,000	-	100,000	0.0%	100,000	100,000	-	0.0%		Route 13 LED Lighting
EE1309	R	Distribution Capacitors	125,000	125,000	-	125,000	0.0%	125,000	125,000	-	0.0%		
EE1307		Division Sub Fence	70,000	70,000	-	70,000	0.0%	70,000	70,000	-	0.0%		
EE1308	M	Horsepond Substation Upgrade	761,800	761,800	-	761,800	0.0%	170,000	170,000	-	0.0%		
EE1305	M	FY13 69kv Switch Rplmnt Program	135,000	135,000	-	135,000	0.0%	55,000	55,000	-	0.0%		
EE1306	R	Trans Line Maint Program	75,000	75,000	-	75,000	0.0%	75,000	75,000	-	0.0%		
EE1312	M	General Scott Switchgear	1,155,000	1,150,000	-	1,150,000	0.0%	50,000	50,000	-	0.0%		
N/A	R	FY13 Distribution Upgrades	400,000	12,000	-	12,000	0.0%	400,000	12,000	-	0.0%		
EE1314		Capitol Park Upgrade	-	308,000	-	308,000	0.0%	-	308,000	-	0.0%		
EE1321		Pleasanton Acres	-	80,000	-	80,000	0.0%	-	80,000	21,595	27.0%		
N/A	R	FY13 Distribution Feeder Rplcmts.	277,500	213,500	-	213,500	0.0%	277,500	213,500	-	0.0%		
EE1316		Wyoming Avenue Feeder Rplcmt	-	64,000	-	64,000	0.0%	-	64,000	3,443	5.4%		
EG1301		Units 1 Repair - Gasket leak	-	65,000	-	65,000	0.0%	-	65,000	-	0.0%		New Project; Not budgeted;
EG1304	R	Units 1 & 2 Component Repairs	52,000	52,000	2,060	49,940	4.0%	52,000	52,000	2,060	4.0%		
EG1305	R	Units 1 & 2 Cooling Tower Life Ext.	37,300	37,300	-	37,300	0.0%	37,300	37,300	-	0.0%		
EG1306		Turbine Level Window Modifications	85,000	85,000	-	85,000	0.0%	85,000	85,000	-	0.0%		
EG1307		Unit 3 Air Heater Expansion Joint	80,000	80,000	-	80,000	0.0%	80,000	80,000	-	0.0%		
EG1309		Unit 3 Stack Repairs	27,000	27,000	-	27,000	0.0%	27,000	27,000	-	0.0%		
EG1310		Units 1 & 2 Stack Repairs	75,000	75,000	-	75,000	0.0%	75,000	75,000	-	0.0%		
EG1311		Van Sant Capacity Increase	550,000	550,000	-	550,000	0.0%	550,000	550,000	-	0.0%		
EG1312		Unit 3 Generator Repairs	236,000	236,000	-	236,000	0.0%	236,000	236,000	-	0.0%		
EG1313	R	Unit 3 Aux Sys Components	55,000	55,000	-	55,000	0.0%	55,000	55,000	-	0.0%		
			$ 4,892,600	$ 4,952,600	$ 168,860	$ 4,728,740	3.4%	$ 3,115,800	$ 3,180,800	$ 335,182	10.5%		
		Grand Totals	$ 7,927,300	$ 7,847,300	$ 1,014,856	$ 6,777,444	75.6%	$ 3,970,000	$ 4,325,400	$ 417,525	9.7%		

Legend
M = Multi-year project - a project with a specific schedule to occur over multiple years.
R = Recurring project - a project that begins and ends each fiscal year and is re-budgeted to start over each fiscal year.
B = Bonded Project
S = State fully or partially reimbursed project

The Energy Authority, Inc.

Monthly Management Committee Update – August 2012

September 27, 2012
Updated October 3, 2012

Prepared by:

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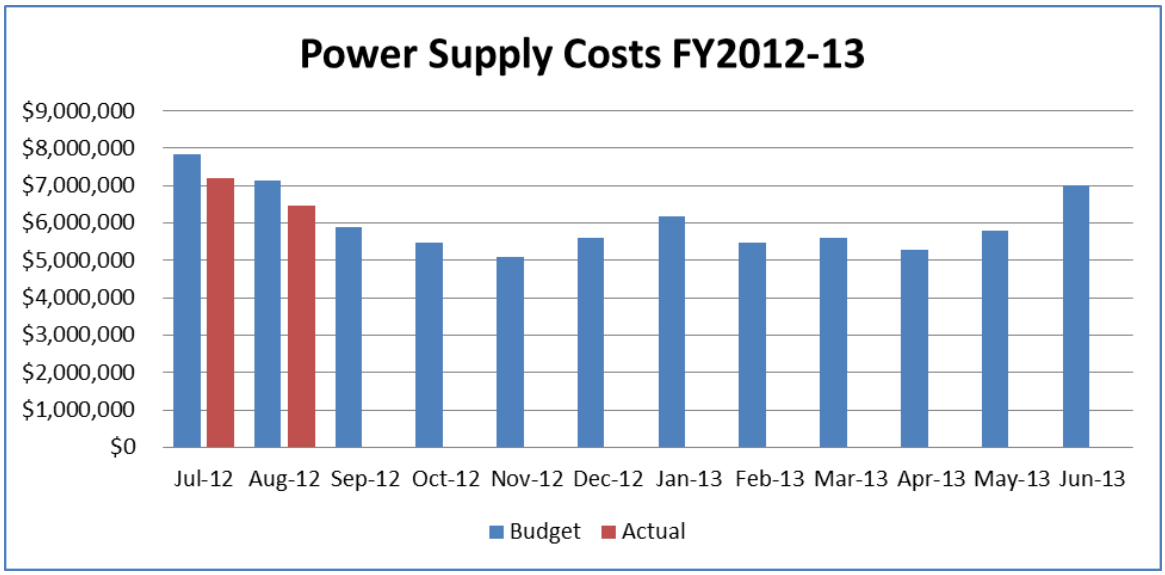
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I. Executive Summary

A. Power Supply Summary:



Overall Power Supply costs were $613,623 under budget due mainly to lower than estimated PJM prices.

Dover's budgeted cost for all power supply (capacity AND energy) was $97.90/MWh. The actual cost of all power supply (capacity AND energy) was $83.50.

The cost of energy alone was $60.78/MWh, versus a budgeted energy cost of $77.77. The primary driver in the difference was the cost of unhedged energy. The city budgeted unhedged energy and PJM charges at $127/MWh. The actual cost of unhedged energy and PJM charges was $36/MWh – this decrease was due to lower PJM prices.

Dover's hedge purchases totaled 59,400MWh, which was 82% of the projected load and 76% of the actual load.

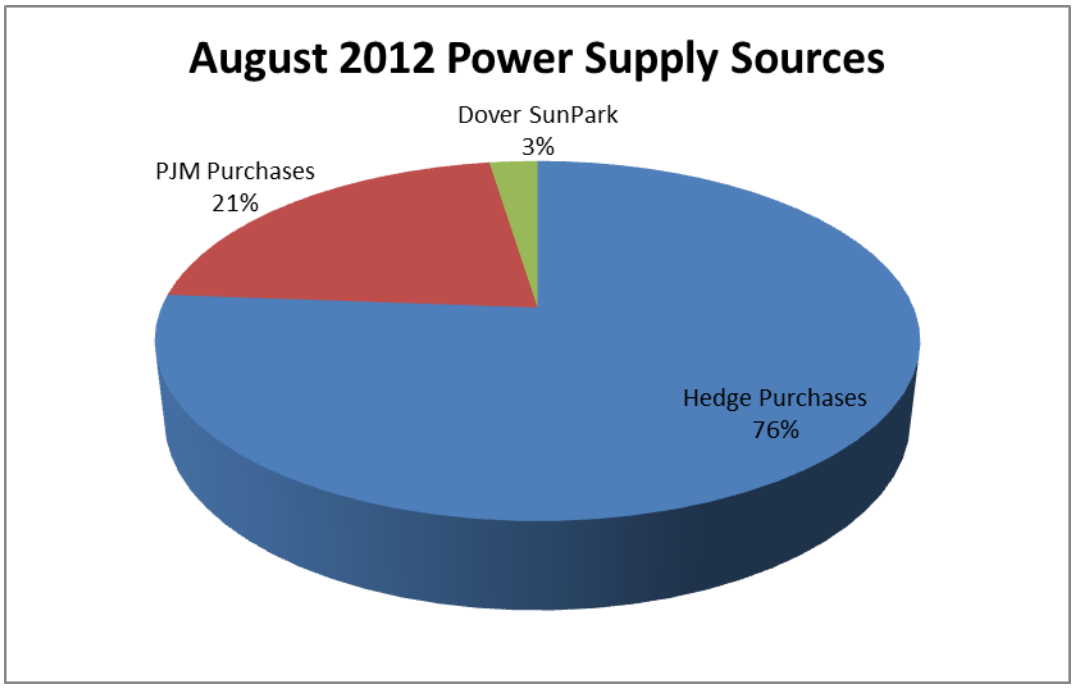
Dover's power purchases from hedge transactions totaled $3,922,292. Purchases from PJM (energy and fees) totaled $1,301,767, with DA Energy purchases totaling $882,316 and Balancing Spot Market Energy totaling a credit of $275,781.

Dover's total load was 77,973 MWh versus a forecasted load of 72,771 MWh.

Dover's planned energy purchase from the SunPark solar installation was 1,904MWh. Dover's actual purchase from the SunPark installation was 1,893 MWh.

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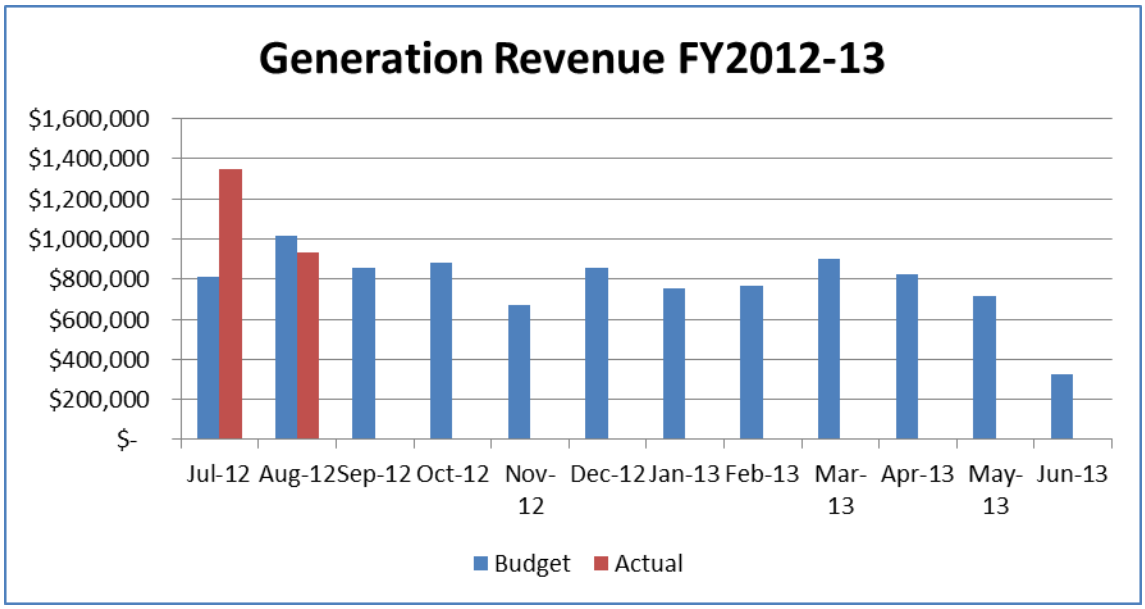
Supply Source Summary:



Supply Variance:

	Budget	Actual	Variance
Gross Load	72,771	77,973	(5,202)
Wholesale Load	70,867	76,080	(5,213)
Hedged Volume (MWh)	59,400	59,400	-
Unhedged Volume (MWh)	11,467	16,680	(5,213)
Dover SunPark Volume (MWh)	1,904	1,893	11
Renewable Energy Credits Volume	286	315	(29)
Hedged Cost ($/MWh)	$ 68	$ 66	0
Unhedged Energy Cost ($/MWh)	$ 127	$ 36	$ 91
Solar Energy Cost ($/MWh)	$ 83	$ 85	$ (2)
Solar REC Cost ($/MW)	$ 137	$ 137	$ -
Energy Costs ($/MWh)	**$77.77**	**$60.78**	**$16.99**
All-in Costs - Energy, Capacity and RE	**$97.90**	**$83.50**	**$14.40**

B. Generation Summary:



Dover generated 4,235MWh in the month. Net generation revenue was $929,695 vs. a budget of $1,014,867. This delta was mainly due to less than budgeted generation revenue and slightly higher than budgeted O&M costs.

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Generation Breakdown:

City of Dover's Wholesale Generation		
Net Generation Mwh		**4,235.54**
All In Generation Margin		
PJM Bill Energy	$	327,756.81
PJM Capacity	$	1,205,977.50
Black Start, Reactive Credit, DASR & EFORp	$	39,938.90
Gas Purchases	$	(160,102.00)
Oil Purchases	$	-
Transport / Cash Out	$	(43,206.78)
Gross Margin	**$**	**1,370,364.43**
Production Margin		
Generation Production Revenues (PJM)	$	327,756.81
Gas Purchases	$	(160,102.00)
Oil Purchases	$	-
Transport / Cash Out	$	(43,206.78)
Gross Production Margin	**$**	**124,448.03**
$/Mwh All In Generation Margin	**$**	**323.54**
$/Mwh Generation Production Margin	**$**	**29.38**

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Fuel Purchases:

Spot Gas Purchases				
	Date	**Volume**	**Price**	**Total**
NJRES	8/2/2012	6,000.	3.53	(21,180.00)
	8/2/2012	1,000.	3.35	(3,350.00)
	8/3/2012	7,000.	3.27	(22,890.00)
	8/3/2012	3,600.	3.40	(12,240.00)
	8/7/2012	5,500.	3.35	(18,425.00)
	8/7/2012	650.	3.38	(2,197.00)
	8/9/2012	6,500.	3.30	(21,450.00)
	8/13/2012	5,800.	3.10	(17,980.00)
	8/13/2012	2,000.	3.20	(6,400.00)
	8/30/2012	5,500.	2.94	(16,170.00)
	8/31/2012	6,000.	2.97	(17,820.00)
Total		**49,550**	**$ 3.23**	**($160,102.00)**

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Transportation and Imbalance:

Eastern Shore Transport and Imbalance Charges			
Imbalance/dth	Imbalance/dth	Cost/dth	Total Cost
	2988	$3.44	($10,278.72)
			($10,278.72)
Transport	Volume/dth	$/dth	Total Cost
Firm/IT			
	50,858	$0.144100	($7,328.64)
	52,538	$0.056300	($2,957.89)
	51,603	$0.427800	($22,075.76)
	935	$0.605100	($565.77)
			($32,928.06)
Net			**($43,206.78)**

C. Emissions Summary:

Emissions Allowance Summary through August 31, 2012

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
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)
8/31/12	2012 Emissions[2]	(1)	(65)	(72)
TOTAL ALLOWANCES		9,065	66	113

On August 21, 2012, the U.S. District Court of Appeals (DCA) in Washington vacated EPA's "Transport Rule" (aka Cross State Air Pollution Rule or CSAPR) which would have become effect on January 1, 2012. Additionally, DCA said EPA must continue administering the Clean Air Interstate Rule (CAIR), CSAPR's predecessor, pending the issuance of a valid replacement rule.

[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 as of September 24, 2012, based on broker bids & offers:

Mark-to-Market for CAIR Allowances (9/24/2012)			
Commodity	**$/Ton**	**Tons**	**Extended Value**
SO_2 Allowances	$ 0.75	9,065	$ 6,799
NO_x Allowances - Seasonal	$ 4.23	66	279
NO_x Allowances - Annual	$25.00	113	2,825
TOTAL			**$ 9,903**

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 has 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 cumulative balance of unused RGGI allowances held by Dover were 92,712 tons as of the end of Calendar year 2011, as shown in the table below. During the months of June - August, 2012, Dover ran its generating units and did produce 13,994 tons of CO_2 emissions, thus reducing the amount available in the allowance bank.

CO2 Allowance Summary (8/31/2012)							
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 - Historical**	**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	(13,994)	13,578	106,290
2013	0	15,032	514	15,546	-	15,546	121,836

The table shows that the "**Allocated CO_2 Allowances"** (column 5) are declining; after 2013, Dover will no longer receive allocations of RGGI allowances. Actual CO_2 emissions (column 6) have varied from 5,796 tons in 2009 to 32,971 tons in 2010. The Cumulative Balance (column 8) – aka "Banked Allowances") can be utilized for generation in future years. Once the banked allowances have been fully utilized, Dover will be required to purchase allowances through the periodic RGGI auctions or through secondary 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.

RGGI auction and spot prices have remained in the $1.92 - $2.05/ton range. The most recent RGGI auction occurred on June 6th, 2012 and the auction cleared at $1.93/ton. Based on this auction, the value of Dover's existing RGGI allowance bank (106,290 tons) is approximately $205,140 (excluding allocations for 2013 which have not yet been allocated).

RGGI is currently conducting a program review pursuant to the original RGGI memorandum of understanding between participating states. As a result of these activities, coupled with declining allocations, TEA believes that there is a reasonable expectation that RGGI market prices could increase over the next few years.

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.

D. Operations Management Summary:

During the month of August, there were no reportable or lost time accidents or injuries. The facility has now gone 687 days without an OSHA recordable accident and 687 consecutive days without a lost time reportable accident. There were zero Environmental Notices of Violations issued. There were no Near Miss incidents. McKee Run Units 1and 2, were not dispatched by PJM nor were they self dispatched. Unit 3 was dispatched 7 times and VanSant Unit 11 was operated once. Also during the month, Units 3 and 11 successfully completed the PJM Capacity Test for the Summer Demonstration Period.

Monthly Budget Variance - The actual expenses attributable to O&M of the two sites for the month of August were $440,669. The actual expenses are $27,270 or 6.60% over the approved budget of $413,399. The principal reason for the unfavorable variance is due to timing of Contractual Services and increased costs associated with additional run time on Unit 3 and Unit 11.

E. Risk Management Summary:

Forward power prices in PJM have risen slightly since last month resulting in a higher blended cost.

The current projected cost of service is below:

Power Year	Hedge Ratio	Blended Cost ($/MWh)
2012-13	80%	$61.47
2013-14	46%	$51.02
2014-15	27%	$47.00
2015-16	14%	$46.29

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II. Budget Report

Variance Report:

	Budget Aug-12	Actual Aug-12	Variance
Gross Load Forecast	**72,771**	**77,973**	**(5,202)**
Power Supply			
Hedged Energy	$4,038,702	$3,922,292	$116,410
PJM- Energy	$1,458,848	$606,534	$852,314
PJM - Transmission and Fees	$313,000	$695,232	($382,232)
Dover SUN Park Energy	$161,802	$209,148	($47,346)
Dover SUN Park - RECs	$39,133	$43,161	($4,028)
Management Fees	$83,000	$83,000	$0
Capacity UCAP Obligated Purchased	$1,029,954	$950,128	$79,826
Subtotal - Power Supply	**$7,124,439**	**$6,509,495**	**$614,943**
Power Generation O&M & Fixed Fuel			
Plant O&M	$413,399	$440,669	($27,270)
Subtotal Generation O&M	**$413,399**	**$440,669**	**($27,270)**
Power Generation Production Margin			
Economic and reliability dispatch	($772,712)	($327,757)	($444,955)
Fixed Fuel and Transport Charges	$586,004	$203,309	$382,695
Subtotal Generation Production Margin	**($186,708)**	**($124,448)**	**($62,260)**
Power Generation Non-Production Revenue			
Generation Capacity Credit	($1,205,978)	($1,205,978)	($1)
Emissions Allowance Sales	$0	$0	$0
Black Start & Reactive Power Revenue	($35,580)	($39,939)	$4,359
Subtotal - Non-Production Revenue	**($1,241,558)**	**($1,245,916)**	**$4,358**
SubTotal - All Generation	**($1,014,867)**	**($929,695)**	**($85,172)**
Total - Utilities Cost	**$6,109,572**	**$5,579,800**	**$529,772**
Unit Costs			
Total - Power Supply	$97.90	$83.48	$14.42
Total - Power Generation	($13.95)	($11.92)	($2.02)
Final Cost of Service to City of Dover Ratepayers	$83.96	$71.56	$12.40

Variance Analysis:

Power Supply

- Dover consumed 5,202 MWh more than what was forecasted for the month.
- PJM prices were lower than expected, but PJM's overall costs with fees wee higher than forecast. The net result was a net power supply cost of $83.48/MWh, $14.42/MWh lower than budget.
- For the month, the city realized a favorable variance of $614,943 for power supply vs. the monthly budget.
- Dover Sun Park generated 11 MWh more than what was forecasted.
- Dover Sun Park invoiced the City of Dover for 315 RECs.

Generation

- Power generation had an unfavorable budget variance of $85,172.
- Plant O&M expenses had an unfavorable budget variance of $27,270 for the month, mainly due to timing of contracted services.
- Generation Margin accounted for an unfavorable budget variance of $62,260 based on less generation production than was forecasted.
- Dover sold 4,235 MWh of generation to PJM.

III. Operations Management

NAES Corporation
Dover, Delaware

August 2012
Monthly Report



2012 NAES Scholarship Awards were presented to Kayla Carrow, Emily Carrow (daughters of Eric Carrow, Operator II) and Lori Berryhill, daughter of Lance Berryhill, Operations Supervisor.

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2.0 Financial

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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 August, there were no restricted work days or lost time accidents. The facility has now gone 1 year and 322 days (687 days total) through August 31, 2012 without an OSHA Recordable Accident or a Lost Time reportable accident.

The July DMR was submitted for the McKee Run site with no NPDES issues identified. A NPDES exceedence for the enterococcus limit on Outfall 005 was experienced and the facility is currently investigating the root cause of this issue to determine the best method to resolve it. The exceedence will be reported on the August DMR that is submitted in September.

The plant received no Notice of Violations (NOVs) during the month.

Linearity testing was completed on Unit 3 CEMS during the recent unit operation as part of the CEMS certification and compliance requirements of the Title V Air Permit.

Work continues on the IWDP (wastewater) permit with Kent County. The first design draft of the electrical/controls portion of the project has been submitted to the facility and is currently under review. The City of Dover approved funding of the project as a multi-year CIP beginning in 2012, with funds being carried into 2013.

Environmental, Health, and Safety Statistics		
	Month (August)	Fiscal Year to Date (7/1/11-8/31/12)
NOVs	0	0
Opacity Deviations	0	0
Environmental Deviations	1	6
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	4,120.25	8,625.250
Date last OSHA Recordable		10/14/10
Date last Lost Time Accident		10/14/10
Days since last OSHA recordable		687
Days since last Lost Time Accident		687

Emissions (NOx & SO2) All data thru 8/31/12

NOx Summary - Year (May-Sep) Tons					
Year	*Unit #1*	*Unit #2*	*Unit #3*	*Unit #11*	*TOTAL*
2009	0.9	0.7	4.2	0.6	6.4
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	32.5	0.6	33.1
NOx Summary - Year (Jan-Dec) Tons					
Year	*Unit #1*	*Unit #2*	*Unit #3*	*Unit #11*	*TOTAL*
2009	0.9	0.7	10.1	0.6	12.3
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	1.0	32.5	0.6	33.1
SO_2 Summary - Year (Jan-Dec) Tons					
Year	*Unit #1*	*Unit #2*	*Unit #3*	*Unit #11*	*TOTAL*
2009	0.05	0.05	0.1	0.2	0.4
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

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	1					29/30	0/2
2011	0	77#/48#	5/3	33/31– 3/1	0/0 - 0/0	44#/17#	2/2
2012	0	75/48	5/3	35/35 – 1/1	0/0 - 0/0	40/13	4/2
***Note – Emissions allowances are deducted according to oldest vintage first or unless otherwise directed.**							

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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***		
2010 and earlier	0	4815	276	0	5089
2011	0	1850	138	1	1988*
2012	0	1850	138	1	1988*
***Note – Emissions allowances are deducted according to oldest vintage first or 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***		
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	13,994	13,578
2013	0	15,032	514	0	15,546
Note: All CO2 allowance values are provided by the RGGI CO2 Allowance Tracking System.					

2.0 Financial

Financial – Current Month

Month – August			
	Actual	Budget	Variance
Personnel	236,618	239,870	3,252
Materials & Supplies	46,929	45,557	(1,372)
Administrative Expenses	157,122	127,972	(29,150)
Total	**$440,669**	**413,399**	**($27,270)**

Financial – Fiscal Year to Date

Number of Months – 2			
	Actual	Budget	Variance
Personnel	434,151	483,473	49,322
Materials & Supplies	57,387	95,464	38,077
Administrative Expenses	584,915	613,417	28,502
Total	**1,076,453**	**1,192,354**	**$115,901**

2.1 Variance analysis:

The City of Dover Finance Department has closed the books for the month of August. The expenses for August are $440,669 against a budgeted amount of $413,399 for an unfavorable variance of $27,270 or ≈ 6.60%. The variance was due to the following:

PERSONNEL EXPENSES – Higher overtime expenses to support unit run time were offset by lower straight time labor and burden expenses yielding a slight favorable variance of $3,252.

MATERIALS AND SUPPLIES EXPENSES- Higher Water Treatment Chemicals expenses due to increased unit operation time than budgeted were offset by lower Water - Sewer expenses which resulted in an unfavorable variance of $1,372 for the month.

ADMINISTRATIVE EXPENSES – Higher Contractual Services, Environmental Expenses, Home Office Labor, and Boiler Systems Maintenance expenses than budgeted contributed to an unfavorable variance of $29,150.

The budget is currently forecasted to finish this fiscal year at $5,871,999 expensed versus a budget of $5,914,900 thereby realizing a 99.27% expenditure rate.

3.0 Operations

Unit Operations / Outages / Trips

In the month of August, Unit 3 was dispatched seven times by PJM. Also during the month, Units 3 and 11 successfully completed the PJM Capacity Test for the Summer Demonstration Period. On August 3, Unit 3 completed the Capacity Test and on August 14, Unit 11 was self-dispatched to complete the Capacity Test.

Month – August 2012							
		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	75.766	75.766	1.816	77.582
Starts	#	0	0	7	7	1	8
Gross Generation	MWh	0.0	0.0	4,566.539	4,566.539	69.034	4,635.573
Net Generation	MWh	0.0	0.0	4,190.303	4,190.303	68.992	4,259.295
Total Auxiliaries	MWh	21.811	21.811	613.718	657.340	.927	658.267
Auxiliaries purchased	MWh	21.811	21.811	237.482	281.104	.885	281.989
Fuel Gas Used	MMBTU	0.0	0.0	49,298.991	49,298.991	924.778	50,223.769
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	49,298.991	49,298.991	924.778	50,223.769
Net Heat Rate	BTU/KWh	0.0	0.0	11,765	11,765	13,404	12,845
Unit Trips	#	0	0	0	0	0	0
Capacity Factor	%	0.0	0.0	5.52	4.14	0.24	3.27
Availability Factor	%	100.00	100.00	100.00	100.00	100.00	100.00
Commercial Unavailability (CU)	%	0	0	0	0	0	0
Planned Outage Hours	Hours	0.0	0.0	0.0	0.0	0.0	0.0
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	744.000	744.000	668.234	2,156.234	742.184	2,898.418
HW Boiler Gas Usage	MMBTU				0		0
Pilot Gas Usage	MMBTU	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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2011-2012 Fiscal Year-to-Date (August)							
		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	92.782	71.970	231.381	396.133	22.066	418.199
Starts	#	2	2	20	24	4	28
Gross Generation	MWh	643.317	582.202	15,827.652	17,053.171	714.818	17,767.989
Net Generation	MWh	604.005	541.673	14,600.058	15,745.736	714.287	16,460.023
Total Auxiliaries	MWh	104.456	105.673	1,774.052	1,984.181	2.244	1,986.425
Auxiliaries purchased	MWh	65.144	65.144	546.458	676.746	1.713	678.459
Fuel Gas Used	MMBTU	9,072.980	8,108.898	167,031.015	184,212.893	8,429.434	192,642.327
Fuel Oil Used	MMBTU	0.0	0.0	0.0	0.0	112.567	112.567
Fuel Oil Used	Gallons	0.0	0.0	0.0	0.0	5,806	5,806
Total Fuel	MMBTU	9,072.980	8,108.898	167,031.015	184,212.893	8,542.001	192,754.894
Net Heat Rate	BTU/KWh	15,021	14,970	11,537	13,843	12,604	13,224
Unit Trips	#	0	0	0	0	0	0
Capacity Factor	%	0.54	0.49	2.18	1.76	0.28	1.43
Availability Factor	%	100.00	100.00	100.00	100.00	100.00	100.00
Commercial Unavailability (CU)	%	0	0	0	0	0	0
Planned Outage Hours	Hours	0.0	0.0	0.0	0.0	0.0	0.0
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	1,395.218	1,416.030	1,256.619	4,067.867	1,465.934	5,533.801
HW Boiler Gas Usage	MMBTU				0		0
Pilot Gas Usage	MMBTU	784	784		1,568		1,568

Fuel Oil Inventory							
	Monthly Inventory (Start)	Monthly Inventory (End)	Fuel Purchases (Month)	Monthly Inventory (Change)	FY 12-13 Inventory (Start)	Fuel Purchases (YTD)	FY 12-13 Inventory (Change)
McKee Run (#2 Fuel Oil)	454,725	455,169	0	444	454,725	0	444
VanSant (#2 Fuel Oil)	146,639	146,301	0	(338)	152,150	0	(5,849)

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

VanSant Lifetime through 8/31//12			
	Actual Starts	Factored Starts	Fired Hours
VanSant	1303	2230.45	4215.86
Since HGP - Dec 2004	229	562.75	832.28

Capacity Testing – FY 2012-2013					
Summer 2012 (June 1- Aug 31)			**Winter 2012-2013 (Dec 1- Mar 1)**		
Unit	Rated Net Capability (MW)	Reported Net Capability (MW)	Unit	Rated Net Capability (MW)	Reported Net Capability (MW)
1	17	17.0	1	17	*
2	17	17.3	2	17	*
3	102	102.7	3	102	*
VanSant	39	39.0	11	39	*
Total	175	176.0	Total	175	175
Note: * Denotes Unit is qualified for the PJM Winter Demonstration Period Exemption Program					

Team Report:

The teams are continuing to train to complete and review their EDQP programs. The operators use the program to train for a position desired and also as a review of programs as well reinforce current knowledge. The General Physics and the PJM on line courses are used in the training as well. The Plant Operations staff participates in the OES-NA training that helps prepare them for the PJM Certified System Operator exam and provides some of the required continuing education hours (CEHs) necessary to maintain PJM Certified System Operator qualifications.

During the month of August, the Operations staff successfully completed the PJM Capacity Testing on Units 3 and 11 for the Summer Demonstration Period.

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 Flex Team in both Operations and Maintenance areas to help in maintaining the plant.

4.0 Maintenance

During the month of August, the Plant Maintenance staff continued addressing the backlog of work orders and completing outage activities. There were sixty-three work orders issued with forty-one 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

August - 2012

Priority #	Outstanding From Previous Month	Issued This Month	Completed This Month	Outstanding at the end of the month
1	8	11	9	10
2	35	13	11	37
3	46	8	4	50
4	5	0	2	3
5	8	5	2	11
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	49	26	13	62
Totals	151	63	41	173

Note: PMs are included in the priority totals

Notable activities during the month include:

1) The Unit 3 Control Room Expansion Project is now complete. The expanded area in the control room is now home to the PJM computer, Metering computer and work station computers as well as other necessary equipment and phone systems that will provide improved logistics to the Operations staff.

2) The IC/E Staff troubleshot an issue with the Main Steam Control Valve on Unit 3 during a startup. The operations staff would start to roll the unit and as the turbine built up speed, the turbine will take off resulting in an over-speed trip condition. The IC&E staff found that there was a bad servo on the main control valve. They changed out the servo and the unit was able to come up to proper speed at the proper rate thereby ensuring safe and efficient operation of the unit and avoided a possible forced outage on the unit..

3) The Maintenance Staff is near completion of the lean-to are attached to #1 Warehouse. Enclosing the area will ensure equipment and materials remain dry and out of the weather. Housed within the enclosure will be the spill trailer, empty 55 gallon drums and spill materials. This will be helpful in the event of a spill in that these materials will be more easily accessible and aid in response time to containment or cleanup up of a spill.

4) The Maintenance Staff relocated the nitrogen station for Unit 3 from the 5th floor to the ground floor. The relocation of the N2 Station provided easier access to bottle storage.

5.0 Capital Improvement Projects (CIP)

Project Number	Description	Update
EG1102	Units 1 & 2 Cooling Tower Repairs	Progress: The FY2013 work scope package being developed Schedule: Work scheduled to be completed in the 4th quarter
EG1202	Unit #3 Boiler Systems	Progress: Work scheduled for the Spring 2013 outage. Bid document being developed. Completion at 5%. Schedule: Bids to be obtained in 2nd quarter of 2012 and work to be completed in the spring 2013 outage..
EG1203	Unit 3 Auxiliary System Components	Progress: The FY2013 work scope package being developed. Schedule: Work scheduled to be complete in the 4th quarter.
EG1212	Unit 3 Turbine Repairs	Progress: Long lead material requirements being developed for bid. Schedule: Long lead items were identified in the 2nd quarter and will be purchased in the 3rd and 4th quarters.
EG1304	Units 1 & 2 Components Repairs	Progress: The FY2013 work scope package being developed Schedule: Work to be completed during the fall outage
EG1306	Turbine Level Window modification	Progress: The FY2013 work scope package being developed Schedule: Work to be completed during the 2ndquarter of 2013.
EG1112	Unit 3 Air Heater Expansion Joint	Progress: Material has been purchased. Installation bids are being solicited Schedule: The work is schedule to be complete in the 3rd quarter.
EG1309	Unit 3 Stack Repairs	Progress: Scope of work has changed since this project was proposed as the stack inspection performed in spring of 2012 determined stack lining in worse condition than expected. Activities in 2013 will be to develop repair scope and obtain bids for the work. This should be completed in the 2nd quarter. Schedule: The scoping of work should be completed in the 2nd quarter with bids and revised installation costs identified. Actual repair work will be scheduled for 2014
EG1310	Units 1&2 Stack Repairs	Progress: The FY2013 work scope package being developed Schedule: Work to be completed during the spring outage
EG1311	VanSant Capacity Increase	Progress: Valuation of the benefits of various technologies is underway. Final decision on moving forward with the project has still not been made. Schedule: Installation scheduled for the 4th quarter but is dependent on favorable decision to move forward. At present time, this cannot expect to be completed until late 2013.

EG1312	Unit 3 Generator Repairs	Progress: Parts identification has started and installation bid package being developed. Expect to issue bids in the 2nd quarter. Schedule: Installation work to be completed in the 4th quarter
EG1214	MR Industrial Waste water System	Progress: Mechanical design is complete and electrical design is approximately 80% complete and under review by plant staff. Schedule: Installation work planned for the 2nd quarter.

6.0 General Plant Information

During the month of August, the facility made two offers for IC&E Technician and an Operator position both offers were accepted. The two candidates will start on September 17th based on clearing a physical and screening process.

The Plant received the 90-day notification of an RFirst NERC audit to be held in October, 2012 for the McKee Run and VanSant facilities. The audit will only be performed on VanSant since RFirst has determined that McKee Run is not tied to the Bulk Electric System. The NAES NERC group is assisting with the preparation of the documents and submissions required through the auditing process. Next milestone is on September 5 when RSAW submittals and evidence is due for those standards being audited.

Training:

Topics discussed during the monthly safety committee meeting were reviewed by the entire staff. The safety topic was on "Hurry Up Can Hurt You" which describes that each person needs to take their time doing job and you can't rush safety.

Calendar of Events	Date
DRBC Study Due	September 15, 2012
NOx Ozone Season Ends	September 30, 2012
Units 1, 2, 3 and 11 Fall Outage	October 1, 2012 – December 3, 2012
Two Year Accident Free	October 14, 2012
Winter Capacity Period	December 1, 2012 to February 28, 2013
McKee Run and VanSant Title V Annual Certification Due	February 1, 2013
Annual VanSant Black Start Test	TBD
EIA-860 Report	February 28, 2013
EIA-923 Report	February 28, 2013
NOx Emissions Reconciliation Due	March 1, 2013
SO2 Emissions Reconciliation Due	March 1, 2013
SARA III Report	March 1, 2013
NPDES Permit Renewal Due	March 4, 2013
Units 1, 2, and 3 Spring Outage	March , 2013 – June 1, 2013
Unit 11 Spring Outage	March , 2013 – June 1, 2013
Air Emission Inventory	June 30, 2012
NOx Ozone Season Starts	May 1, 2013
PJM Summer Capacity Test Period	June 1, 2013 – August 31, 2013
Toxic Release Inventory (TRI) Annual Report	July 1, 2013
McKee Run and VanSant Title V Semi-Annual Certification Due	August 1, 2013

7.0 Summary of NAES Performance to Date

Measure	Plant Performance FY 2012-2013 Month		Year to Date		YTD Incentive	FY Maximum Incentive
Commercial Unavailability (CU)	0%		0%		$92,128	$92,128
Safety	0		0		$17,273	$17,273
Environmental	0		0		$17,273	$17,273
Capacity Tests Completed	Summer	Winter	Summer	Winter		
Unit 1	No	Yes*	Yes	Yes*	$3,455*	$3,455
Unit 2	No	Yes*	Yes	Yes*	$3,455*	$3,455
Unit 3	Yes	Yes*	Yes	Yes*	$20,520*	$20,520
Unit 11	Yes	Yes*	Yes	Yes*	$6,840*	$6,840
Total YTD Incentive %	100.00%		***Total YTD Incentive***		$161,224	$161,224

Note: Units 1 and 2 PJM Summer Capacity Tests have been successfully completed and would be entered into the PJM Winter Capacity Test Exemption Program*. The YTD Incentive calculation reflects this information.

IV. Appendix – PJM Invoice Breakdown

	Gen	Load	Grand Total
Auction Revenue Rights		$ (1,117.24)	$ (1,117.24)
Balancing Operating Reserve	$ (27,799.88)	$ 35,617.77	$ 7,817.89
Balancing Spot Market Energy	$ (6,730.04)	$ (275,781.94)	$ (282,511.98)
Balancing Transmission Congestion	$ (1,888.45)	$ (8,335.97)	$ (10,224.42)
Balancing Transmission Losses	$ (502.85)	$ (2,508.95)	$ (3,011.80)
Black Start Service	$ (6,905.58)	$ 1,850.42	$ (5,055.16)
Capacity Resource Deficiency		$ (246.24)	$ (246.24)
Capacity Transfer Rights		$ (33,318.18)	$ (33,318.18)
Day-ahead Operating Reserve	$ (20,366.24)	$ 8,574.29	$ (11,791.95)
Day-ahead Scheduling Reserve	$ (3,565.74)	$ 2,639.98	$ (925.76)
Day-ahead Spot Market Energy	$ (240,057.22)	$ 882,316.25	$ 642,259.03
Day-ahead Transmission Congestion	$ (15,877.11)	$ 72,268.49	$ 56,391.38
Day-ahead Transmission Losses	$ (14,535.02)	$ 162,183.93	$ 147,648.91
Expansion Cost Recovery		$ 413.85	$ 413.85
FERC Annual Recovery		$ 5,374.26	$ 5,374.26
Generation Deactivation Refund		$ (744.31)	$ (744.31)
Inadvertent Interchange		$ 295.55	$ 295.55
Load Reconciliation for Balancing Operating Reserve		$ (6.08)	$ (6.08)
Load Reconciliation for FERC Annual Recovery		$ (0.63)	$ (0.63)
Load Reconciliation for Inadvertent Interchange		$ (1.43)	$ (1.43)
Load Reconciliation for Market Monitoring Unit (MMU) Funding		$ (0.05)	$ (0.05)
Load Reconciliation for North American Electric Reliability Corporation (NERC)		$ (0.10)	$ (0.10)
Load Reconciliation for PJM Scheduling, System Control and Dispatch Service		$ (1.89)	$ (1.89)
Load Reconciliation for PJM Scheduling, System Control and Dispatch Service Refund		$ 0.08	$ 0.08
Load Reconciliation for Reactive Services		$ 67.93	$ 67.93
Load Reconciliation for Regulation and Frequency Response Service		$ (7.38)	$ (7.38)
Load Reconciliation for Reliability First Corporation (RFC)		$ (0.12)	$ (0.12)
Load Reconciliation for Schedule 9-6 - Advanced Second Control Center		$ (0.24)	$ (0.24)
Load Reconciliation for Spot Market Energy		$ (1,044.04)	$ (1,044.04)
Load Reconciliation for Synchronized Reserve		$ (2.65)	$ (2.65)
Load Reconciliation for Transmission Congestion		$ (182.59)	$ (182.59)
Load Reconciliation for Transmission Losses		$ (38.44)	$ (38.44)
Load Reconciliation for Transmission Owner Scheduling, System Control and Dispatch Service		$ (0.68)	$ (0.68)
Locational Reliability		$ 984,728.95	$ 984,728.95
Market Monitoring Unit (MMU) Funding		$ 373.15	$ 373.15

Meter Error Correction		$ (3,808.54)	$ (3,808.54)
Network Integration Transmission Service		$ 295,467.82	$ 295,467.82
Non-Firm Point-to-Point Transmission Service		$ (684.83)	$ (684.83)
North American Electric Reliability Corporation (NERC)		$ 842.40	$ 842.40
Organization of PJM States, Inc. (OPSI) Funding		$ 53.82	$ 53.82
PJM Scheduling, System Control and Dispatch Service - Advanced Second Control Center		$ 2,146.36	$ 2,146.36
PJM Scheduling, System Control and Dispatch Service - Capacity Resource/Obligation Mgmt.		$ 948.91	$ 948.91
PJM Scheduling, System Control and Dispatch Service - Control Area Administration		$ 13,197.72	$ 13,197.72
PJM Scheduling, System Control and Dispatch Service - Market Support		$ 3,122.88	$ 3,122.88
PJM Scheduling, System Control and Dispatch Service - Market Support Offset		$ (402.96)	$ (402.96)
PJM Scheduling, System Control and Dispatch Service - Regulation Market Administration		$ 195.87	$ 195.87
PJM Scheduling, System Control and Dispatch Service Refund - Capacity Resource/Obligation Mgmt.		$ (36.27)	$ (36.27)
PJM Scheduling, System Control and Dispatch Service Refund - Control Area Administration		$ (584.99)	$ (584.99)
PJM Scheduling, System Control and Dispatch Service Refund - Market Support		$ (141.35)	$ (141.35)
PJM Scheduling, System Control and Dispatch Service Refund - Regulation Market Administration		$ (9.99)	$ (9.99)
PJM Settlement, Inc.		$ 402.96	$ 402.96
Reactive Services		$ 73,348.41	$ 73,348.41
Reactive Supply and Voltage Control from Generation and Other Sources Service	$ (29,467.58)	$ 32,182.67	$ 2,715.09
Regulation and Frequency Response Service		$ 19,118.69	$ 19,118.69
Reliability First Corporation (RFC)		$ 1,053.03	$ 1,053.03
RPM Auction	$ (1,205,977.50)		$ (1,205,977.50)
Synchronized Reserve		$ 4,220.66	$ 4,220.66
Transmission Enhancement		$ 18,945.11	$ 18,945.11
Transmission Losses		$ (42,117.72)	$ (42,117.72)
Transmission Owner Scheduling, System Control and Dispatch Service		$ 5,795.46	$ 5,795.46
Day-ahead Operating Reserve for Load Response		$ 1.14	$ 1.14
Balancing Operating Reserve for Load Response		$ (28.18)	$ (28.18)
Load Reconciliation for Organization of PJM States, Inc. (OPSI) Funding		$ (0.01)	$ (0.01)
Load Reconciliation for Day-ahead Scheduling Reserve		$ (27.95)	$ (27.95)
Peak-Hour Period Availability		$ (6,738.06)	$ (6,738.06)
Day-Ahead Load Response Charge Allocation		$ 1,169.38	$ 1,169.38
Real-Time Load Response Charge Allocation		$ 1,742.14	$ 1,742.14
Incremental Capacity Transfer Rights		$ (1,036.95)	$ (1,036.95)
Michigan - Ontario Interface Phase Angle Regulators		$ 190.82	$ 190.82
Grand Total	**$ (1,573,673.21)**	**$ 2,251,894.20**	**$ 678,220.99**