UTILITY COMMITTEE
A G E N D A

JANUARY 23, 2012 - 6:00 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 Alley Abandonment (Unimproved) - 16 Sackarackin Avenue - Alexis Bailey

2. Reconsideration - Cost of Service Study

3. TEA/NAES Monthly Reports *(October and November)*

4. Updates
   A. National Pollution Discharge Elimination System (NPDES) Municipal Separate Storm Sewer Systems (MS4) Permit
   B. Calpine Corporation Project (Garrison Oak Technical Park)

5. Adjournment by 6:25 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
DEPARTMENT OF ORIGIN: City Manager's Office **DATE SUBMITTED**: 01-13-2012
PREPARED BY: Scott D. Koenig, P.E., City Manager
SUBJECT: Request for Alley Abandonment (Unimproved) – 16 Sackarackin Avenue – Alexis Bailey
REFERENCE:
RELATED PROJECT: N/A
REVIEWED BY:
EXHIBITS: Exhibit A - Request from Alexis Bailey; Exhibit B - Site Map
TIMETABLE: The City Solicitor will prepare a deed once approved by City Council.
RECOMMENDED ACTION: Recommend approval of the alley abandonment, reserving a utility easement for future utility installation on the property should it be necessary.

BACKGROUND AND ANALYSIS

City staff has received a written request from Ms. Alexis Bailey regarding the abandonment of the unimproved paper alley adjacent to her home located at 16 Sackarackin Avenue. Ms. Bailey is requesting abandonment of the alley in hopes that she will be able to construct a permanent driveway on her property in the future. Staff has reviewed the request and there are no objections to the abandonment of the paper alley adjacent to this property. Staff will require that a public utility easement be retained in this area in case future utility projects would need the space. The construction of a driveway within the easement would be allowed. The staff analysis and recommendation is based upon our internal review and does not include contact with adjacent property owners. Any legal expenses associated with the abandonment of the paper alley will be paid by the property owners.

November 20, 2011

RECEIVED
NOV 28 2011
OFFICE OF THE CITY CLERK

Mr. Scott Koenig
City Manager
P.O. Box 475
Dover, DE 19903

Dear Mr. Koenig:

I spoke with you last year regarding the abandonment of the unimproved paper alley adjacent to the west side and behind my house so that I could place a permanent drive next to my home. Upon speaking with you about the property and my intentions, you had stated that I should contact the City Manager to have this section of land deemed abandoned. The land would then become the property of myself and other neighboring residents.

I have made attempts to contact my neighbors to get their approval to relinquish their 50 percent ownership so that the property can be released solely to me. I am still in the process of receiving all neighbors approval to relinquish their ownership and will submit a signed signature page upon request.

You also made me aware that the property would have to be re-surveyed and re-deeded upon the acquisition of the land that was once the alley. I will contact the lawyers at Ward and Taylor who originally surveyed and deeded my property upon hearing from your office to have the property both re-surveyed and re-deeded.

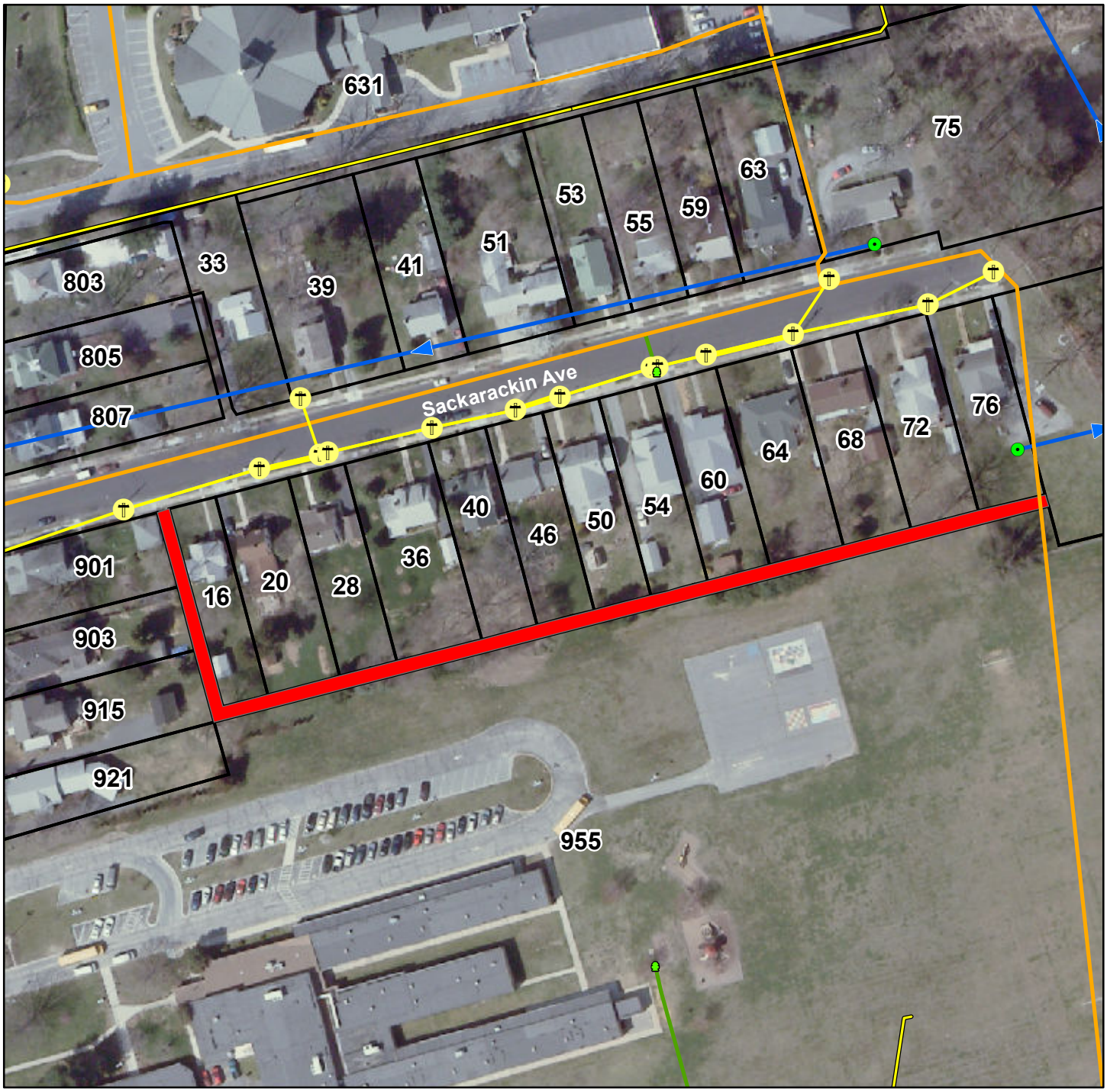
Currently there is no permanent drive on this section of the property - previous tenants used the alleyway as a drive instead of parking on the street. There is a building in the rear of my lot which was recognized to be a usable garage when purchased. I would very much like to place a permanent drive next to my home in order to access the garage by vehicle.

Thank you for your time in reading my request and for your consideration of abandoning the unimproved paper alley adjacent to and behind my house.

Sincerely,

Alexis L. Bailey
16 Sackarackin Avenue
Dover, DE 19901
(302) 678-8562 home
(302) 382-2413 cell
alexislbailey@verizon.net

16 Sackarackin Avenue
Proposed Alley Abandonment



0 87.5 175 350 Feet

N

Date Printed: December 9, 2011
File: m:\gis_data\projects/tech_mxds
\street_abandonment_sackarackin_ave
Department: Public Services GIS
City of Dover, Delaware

Legend

- Overhead Electric Pole
- Underground Electric Lines
- Overhead Electric Lines
- Water Main
- Hydrant Line
- Hydrants
- Manholes
- Sewer Line
- Right of Way to be Abandoned
- Dover Parcels

List of Adjacent Property Owners of Alley Abandonment Sackarackin Ave. 1-19-12

PARCEL ID	Property Address	OWNER	Owner Address	Owner Address 2	City	State	Zip Code
ED05-077.13-02-57.00	54 SACKARACKIN AVE	WEYANDT,DOROTHEA C	54 SACKARACKIN AVE		DOVER	DE	19901
ED05-077.13-02-58.00	50 SACKARACKIN AVE	LECHNER,KAREN A	50 SACKARACKIN AVE		DOVER	DE	19904
ED05-077.13-02-59.00	46 SACKARACKIN AVE	MCNEIL,JACCQUELINE H	46 SACKARACKIN AVE		DOVER	DE	19901
ED05-077.13-02-52.00	76 SACKARACKIN AVE	ARELLANO,LAMBERTO M MD &	LYZBETH M REVOC TRUST	1 PHEASANT LN	CAMDEN WYOMING	DE	19934
ED05-077.13-02-60.00	40 SACKARACKIN AVE	SEEMAN,LAWRENCE J & STEPHANIE	40 SACKARACKIN AVE		DOVER	DE	19901
ED05-077.13-02-56.00	60 SACKARACKIN AVE	OLECHNY,WILLIAM T & KATHRYN N	60 SACKARACKIN AVE		DOVER	DE	19901
ED05-077.13-02-67.00	915 S STATE ST	PEPPER,JEANNE C	915 S STATE ST		DOVER	DE	19901
ED05-077.13-02-55.00	64 SACKARACKIN AVE	GARRETT,JANET W &	SPALLUTO,ELIZABETH M	64 SACKARACKIN AVE	DOVER	DE	19901
ED05-077.13-02-61.00	36 SACKARACKIN AVE	MORRIS,ELIZABETH B	36 SACKARACKIN AVE		DOVER	DE	19901
ED05-077.13-02-62.00	28 SACKARACKIN AVE	SHORT,MARGARET A	28 SACKARAKIN AVE		DOVER	DE	19901
ED05-077.13-02-53.00	72 SACKARACKIN AVE	WOHLGEMUTH,CHARLOTTE	72 SACKARACKIN AVE		DOVER	DE	19901
ED05-077.13-02-54.00	68 SACKARACKIN AVE	LEHTO,NANCY P	68 SACKARACKIN AVE		DOVER	DE	19901
ED05-077.13-02-66.00	903 S STATE ST	HYNES,EDWARD J & PATRICIA S	903 S STATE ST		DOVER	DE	19901
ED05-077.13-02-69.00	955 S STATE ST	DOVER SPECIAL SCHOOL DISTRICT	945 FOREST ST		DOVER	DE	19904
ED05-077.13-02-63.00	20 SACKARACKIN AVE	HARVEY,ASHLEE M & HARVEY,EMILY	& HARVEY,JONATHAN T	1530 E BALTIMORE ST	BALTIMORE	MD	21231
ED05-077.13-02-64.00	16 SACKARACKIN AVE	BAILEY,ALEXIS L	16 SACKARACKIN AVE		DOVER	DE	19901
ED05-077.13-02-65.00	901 S STATE ST	FORAKER,DOROTHY Y	901 S STATE ST		DOVER	DE	19901

ACTION FORM

PROCEEDING: Utility Committee Meeting – January 23, 2012
DEPARTMENT OF ORIGIN: Finance Department **DATE SUBMITTED**: 01/17/12
PREPARED BY: Donna Mitchell, Controller/Treasurer
SUBJECT: Electric – Cost of Service & Rate Design Study
REFERENCE: N/A
RELATED PROJECT: N/A
APPROVALS: Committee/Council
EXHIBITS: N/A
EXPENDITURE REQUIRED: **$28,500**
TIMETABLE: To Be Completed by April 30, 2012
RECOMMENDED ACTION: As outlined in the attached proposal, staff recommends the Cost of Service and Rate Design Study for FY 12.

January 4, 2012

Ms. Donna Mitchell, CPA
Controller/Treasurer
City of Dover
5 E. Reed Street
Weyandt Hall, Suite 300
Dover, DE 19901

Re: Proposal to Perform an Updated Electric Cost-of-Service and Rate Design Study

Dear Ms. Mitchell:

As a result of our recent discussion on December 22, 2011, Burns & McDonnell is providing this letter proposal to complete the 2012 Electric Cost-of-Service and Rate Design Study (Study) for the City of Dover Electric System (the Electric System). Burns & McDonnell is pleased to submit this letter proposal to perform the desired services for the City of Dover (the City) and the Electric System. Based upon our previous involvement in performing cost-of-service analysis and electric rate design for the Electric System, we believe that we are eminently qualified to perform the Study to the complete satisfaction of the City and the Electric System. Presented herein is our proposal.

Project Understanding
The Study is necessary to address specific issues associated with allocating costs of system operations including purchased power and developing rates designed to incorporate costs of providing service to various customer classes of the Electric System. The following guidelines and special issues will be of principal importance in performing the Study:

1. The rates to be developed must recover the Electric System's revenue requirements.
2. The rates to be developed must be fair and equitable across customer classes.
3. The rates to be developed and the implementation schedule for those rates must be reasonable.
4. Power supply costs will be allocated to both demand and energy based on an estimate of the inherent capacity included in the current power supply arrangement and will be modeled accordingly in the financial analysis and cost-of-service model.
5. The Study will address any specific changes to customers that need to be made for the demand components and any corresponding changes to energy charges.

Burns & McDonnell will make use of the analysis and model prepared in previous rate study efforts completed for the City and the Electric System. We will make revisions to forecasts prior to completing the updates to the cost-of-service allocations and the preparation of rate designs to be completed through this Study.

Scope of Work
The major elements of the proposed Scope of Work include the following:

1. Update Revenue Requirements Analysis
2. Develop Current Cost-of-Service Model Analysis
3. Prepare Necessary Revisions to Electric Rates

1. Update Revenue Requirements Analysis

We will update the financial forecast model previously developed by Burns & McDonnell and currently being utilized by the City. The financial forecast update will be used to determine the adequacy of revenues for a five-year forecast period. The updated forecast will include projections of annual revenues under existing rates and the annual revenue requirement, including purchased power costs, all operating expenses, capital requirements, debt service requirements, and reserve requirements, by year for the forecast period. The financial plan developed will identify the overall change in revenue required to provide for adequate funding for capital improvement programs, to meet all recurring annual operating and capital expenditures, to cover all debt service requirements, to maintain sufficient cash balances and capital reserves, and to address costs associated with purchased power supply. Information developed in previous electric rate studies and analysis will be utilized in the revised forecast and financial plan. Prior to finalization of the financial plan, the City and Burns & McDonnell will agree on the revised financial forecast model results and the assessment of estimated impacts on the cash flow of the Electric System.

2. Develop Current Cost-of-Service Analysis

Burns & McDonnell will complete an update to the cost-of-service analysis to identify the relative responsibility of each rate classification for the recovery of the Electric System costs of service. The cost-of-service analysis will be completed using FY 2012 as the test year. The cost-of-service analysis will include development of appropriate allocation factors based on statistical units of service and allocation methodologies. In order to verify that revenue is recouping the cost of product or services rendered, all sources of revenue will be reviewed. Information developed in the most recent electric rate study will be utilized in conducting this analysis. The key aspect of this analysis will be the cost allocation regarding the power supply arrangements and allocating this cost between demand and energy requirements. The cost-of-service analysis will provide for the unbundling of costs to specific functions. The specific unbundled functions that will be developed include:

- Demand
- Energy
- Transmission Delivery
- Distribution Delivery
- Customer Service

The analysis will also provide allocation of appropriate costs to specific customer classes.

3. Prepare Necessary Revisions to Electric Rates

Burns & McDonnell will perform an evaluation of potential rate revisions for consideration by the City. This phase of the Study will be the most demanding due to the specific objectives which must be met in the design of rates. This phase of the Study will require extensive communication and coordination with the City.

Work Plan

The following tasks are proposed to be undertaken by Burns & McDonnell as a method for completing the Study.

Task 1 - Initiate Project
- **Task 1.1 Prepare Data Request**
- **Task 1.2 Project Kick-off Conference Call**

Task 2 – Update Review Revenue Requirements Analysis
- **Task 2.1 – Review Financial Forecast Model Provided by the City**
- **Task 2.2 – Review Projected Operating & Capital Costs**
- **Task 2.3 – Adjust Financial Model as Necessary**
- **Task 2.4 – Develop Cash Flow Analysis**

Task 3 - Develop Current Cost-of-Service Analysis
- **Task 3.1 – Determine Utility Cost Assignments**
- **Task 3.2 – Allocate Functional Costs**
- **Task 3.3 – Review Cost-of-Service Results**

Task 4 – Prepare Necessary Revisions to Electric Rates

Task 5 – Prepare Study Report and Deliver Results

Upon completion of the review of the revenue requirements, development of the FY 2012 cost-of-service model, and rate evaluation and design, Burns & McDonnell will summarize the Study results for the Electric System in a preliminary report for review by the City and Electric System. Two (2) copies of this report will be provided. The report will describe the analysis completed and will identify the inputs, assumptions, methodology, and results of the Study. It will also contain recommendations for how the City should proceed with implementation of the Study recommendations. Burns & McDonnell will discuss the results of the Study in a meeting with City and Electric System staff. Based upon comments and input from the City and Electric System, Burns & McDonnell will revise the final report, as appropriate, and will provide ten (10) copies of the final report to the City. An electronic copy of the report will also be provided in Adobe Acrobat format. Burns & McDonnell will also be prepared to present the Study results to City Council if desired. This presentation is an optional service and as such, costs have not been included in the estimate provided below.

Proposed Budget

Burns & McDonnell proposes to perform the Study for an estimated fee of $28,500. The estimated fee is based on approximately 176 man-hours for completing the required Study efforts. This estimate includes appropriate project conference calls and one project trip for the project manager and project engineer/analyst. If the work can be completed for less than the estimated fee, the City will only be billed for the actual costs incurred to complete the Study. This fee does not include costs associated with providing a presentation of the Study results to City Council.

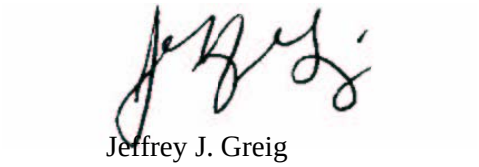
Proposed Schedule

Burns & McDonnell proposes to initiate work on the proposed services upon notice to proceed. Work on the review of revenue requirements will be completed during the first month of the project. The cost-of-service model will then be completed over the next month. The first draft of proposed rates will be

submitted to the City in late-March and final rate design is expected to be completed by the end of April assuming City and Electric System staff can complete the necessary rate testing in a timely manner. The Study report will be submitted in a timely manner to meet the specific requirements identified by the City. We expect the report will be submitted within two weeks after final approval of rate adjustments.

Burns & McDonnell is grateful for the opportunity to provide the City of Dover continued service in these important matters. Should you have any questions regarding the material presented herein please call Ted Kelly at (816) 822-3208. If this proposal for the updated cost-of-service and rate design services is acceptable please indicate by signing below and returning one copy of the proposal letter.

Respectfully Submitted,



Jeffrey J. Greig
General Manager, Business & Technology Services



Ted J. Kelly
Principal, Business & Technology Services

JJG/TJK

Authorization for 2012 Electric Cost-of-Service and Rate Design Study
Accepted by:

_____

The Energy Authority, Inc.

Monthly Management Committee Update – October 2011

November 22, 2011

Prepared by:

Jamie Mahne
Member Services Manager
904.360.1374
jmahne@teainc.org

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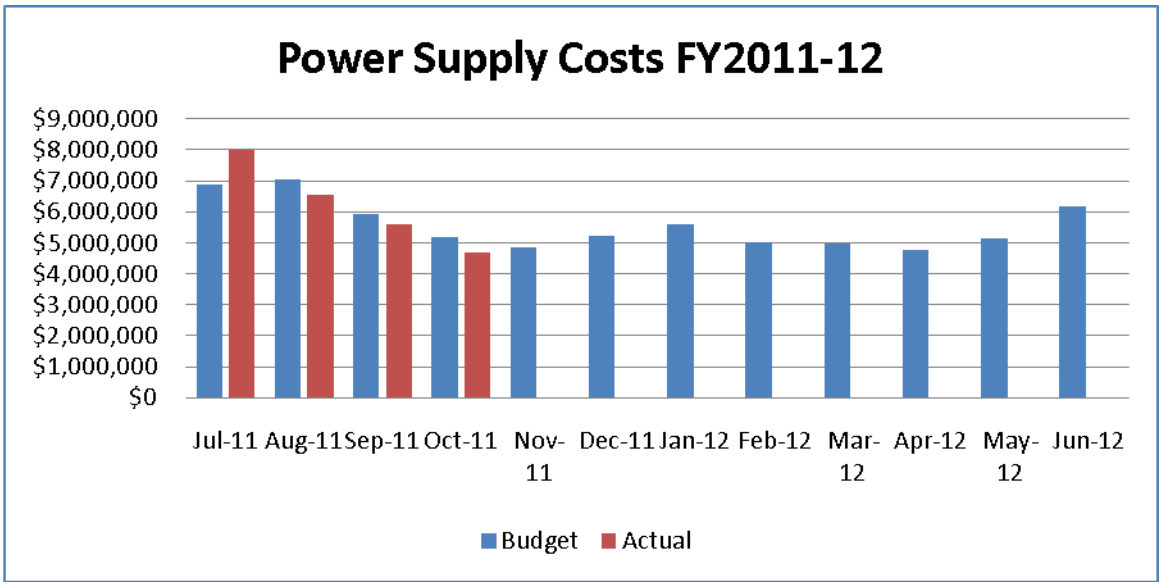
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I. Executive Summary

Power Supply:



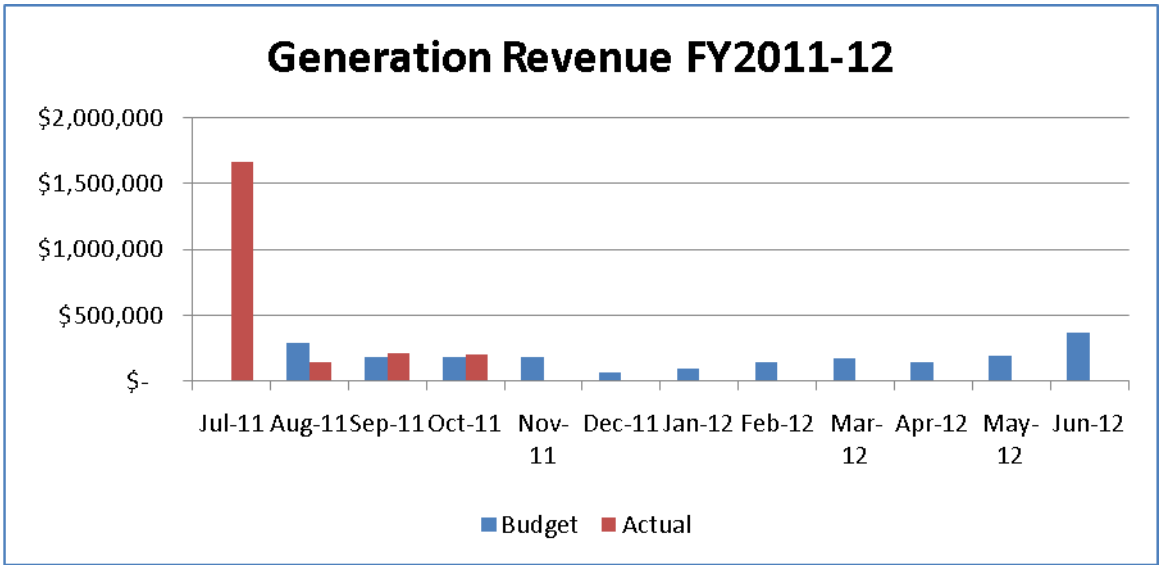
Powers Supply costs were $497,809 under budget due to lower load than forecast and lower than forecasted PJM prices.

Average cost/MWh on the supply side was $82.91 compared to a budgeted cost of $88.82.

Dover's hedge purchases totaled 51,000 MWh, which was 88% of the projected load. Versus actual load, this hedged percentage totaled 90% of Dover's needs for the month.

Dover's power purchases from hedge transactions totaled $3,302,556. Purchases from PJM totaled $472,554 (all in), with DA Energy purchases totaling $107,716 and Balancing Spot Market Energy totaling $36,275.

Generation Summary



Dover did not generate electricity for PJM in the month. This was consistent with the budget. Net generation revenue was $281,061 vs. a budget of $185,931. The majority of this delta was due to lower than expected O&M costs.

Operations Management Summary

During the month of October, there were no reportable or lost time accidents or injuries. The facility has now gone 382 days without an OSHA recordable accident and 382 consecutive days without a lost time reportable accident. There were zero Environmental Notices of Violations issued. There was one Near Miss incident which involved the venting of the Unit 3 main gas line in preparation for work to be performed during the outage. The near miss related to operating procedures not being updated to reflect new venting policy. In the month of October, McKee Run Units 1,2, and 3 and VanSant Unit 11 were not dispatched. All units were in outage starting October 3. One NOx annual allowance was sold on October 28.

Monthly Budget Variance - The actual expenses attributable to O&M of the two sites for the month of October were $348,515. The expenses were $73,467 or 17.41% under the approved budget of $421,982. The principal reason for the favorable variance is due to lower labor and burden costs attributable to open staff positions and employee incentive accumulator costs budgeted in October to be paid in June 2012. These favorable variances were offset by increased costs for electricity, contract services and training.

Risk Management Summary

Forward power prices in PJM have been falling throughout October and into November, but not as steeply as natural gas prices have fallen. Subsequently, the PJM heat rate remains very strong. Natural gas storage has risen to the top of the 5 year range.

The current projected cost of service is below:

Power Year	Hedge Ratio	Blended Cost ($/MWh)
2011-12	83%	$70.45
2012-13	74%	$67.32
2013-14	46%	$59.93
2014-15	24%	$59.05
2015-16	3%	$62.86

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II. Budget Report

Variance Report:

	Budget Oct-11	Actual Oct-11	Variance
Load Forecast (Net of Solar Output)	**58,231**	**56,376**	**1,855**
Power Supply			
Power Supply (inc. Mgt Fees)	$4,476,284	$3,964,534	$511,750
Capacity UCAP Obligated Purchased	$695,864	$709,804	($13,940)
Total - Power Supply	**$5,172,147**	**$4,674,338**	**$497,809**
Power Generation O&M & Fixed Fuel			
Plant O&M	$421,982	$348,515	$73,467
Fixed Fuel and Transport Charges	$0	$0	$0
Subtotal Generation O&M & Fixed Fuel	**$421,982**	**$348,515**	**$73,467**
Power Generation Production Margin			
Economic and reliability dispatch	$0	($1,447)	$1,447
Testing	$0	$0	$0
Subtotal Generation Production Margin	**$0**	**($1,447)**	**$1,447**
Power Generation Non-Production Revenue			
Generation Capacity Credit	($573,981)	($592,550)	$18,569
Emissions Allowance Sales	$0	$0	$0
Black Start & Reactive Power Revenue	($33,933)	($35,580)	$1,647
Subtotal - Non-Production Revenue	**($607,913)**	**($628,129)**	**$20,216**
SubTotal - Power Generation	**($185,931)**	**($281,061)**	**$95,130**
Total - Utilities Cost	**$4,986,216**	**$4,393,277**	**$592,939**
Unit Costs			
Total - Power Supply	$88.82	$82.91	$5.91
Total - Power Generation	($3.24)	($4.99)	$1.74
Final Cost of Service to City of Dover Ratepayers	$85.58	$77.93	$7.65

Variance Analysis:

Power Supply

- Dover consumed 1,855 MWh net (gross load minus solar output) below what was forecasted for the month.
- The decrease in load and lower than expected prices in PJM resulted in a cost of $82.91/MWh for power supply, $5.91/MWh less than budget.
- For the month, the city realized a favorable variance of $497,809 for power supply vs. the monthly budget.
- Dover Sun Park generated 106MWh above what was forecasted.
- Dover Sun Park did not invoice for any RECs in October.

Generation

- Power generation had a favorable budget variance of $95,130.
- Plant O&M expenses had a favorable budget variance of $73,467.
- Power Generation Production Margin realized a favorable budget variance of $1,447, due to Balancing Operating Reserve at PJM being designated as a generation line item.
- Dover did not sell any generation output to PJM in October.

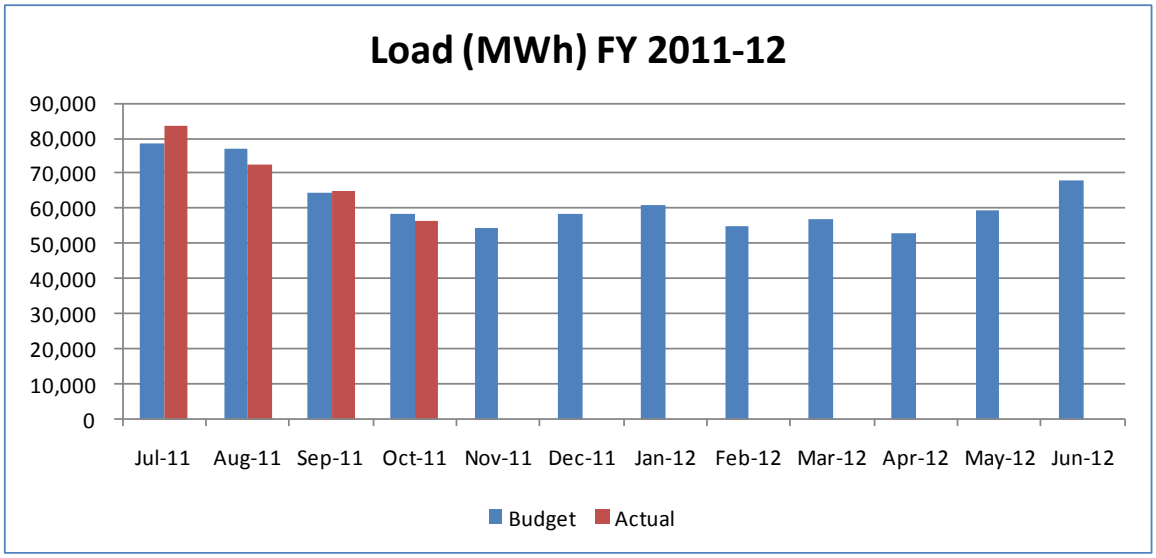
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Variance Year-To-Date:

	Budget YTD	Actual YTD	Variance
Load Forecast (Net of Solar Output)	**278,016**	**277,449**	**568**
Power Supply			
Power Supply (inc. Mgt Fees)	$22,228,213	$21,968,691	$259,522
Capacity UCAP Obligated Purchased	$2,761,007	$2,836,457	($75,450)
Total - Power Supply	**$24,989,220**	**$24,805,148**	**$184,072**
Power Generation O&M & Fixed Fuel			
Plant O&M	$1,981,143	$1,742,570	$238,573
Fixed Fuel and Transport Charges	$0	$0	$0
Subtotal Generation O&M & Fixed Fuel	**$1,981,143**	**$1,742,570**	**$238,573**
Power Generation Production Margin			
Economic and reliability dispatch	($237,844)	($1,724,030)	$1,486,186
Testing	$0	$0	$0
Subtotal Generation Production Margin	**($237,844)**	**($1,724,030)**	**$1,486,186**
Power Generation Non-Production Revenue			
Generation Capacity Credit	($2,277,407)	($2,135,237)	($142,170)
Emissions Allowance Sales	$0	$0	$0
Black Start & Reactive Power Revenue	($135,730)	($186,329)	$50,599
Subtotal - Non-Production Revenue	**($2,413,137)**	**($2,321,566)**	**($91,570)**
SubTotal - Power Generation	**($669,837)**	**($2,303,026)**	**$1,633,189**
Total - Utilities Cost	**$24,319,383**	**$22,502,122**	**$1,817,261**
Unit Costs			
Total - Power Supply	$89.91	$90.66	($0.75)
Total - Power Generation	($2.30)	($8.40)	$6.10
Final Cost of Service to City of Dover Ratepayers	$87.61	$82.26	$5.35

III. Energy Management

Power Supply



- Dover's total load was 56,376 MWh versus a forecasted load of 58,231 MWh.
- Dover's planned hedged volume was 88% of forecast. The decrease in load resulted in a realized hedged volume of 90% of actual load.
- Dover's planned energy cost/MWh of unhedged load was $175. The actual energy cost for unhedged load was $117/MWh – this decrease is due to softer than expected PJM prices.
- Dover's planned energy purchase from the SunPark solar installation was 1,228 MWh at an all-in unit cost of $100/MWh. Dover's actual purchase from the SunPark installation was 1,334 MWh at an all-in unit cost of $80. The price discrepancy is due to environmental credits (SRECs) that were produced in October but were not invoiced in October.

The following is a summary of Dover's power purchases for the month:

City of Dover's Wholesale Load		
	Volume	$'s
Hedges	51,000	($3,302,556.00)
PJM Charges	55,042	($1,182,359.17)
TEA Fees		($83,000.00)
Dover Sun Park	**Est. Amt**	($157,112.45)
Total		**($4,725,027.62)**
Cost to Serve	**$/Mwh**	**($85.84)**

Purchased power variance report:

	Budget	Actual	Variance
Gross Load	58,231	56,376	1,855
Wholesale Load	57,003	55,042	1,961
Hedged Volume (MWh)	51000	51000	0
Unhedged Volume (MWh)	6,003	4,042	1,961
Hedged Volume (%)	88%	90%	-3%
SunPark Volume (MWh)	1228	1334	-106
SunPark Energy Cost ($/MWh)	$ 100	$ 80	$ 21
Unhedged Energy Cost ($/MWh)	$ 175	$ 117	$ 58
Energy Costs ($/MWh)	**$76.87**	**$70.32**	**$6.55**
All-in Costs - Energy and Capacity ($/MWh)	**$88.82**	**$82.91**	**$5.91**

Generation

Dover produced no generation in October. Dover's production margin equaled $1,447.

City of Dover's Wholesale Generation		
Net Generation Mwh		**0.00**
All In Generation Margin		
PJM Bill Energy	$	1,447.00
PJM Capacity	$	592,549.50
Black Start, Reactive Credit, DASR & EFORp	$	35,579.51
Gas Purchases	$	-
Oil Purchases	$	-
Transport / Cash Out	$	-
Gross Margin	**$**	**629,576.01**
Production Margin		
Generation Production Revenues (PJM)	$	1,447.00
Gas Purchases	$	-
Oil Purchases	$	-
Transport / Cash Out	$	-
Gross Production Margin	**$**	**1,447.00**
$/Mwh All In Generation Margin	**$**	**-**
$/Mwh Generation Production Margin	**$**	**-**

Fuel Purchases

Dover had no fuel purchases in October.

Transportation and Imbalance

Dover had no transportation or imbalance fees in October.

Emissions

Emissions and Allowance Management

Dover has elected not to include revenues from emission allowance sales in its 2011-2012 fiscal year budget. Dover has more than sufficient allowances set aside for retirement. Due to the expiration of EPA's Clean Air Interstate Rule (CAIR) at the end of CY2011, any unused or unsold CAIR allowances will expire without residual value.

Emissions Allowance Summary through September 30, 2011

2011-2012 EMISSIONS ALLOWANCE SUMMARY								
SO_2					NO_x			
Date	Action	Allowance Allocation	Sale Price	Rev.[1]	Allowance Allocation[2] Seas.	Allowance Allocation[2] Ann.	Sale Price	Rev.
N/A	2003-2006 Carryover	139			0	0		
1/1/08	2007 Carryover	549			0	0		
1/1/09	2008 Carryover	2,691			0	0		
1/1/09	2009 Allocation	2,723			53	80		
2/1/10	2010 Allocation	1,988			50	78		
1/1/11	2011 Allocation	1,988			49	76		
4/1/11	2011 Reallocation				2	4		
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[3]	(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		
Oct 2011	Sale to DMEC			$10	(1)			
10/31/2011	2011 Emissions	(2)			(32)	(36)		

[1] Revenue calculations account for a $0.50/ton broker fee for SO2, a $2/ton broker fee for annual NOx and $1/ton broker fee for seasonal NOx

[2] Per Clean Air Interstate Rule (CAIR), starting in 2009, NOx emissions are governed by a seasonal and annual program.

[3] 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.

TOTAL ALLOWANCES	**Pre-CAIR: 3,189 CAIR: 3,976**	**-**	**$10**	**50**	**74**	**-**	**$0**

TEA's estimate, given current dispatch expectations, for the market value of the remaining CAIR allowance inventory is approximately $9,481 as of November 22, 2011. This represents $3,189 for 3,189 pre-CAIR SO_2 allowances trading at $1.00/ton, $2,982for 3,976 CAIR SO_2 allowances trading at $0.75/ton, $2,960 for 74 annual NO_x allowances trading at $40.00/ton and $350 for 50 seasonal NO_x allowances trading at $7.00/ton.

EMISSIONS & ALLOWANCE SUMMARY THROUGH OCTOBER 2011						
Allowance Vintage	**Allowance Allocation**	**Emissions for Sept. 2011**	**Cumulative Annual Emissions**	**Allowances sold in October 2011**	**Cumulative Annual Allowances Sold (Purchased)**	**Allowance Balance**
SO_2: 2007-10	10,157	N/A	131	N/A	4,847	5,179
SO_2: 2011	1,988	0	2	0	0	1,986
NO_x: Ann. 2009	80	N/A	13	1	46	23
NO_x: Seas 2009	53	N/A	6	N/A	25	22
NO_x Ann. 2010	78	N/A	94.7**	N/A	(22)	8
NO_x Seas 2010	50	N/A	94.7**	N/A	(53)	10
NO_x Ann. 2011	80	0	38.8	0	0	44
NO_x Seas 2011	51	0	36.1	0	0	19

Note **: EPA approved petition to use lower emissions rate for NO_x on McKee Run Unit 3 by 30 tons.

EPA Cross-State Air Pollution Rule or CSAPR

The final CSPAR was published in the August 8, 2011 Federal Register (76 FR 48208), with an effective date of October 7, 2011. The first compliance period begins for annual SO_2 and NO_x allowances on January 1, 2012. CSAPR does not include compliance requirements or allowance allocations for generating units located in Delaware and Dover will not be required to submit emission allowances for annual SO_2, annual NO_x or Seasonal NO_x for compliance years 2012 and beyond.

A number of administrative and legal challenges to this new rule have been filed, however TEA cannot foresee the potential outcome of such challenges. TEA has assumed that CSAPR will become enforced as promulgated, thus releasing the City of Dover from having to comply with CSAPR in its current form.

The Clean Air Act Title IV provisions for SO_2 will remain in effect and Dover, which does not have significant SO_2 emissions, will need to continue compliance with this program.

SO_2 and NO_x Prices

Due to the collapse of the CAIR allowance market and Delaware not being included in the Cross State Air Pollution Rule market, this section is being discontinued from the Monthly Report.

RGGI and Federal Carbon Outlook

RGGI spot allowance prices have increased slightly since last month's report with a price mid-point of $1.90 as of November 22 ,2011. The 13th RGGI auction occurred on September 7th and cleared at the reserve price of $1.89, with only 18% of the 2009-2011 control period allowances offered for sale actually being sold in the auctions. The 14th RGGI auction is scheduled for December 7, 2011.

In Congress, there continues to be little movement on climate legislation. EPA continues to pursue the "Tailoring Rule" which will impact new sources and Clean Air Act Title V permitting existing source; however on September 15, 2011 EPA confirmed that it would not meet a September 30 deadline for issuing rules governing greenhouse gas emissions from power plants and other major sources.

EPA issued the Mandatory Reporting of Greenhouse Gases Rule (74 FR 56260) which requires reporting of greenhouse gas (GHG) data and other relevant information from large sources and suppliers in the United States. The purpose of the rule is to collect accurate and timely GHG data to inform future policy decisions. The implementation program for this rule is referred to as the Greenhouse Gas Reporting Program (GHGRP). The deadline to submit 2010 reports is September 30, 2011. NAES has indicated it submitted the first GHG inventory to EPA in the month of September.

IV. Operations Management

NAES Corporation
Dover, Delaware

October 2011
Monthly Report



Dave Hodge (left), Senior Operator II, is shown being presented a commemorative PJM polo shirt by Plant Manager Vincent Scire in recognition of achieving PJM System Operator Certification.

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1.0 Environmental, Health and Safety:

During the month of October, there were no restricted work days or lost time accidents. On October 14, the plant successfully completed one year of being Accident Free. The facility has now gone 382 days without an OSHA recordable accident or a Lost Time reportable accident.

The plant received no Notice of Violations (NOVs) during the month. Plant staff members also met with the City of Dover to continue work on an Industrial Pre-Treatment application and permit with Kent County to address the redirection of the cooling tower discharges.

There was one Near Miss reported in October which involved the venting of the Unit 3 Main Gas Line in preparation for inspections of the recently installed deck valves. While everyone in the plant had recently completed training on SMP-22, Combustible Gas Purging, Venting and Inerting, steps had not been completed to update all plant operating procedures affected by the new policy, resulting in the Near Miss. This has since been corrected.

New spill kits were ordered and put in place to further enhance both the McKee Run and VanSant Generating Station's Spill Response capabilities. Pre-filled spill kits, each containing response materials specific to the likely spills scenarios, were placed in each of the strategic locations around the plants where these incidents might occur.

Environmental, Health and Safety Statistics		
	Month (October)	Fiscal Year to Date (7/1/11-6/30/12)
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	1	4
Man Hours Worked	3,812.92	15,852.17
Date last OSHA Recordable		10/14/10
Date last Lost Time Accident		10/14/10
Days since last OSHA recordable		382
Days since last Lost Time Accident		382

Emissions (NOx & SO2) All data thru 10/31/11

NOx Summary - Year (May-Sept.)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

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

CAIR NOx Allowances Summary*							
CAIR NOx Allowance Vintage	**CAIR NOx Allowances Sold YTD**	**NOx Allowances Available (Per Facility, Prior to Sale)**		**Total NOx Tons Emitted (Yr/ Season)** McKee Run - VanSant	**CAIR NOx Allowances Purchased YTD**	**NOx Allowance Balance**	
		McKee Run (Yr/Season)	***VanSant (Yr/Season)***			***McKee Run (Yr/Season)***	***VanSant (Yr/Season)***
2010 and earlier	1					29/30	0/2
2011	0	75#/48#	5/3	33/31– 3/1	0/0 - 0/0	42#/17#	2/2

Note – Emissions allowances are deducted according to oldest vintage first or unless otherwise directed.
Note #- 2 tons (Seasonal and 4 tons (Annual) were reallocated by the EPA to the McKee Run 2011 account.

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

Note: Data is as of 10/31/2011

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	5090*
2011	0	1850	138	1	1988*
2012	0	1850	138	0	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	59,805	1,699	5,796	55,708
2010	0	47,844	1,636	32,971	16,509
2011	0	35,883	1,227	17,763	19,348
2012	0	23,922	818	0	24,740
2013	0	11,961	409	0	12,370

Note: All CO2 allowance values are provided by the RGGI CO2 Allowance Tracking System.

2.0 Financial

Financial – Current Month

Month –October 2011			
	Actual	Budget	Variance
Personnel	205,823	283,287	77,464
Materials & Supplies	11,123	12,817	1,694
Administrative Expenses	131,569	125,878	(5,691)
Total	**$348,515**	**$421,982**	**$73,467**

Financial – Fiscal Year to Date (Estimated)

Number of Months – 4			
	Actual	Budget	Variance
Personnel	852,638	1,118,516	265,878
Materials & Supplies	93,503	58,803	(34,700)
Administrative Expenses	796,428	803,824	13,087
Total	**$1,742,569**	**$1,981,143**	**$244,265**

2.1 Variance analysis:

The actual expenses for October are $348,515 against a budgeted amount of $421,982 for a positive variance of $73,467 or ≈ 17.41%. The variance was due to the following:

PERSONNEL EXPENSES – Lower Labor, Overtime, and Burdens accounted for a favorable monthly variance of $77,464. There is a positive variance of $31,912 for the Employee Incentive Accumulator and Employee Incentive Burden Accumulator that will occur every month. This is due to the expenses being broken down every month instead of in June when the money is actually expensed. In addition, open positions within the plant contributed to the lower Labor and Overtime expenses.

MATERIALS AND SUPPLIES EXPENSES- The accounts with any appreciable variances were the Water Treatment Chemicals, Security-Safety Materials and City Building Maintenance accounts which contributed to a favorable variance of $1,694.

ADMINISTRATIVE EXPENSES – Higher than budgeted expenses in the areas of Electric, Training-Conferences-Food, Contractual Services, Fuel-Oil Gas Systems, Combustion Turbine Maintenance and Turbine Generator Systems contributed to an unfavorable variance of $5,691.

The latest budget forecast for the current fiscal year is $5,938,116 expensed versus an approved budget of $5,964,818 thereby realizing a 99.55%.expense rate.

3.0 Operations
Unit Operations / Outages / Trips

McKee Run and VanSant Generating Station were in a Planned Outage status for most of the month of October, so no units were dispatched. The outage started on October 3, 2011 and is expected to be completed on December 2, 2011.

Month – October 2011							
		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	17.990	17.990	107.023	143.003	2.285	145.288
Auxiliaries purchased	MWh	17.990	17.990	107.023	143.003	2.285	145.288
Fuel Gas Used	MMBTU	0.0	0.0	0.0	0.0	0.0	0.0
Fuel Oil Used	MMBTU	0.0	0.0	0.0	0.0	0.0	0.0
Fuel Oil Used	Gallons	0.0	0.0	0.0	0.0	0.0	0.0
Total Fuel	MMBTU	0.0	0.0	0.0	0.0	0.0	0.0
Net Heat Rate	BTU/KWh	0.0	0.0	0.0	0.0	0.0	0.0
Unit Trips	#	0	0	0	0	0	0
Capacity Factor	%	0.0	0.0	0.0	0.0	0.0	0.0
Availability Factor	%	7.39	7.39	7.39	7.39	7.39	7.39
Commercial Unavailability (CU)	%	0	0	0	0	0	0
Planned Outage Hours	Hours	689.000	689.000	689.000	2,067.000	689.000	2,756.000
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	55.000	55.000	55.000	165.000	55.000	220.000
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.

*** Indicates fuel used for testing high gas pressure trips on Units 1 & 2.**

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2011-2012 Fiscal Year-to-Date (4 Month)							
		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	59.234	57.267	236.585	353.086	55.933	409.019
Starts	#	1	1	16	18	12	30
Gross Generation	MWh	561.129	564.344	18,927.359	20,052.832	1,400.897	21,453.729
Net Generation	MWh	532.006	521.173	17,544.644	18,597.823	1,399.866	19,997.689
Total Auxiliaries	MWh	102.563	116.611	2,127.545	2,346.719	7.715	2,354.434
Auxiliaries purchased	MWh	93.555	93.555	744.830	931.940	6.684	938.624
Fuel Gas Used	MMBTU	8,554.933	7,620.677	194,854.408	211,030.018	20,352.923	231,382.941
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	8,554.933	7,620.677	194,854.408	211,030.018	20,352.923	231,382.941
Net Heat Rate	BTU/KWh	15,947	15,503	11,130	14,193	15,609	14,901
Unit Trips	#	0	0	0	0	1	1
Capacity Factor	%	0.85	0.83	4.35	3.47	0.98	2.92
Availability Factor	%	81.24	81.24	81.24	81.24	81.24	81.24
Commercial Unavailability (CU)	%	0	0	0	0	0	0
Planned Outage Hours	Hours	689.000	689.000	689.000	2,067.000	689.000	2,756.000
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	2,203.766	2,205.733	2,026.402	6,435.901	2,207.067	8,642.968
HW Boiler Gas Usage	MMBTU				0		0
Pilot Gas Usage	MMBTU	139,333	139,333		277,667		277,667

Fuel Oil Inventory							
	Monthly Inventory (Start)	Monthly Inventory (End)	Fuel Purchases (Month)	Monthly Inventory (Change)	FY 11-12 Inventory (Start)	Fuel Purchases (YTD)	FY 11-12 Inventory (Change)
McKee Run (#2 Fuel Oil)	454,725	452,963	0	(1,762)	454,725	0	(1,762)
VanSant (#2 Fuel Oil)	152,369	151,779	0	(590)	153,212	0	(1,433)

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

VanSant Lifetime through 9/30/11			
	Actual Starts	Factored Starts	Fired Hours
VanSant	1276	2205.45	4187.26
Since HGP - Dec 2004	217	537.75	803.68

Team Report:

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. In addition, they have been removing lagging and insulation at various locations on the boiler and on the Air Heater Expansion Joint. In preparation for the VanSant outage, Operations staff performed LO/TO on several pieces of equipment to expedite the start of the projected work scope.

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.

Capacity Testing – FY 2010-2011					
Summer 2011 (June 1- Aug 31)			**Winter 2011-2012 (Dec 1- Mar 1)**		
Unit	Rated Net Capability (MW)	Reported Net Capability (MW)	Unit	Rated Net Capability (MW)	Reported Net Capability (MW)
1	17	17.06	1	17	*
2	17	17.67	2	17	*
3	102	102.31	3	102	*
VanSant	39	39.07	11	39	*
Total	175	176.11	Total	175	175

Note: * Denotes Unit is qualified for the PJM Winter Demonstration Period Exemption Program

4.0 Maintenance

During the month of October, plant maintenance staff continued addressing the backlog of work orders. There were fifty-four work orders issued with forty-six work orders being completed during the month. The table below summarizes the monthly work order activities.

Work Order Report

October - 2011

Priority #	Outstanding From Previous Month	Issued This Month	Completed This Month	Outstanding at the end of the month
1	17	0	3	14
2	31	8	9	30
3	54	24	2	76
4	6	0	0	6
5	24	2	0	26
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	48	20	32	36
Totals	180	54	46	188

Note: PMs are included in the priority totals

Notable activities during the month include:

1) Maintenance Staff conducted inspections on Units 1 and 2 duct work, air heaters, wind boxes, steam coils, ID fans and FD fans. The inspection results revealed several cracks on the walls of the Unit 1 and 2 wind boxes. They also found two holes in the duct work on Unit 2 that will be repaired prior to the conclusion of the outage. The ID fans, FD fans and steam coils checked out with no apparent deficiencies. The air heater seals on Units 1 and 2 were found to be in "Fair" condition and need to be looked at again during the spring outage.

2) Maintenance and IC&E staff completed the replacement of the 1B Boiler Feed pump. A spare pump and motor had been sent out for refurbishment and then installed. Once the installation was completed, the pump was tested and performance data taken. The data was evaluated and it was determined that the efficiency of the rebuilt pump had increased approximately twenty percent.

3) The IC&E staff along with Teledyne (OEM for the opacity monitor) completed the yearly audit of the opacity monitors. A total of four monitors were audited,

three at McKee Run and one at VanSant Generating Stations. As part of the auditing process, the opacity monitors were cleaned and calibrated. There were no problems found with any of the monitors during the audit.

4) The Maintenance Staff completed the rebuild of the Unit 3 burner gas valves. The maintenance staff disassembled the gas valves and upon inspection, discovered that the O-rings in the valves had begun to degrade. They installed new O-rings, completed the rebuilt of the valves and returned them to service.

5.0 Capital Improvement Projects (CIP)

Project Number	Description	Update
EG1102	Units 1 & 2 Cooling Tower Life Extension	Progress: The scope of work is being planned for 2011-2012. Schedule: Work planned for this fiscal year is in development. Work is 1% complete.
EG1107	Units 1 & 2 Life Extension	Progress: turbine repair costs for several alternatives based on turbine inspections performed in fiscal 2011have been developed and were presented to the MC committee. Final decision on how and when to proceed will be dependent of valuation study to be performed.. Work planned for the refurbishment of the 1A boiler feed pump was started during the month. Schedule: Work planned for 2012 is 45% complete.
EG1112	Unit 3 Air Heater Expansion Joint	Progress: The FY2011 work was completed on the expansion joint. Schedule: The FY2012 scheduled work is expected to be completed by the end of November 2011. Work is presently 75% complete.
EG1113	Units 1 & 2 Controls Modifications	Progress: Work is presently 80% complete with only minor modifications to the fuel controls remaining and expected to be completed during the current planned outage. Schedule: The 2012 scheduled work will be completed by the end of Fiscal year. .
EG1114	Unit 3 Gas Line Modification	Progress: The final gas line modifications are being made during the current planned outage. Work is presently 75% complete. Schedule: All scheduled work is expected to be completed by the end of January 2012.
EG1201	Unit #3 Boiler Air Heater	Progress: Started on the development of the project work scope documents. Schedule: Work scope is close to being finalized with a pre-bid meeting to be scheduled in the January time period. The project is approximately 5% complete.
EG1202	Unit #3 Boiler Systems	Progress: Started on the development of the project work scope documents. Completion percentage is currently 2% complete Schedule: Planning for 2011-2012 fiscal year has started..
EG1203	Unit 3 FD & ID Fan Damper Upgrade	Progress: Started on the development of the project work scope documents which is expected to be completed by November 2011. Work is presently 5% complete. Schedule: Bid package development should complete in December and award for materials in January. Installation should occur in the 2nd quarter of 2012.

EG1204	Unit 3 DCS Computers & Software Upgrades	Progress: Started on the development of the project work scope documents. Work is presently 2% complete. Schedule: Material procurement should occur in 1st quarter of 2012 and installation to follow in the 2nd quarter of 2012.
EG1205	Miscellaneous Capital Equipment Replacements	Progress: Metering pumps on the VanSant demineralizer skid were replaced. Schedule: This project is for the unexpected needs that may occur during a budget year that were unexpected due to equipment failure.
EG1206	McKee Run DI Controls Replacement	Progress: Started on the development of the project work scope documents. Several vendors were contacted in order to determine possible controls replacement schemes. Work is presently at 5% complete. Schedule: Bid package development to start in January with installation planned for April- June timeframe.
EG1207	VanSant Component Replacements	Progress: The air filter purchase and installation portion of the project was completed in September 2011. Work is presently at 40% complete Schedule: Inspection of the balance of equipment to be performed in the January –April timeframe.
EG1208	McKee Run Switchyard Blast Walls	Progress: Engineering has been completed and is being reviewed by plant staff and then will be put out for bid. Work is presently at 5% complete. Schedule: Expect to bid work in January with installation in the April – June timeframe
EG1209	McKee Run Structural Preservation	Progress: Started on the development of the project work scope documents. Work is 10% complete. Schedule: Bid documents to be developed in the 1st quarter of 2012 with site work to start in the 2nd quarter.
EG1210	Unit #3 Cooling Tower Line Inspection	Progress: Started on the development of the project work scope documents. Work is 2% complete. Schedule: This project is being reevaluated and may be rescheduled into 2013
EG1211	Unit 3 Stack Repairs	Progress: Development of the work scope is in the process of commencing. Work is 2% complete. Schedule: Repairs to be completed during the spring outage.
EG1212	Unit 3 Turbine Inspection	Progress: Plant Staff and NAES Turbine Services are working to finalize the work scope and specification and out for bids by the end of November or early December. Work is approximately 5% complete. Schedule: Bid award expected in January with installation during the spring outage
EG1213	Unit 3 Auxiliary System Components	Progress: Oil filtration equipment on order and expected to be received in December. Work is approximately 35% complete. Schedule: We are currently evaluating the remaining scope item,

		refurbishment of the unit 3 Circulating water pump to determine if it should be rescheduled to offset Capital expenses now expected to result from Insurance Company recommendations.

6.0 General Plant Information

Training:

Plant has scheduled OES-NA to provide a PJM-based training class for the Operations staff to aid the remaining non-PJM Certified Operators gain a better understanding of the course material that will help them achieve PJM Certification. Other operators will attend the training to acquire CEHs that will help them to retain their certification. This training is scheduled for late November.

Topics discussed during the monthly safety committee meeting were reviewed by the entire staff. This month's safety topic was "Halloween Safety".

Personnel:

On October 21st, Dave Hodge successfully passed the PJM System Operator Certification exam. Mr. Hodge received a PJM shirt to commemorate his achievement for passing the PJM Operator exam.

Calendar of Events	Date
One Year Accident Free	October 14, 2011
Units 1, 2, 3 and 11 Fall Outage	October 3 to December 2, 2011
Winter Capacity Period	December 1, 2011 to February 28, 2012
McKee Run and VanSant Title V Annual Certification Due	February 1, 2012
NOx Emissions Reconciliation Due	March 1, 2012
SO2 Emissions Reconciliation Due	March 1, 2012
SARA III Report	March 1, 2012
Annual VanSant Black Start Test	March , 2012
Units 1, 2, 3 and 11 Spring Outage	TBD
Air Emission Inventory	April 1, 2012
McKee Run Title V Permit Renewal	April 20, 2012
EIA-860 Report	April 29, 2011
Units 1, 2, and 3 Spring Outage	TBD
NOx Ozone Season Starts	May 1, 2012
EIA-923 Report	May 6, 2012
Fiscal Year 2011-2012 Ends	June 30, 2012
PJM Summer Capacity Test Period	June 1, 2012- August 31, 2012
Toxic Release Inventory (TRI) Annual Report	July 1, 2012
McKee Run and VanSant Title V Semi-Annual Certification Due	August 1, 2012
NOx Ozone Season Ends	September 30, 2012

7.0 Summary of NAES Performance to Date

Plant Performance FY 2011-2012						
Measure	**Month**		**Year to Date**		**YTD Incentive**	**FY Maximum Incentive**
Commercial Unavailability (CU)	0%		0%		$91,198	$91,198
Safety	0		0		$17,099	$17,099
Environmental	0		0		$17,099	$17,099
Capacity Tests Completed	Summer	Winter	Summer	Winter		
Unit 1	No	No	Yes	Yes	$3,420	$3,420
Unit 2	No	No	Yes	Yes	$3,420	$3,420
Unit 3	No	No	Yes	Yes	$20,520	$20,520
Unit 11	No	No	Yes	Yes	$6,840	$6,840
Total YTD Incentive %	100.00%		***Total YTD Incentive***		$159,597	$159,597

Note: Units 1, 2, 3 and 11 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.

V. Appendix

PJM Invoice Breakdown

	Gen	Load	Grand Total
Auction Revenue Rights		(68,699.41)	(68,699.41)
Balancing Operating Reserve	(1,447.00)	3,748.49	2,301.49
Balancing Spot Market Energy		36,275.15	36,275.15
Balancing Transmission Congestion		1,878.28	1,878.28
Balancing Transmission Losses		1,525.44	1,525.44
Black Start Service	(6,111.93)	1,674.71	(4,437.22)
Day-ahead Operating Reserve		2,969.14	2,969.14
Day-ahead Scheduling Reserve		3.71	3.71
Day-ahead Spot Market Energy		107,716.61	107,716.61
Day-ahead Transmission Congestion		(22,754.53)	(22,754.53)
Day-ahead Transmission Losses		59,227.74	59,227.74
Expansion Cost Recovery		408.58	408.58
FERC Annual Recovery		3,170.28	3,170.28
Generation Deactivation Refund		(741.04)	(741.04)
Inadvertent Interchange		273.44	273.44
Load Reconciliation for Balancing Operating Reserve		76.78	76.78
Load Reconciliation for FERC Annual Recovery		(3.06)	(3.06)
Load Reconciliation for Inadvertent Interchange		(10.17)	(10.17)
Load Reconciliation for Market Monitoring Unit (MMU) Funding		(0.26)	(0.26)
Load Reconciliation for North American Electric Reliability Corporation (NERC)		(0.47)	(0.47)
Load Reconciliation for PJM Scheduling, System Control and Dispatch Service		(11.60)	(11.60)
Load Reconciliation for PJM Scheduling, System Control and Dispatch Service Refund		0.99	0.99
Load Reconciliation for Reactive Services		38.40	38.40

Load Reconciliation for Regulation and Frequency Response Service	(38.62)	(38.62)
Load Reconciliation for Reliability First Corporation (RFC)	(0.72)	(0.72)
Load Reconciliation for Schedule 9-6 - Advanced Second Control Center	(0.75)	(0.75)
Load Reconciliation for Spot Market Energy	(7,096.86)	(7,096.86)
Load Reconciliation for Synchronized Reserve	(18.64)	(18.64)
Load Reconciliation for Transmission Congestion	(111.27)	(111.27)
Load Reconciliation for Transmission Losses	(404.08)	(404.08)
Load Reconciliation for Transmission Owner Scheduling, System Control and Dispatch Service	(4.03)	(4.03)
Locational Reliability	716,579.25	716,579.25
Market Monitoring Unit (MMU) Funding	176.22	176.22
Meter Error Correction	(5,754.56)	(5,754.56)
Network Integration Transmission Service	270,969.76	270,969.76
Non-Firm Point-to-Point Transmission Service	(637.78)	(637.78)
North American Electric Reliability Corporation (NERC)	489.90	489.90
Organization of PJM States, Inc. (OPSI) Funding	34.89	34.89
PJM Scheduling, System Control and Dispatch Service - Advanced Second Control Center	1,041.90	1,041.90
PJM Scheduling, System Control and Dispatch Service - Capacity Resource/Obligation Mgmt.	1,001.30	1,001.30
PJM Scheduling, System Control and Dispatch Service - Control Area Administration	9,527.70	9,527.70
PJM Scheduling, System Control and Dispatch Service - Market Support	2,155.86	2,155.86
PJM Scheduling, System Control and Dispatch Service - Market Support Offset	(185.83)	(185.83)
PJM Scheduling, System Control and Dispatch Service - Regulation Market Administration	136.56	136.56
PJM Scheduling, System Control and Dispatch Service Refund - Capacity Resource/Obligation Mgmt.	(315.27)	(315.27)
PJM Scheduling, System Control and Dispatch Service Refund - Control Area Administration	(3,474.36)	(3,474.36)
PJM Scheduling, System Control and Dispatch Service Refund - Market Support	(794.81)	(794.81)
PJM Scheduling, System Control and Dispatch Service Refund - Regulation Market Administration	(47.85)	(47.85)

PJM Settlement, Inc.		185.83	185.83
Reactive Services		40,334.57	40,334.57
Reactive Supply and Voltage Control from Generation and Other Sources Service	(29,467.58)	32,156.77	2,689.19
Regulation and Frequency Response Service		12,418.79	12,418.79
Reliability First Corporation (RFC)		743.31	743.31
RPM Auction	(592,549.50)		(592,549.50)
Synchronized Reserve		11,523.80	11,523.80
Transmission Enhancement		10,506.33	10,506.33
Transmission Losses		(32,914.11)	(32,914.11)
Transmission Owner Scheduling, System Control and Dispatch Service		4,183.85	4,183.85
Balancing Operating Reserve for Load Response		18.42	18.42
Load Reconciliation for Organization of PJM States, Inc. (OPSI) Funding		(0.03)	(0.03)
Load Reconciliation for Day-ahead Scheduling Reserve		(15.00)	(15.00)
Load Reconciliation for Synchronous Condensing		(0.20)	(0.20)
Emergency Load Response		(3.85)	(3.85)
Demand Resource and ILR Compliance Penalty		(6,774.42)	(6,774.42)
Grand Total	**$ (629,576.01)**	**$1,182,359.17**	**$ 552,783.16**

The Energy Authority, Inc.

Monthly Management Committee Update – November 2011

December 21, 2011

Prepared by:

Jamie Mahne
Member Services Manager
904.360.1374
jmahne@teainc.org

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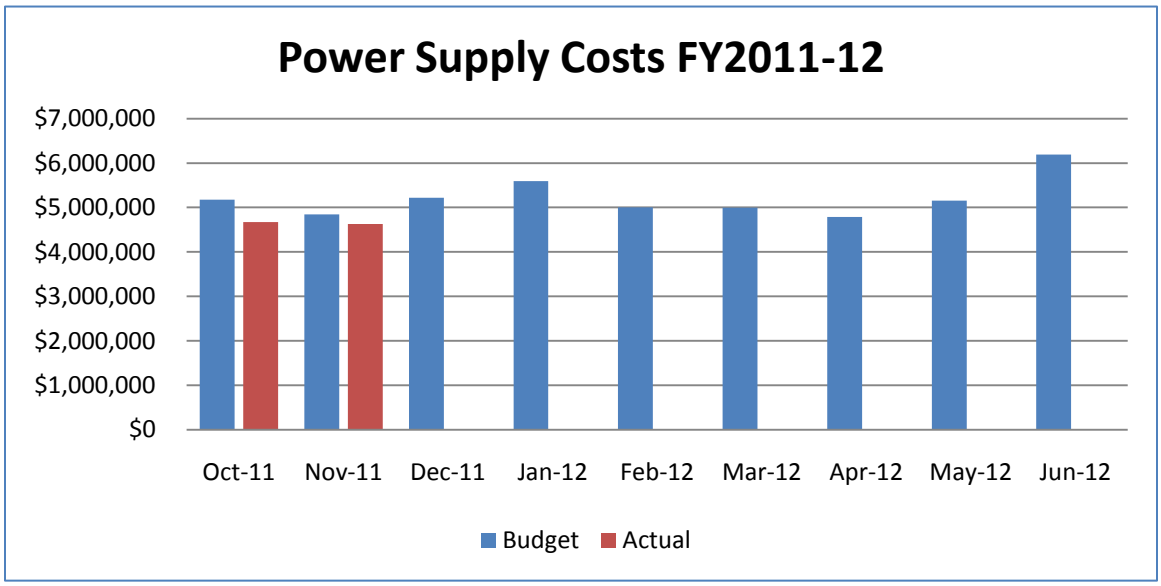
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I. Executive Summary

Power Supply:



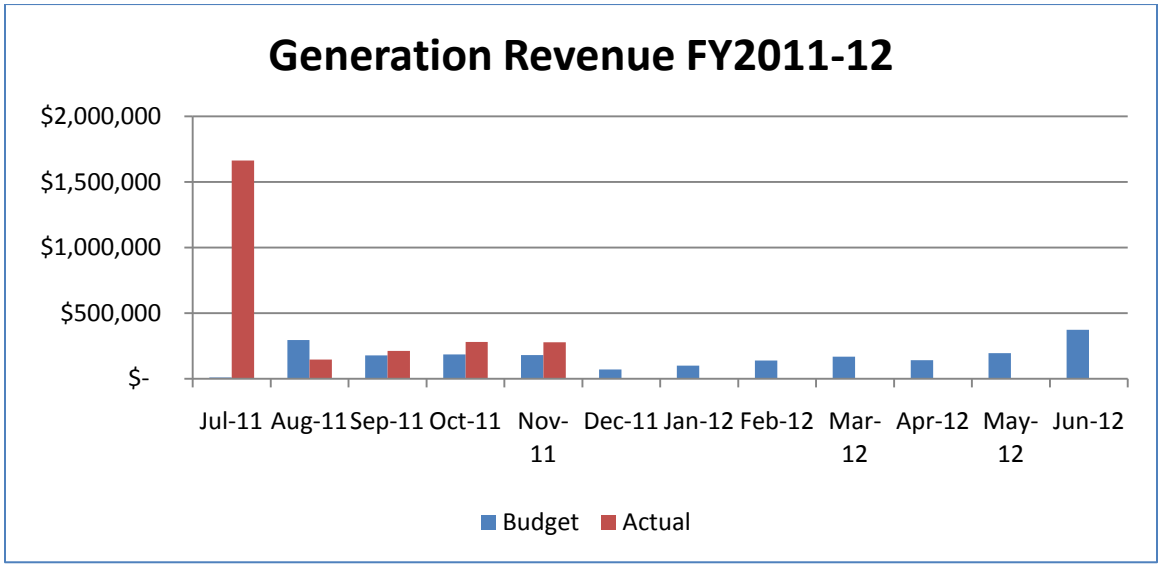
Powers Supply costs were $213,840 under budget due to lower load than forecast and lower than forecasted PJM prices.

Average cost/MWh on the supply side was $85.74 compared to a budgeted cost of $89.01.

Dover's hedge purchases totaled 44,4500 MWh, which was 82% of the projected load. This also totaled 82% of actual load.

Dover's power purchases from hedge transactions totaled $2,988,221. Purchases from PJM totaled $760,272 (all in), with DA Energy purchases totaling $268,767 and Balancing Spot Market Energy totaling $31,535.

Generation Summary:



Dover did not generate electricity for PJM in the month. This was consistent with the budget. Net generation revenue was $278,219 vs. a budget of $96,057. The majority of this delta was due to lower than expected O&M costs.

Operations Management Summary:

During the month of November, there were no reportable or lost time accidents or injuries. The facility has now gone 412 days without an OSHA recordable accident and 412 consecutive days without a lost time reportable accident. There were zero Environmental Notices of Violations issued. There was one Near Miss incident which involved the accidental discharge of the fire suppression system in the VanSant Unit 11 turbine enclosure. This discharge occurred while two employees were troubleshooting turbine control system alarms. In the month of November, McKee Run Units 1,2, and 3 and VanSant Unit 11 were not dispatched. All units were in outage starting October 3 and scheduled to complete December 2.

Monthly Budget Variance - The actual expenses attributable to O&M of the two sites for the month of November were $329,080. The expenses were $78,155 or 19.19% under the approved budget of $407,235. The principal reason for the favorable variance is due to lower labor and burden costs attributable to open staff positions and employee incentive accumulator costs budgeted in November to be paid in June 2012.

Risk Management Summary:

Forward power prices in PJM have been falling throughout October and into November, but not as steeply as natural gas prices have fallen. Subsequently, the PJM heat rate remains very strong. Natural gas storage has risen to the top of the 5 year range.

The current projected cost of service is below:

Power Year	Hedge Ratio	Blended Cost ($/MWh)
2011-12	83%	$69.12
2012-13	77%	$65.45
2013-14	46%	$56.10
2014-15	27%	$53.59
2015-16	7%	$55.33

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II. Budget Report

Variance Report:

	Budget Nov-11	Actual Nov-11	Variance
Load Forecast (Net of Solar Output)	**54,392**	**53,969**	**422**
Power Supply			
Power Supply (inc. Mgt Fees)	$4,167,762	$3,933,901	$233,861
Capacity UCAP Obligated Purchased	$673,416	$693,437	($20,021)
Total - Power Supply	**$4,841,178**	**$4,627,338**	**$213,840**
Power Generation O&M & Fixed Fuel			
Plant O&M	$407,235	$329,080	$78,155
Fixed Fuel and Transport Charges	$0	$0	$0
Subtotal Generation O&M & Fixed Fuel	**$407,235**	**$329,080**	**$78,155**
Power Generation Production Margin			
Economic and reliability dispatch	$0	$1,715	($1,715)
Testing	$0	$0	$0
Subtotal Generation Production Margin	**$0**	**$1,715**	**($1,715)**
Power Generation Non-Production Revenue			
Generation Capacity Credit	($555,465)	($573,435)	$17,970
Emissions Allowance Sales	$0	$0	$0
Black Start & Reactive Power Revenue	($33,933)	($35,580)	$1,647
Subtotal - Non-Production Revenue	**($589,398)**	**($609,015)**	**$19,617**
SubTotal - Power Generation	**($182,163)**	**($278,219)**	**$96,057**
Total - Utilities Cost	**$4,659,016**	**$4,349,118**	**$309,897**
Unit Costs			
Total - Power Supply	$89.01	$85.74	$3.27
Total - Power Generation	($3.31)	($5.16)	$1.85
Final Cost of Service to City of Dover Ratepayers	$85.70	$80.59	$5.12

Variance Analysis:

Power Supply

- Dover consumed 422 MWh net below what was forecasted for the month.
- The decrease in load and lower than expected prices in PJM resulted in a cost of $85.74/MWh for power supply, $3.27/MWh less than budget.
- For the month, the city realized a favorable variance of $213,840 for power supply vs. the monthly budget.
- Dover Sun Park generated 197 MWh above what was forecasted.
- Dover Sun Park invoiced the City of Dover for 200 RECs in November.

Generation

- Power generation had a favorable budget variance of $96,057.
- Plant O&M expenses had a favorable budget variance of $78,155.
- Power Generation Production Margin realized an unfavorable budget variance of $1,715, due to Balancing Operating Reserve at PJM being designated as a generation line item.
- Dover did not sell any generation output to PJM in November.

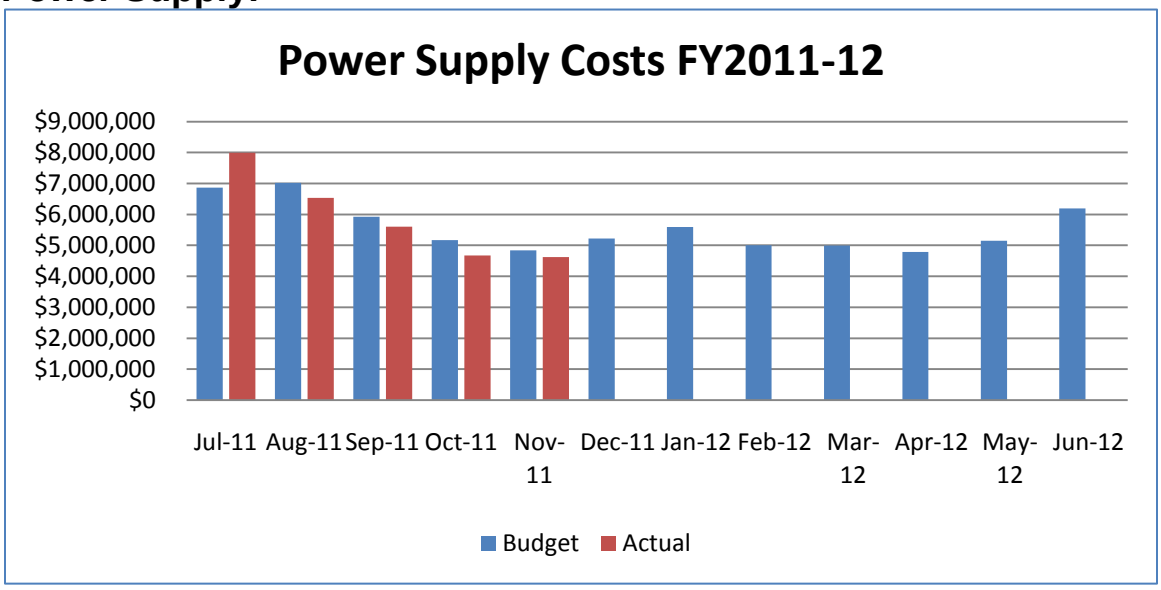
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Variance Year-To-Date:

	Budget YTD	Actual YTD	Variance
Gross Load Forecast	**332,408**	**331,418**	**990**
Power Supply			
Power Supply (inc. Mgt Fees)	$26,395,975	$25,902,592	$493,383
Capacity UCAP Obligated Purchased	$3,434,423	$3,529,894	($95,470)
Total - Power Supply	**$29,830,398**	**$29,432,485**	**$397,913**
Power Generation O&M & Fixed Fuel			
Plant O&M	$2,388,378	$2,071,650	$316,728
Fixed Fuel and Transport Charges	$0	$0	$0
Subtotal Generation O&M & Fixed Fuel	**$2,388,378**	**$2,071,650**	**$316,728**
Power Generation Production Margin			
Economic and reliability dispatch	($237,844)	($1,722,315)	$1,484,471
Testing	$0	$0	$0
Subtotal Generation Production Margin	**($237,844)**	**($1,722,315)**	**$1,484,471**
Power Generation Non-Production Revenue			
Generation Capacity Credit	($2,832,872)	($2,708,672)	($124,200)
Emissions Allowance Sales	$0	$0	$0
Black Start & Reactive Power Revenue	($169,663)	($221,909)	$52,246
Subtotal - Non-Production Revenue	**($3,002,534)**	**($2,930,581)**	**($71,953)**
SubTotal - Power Generation	**($852,000)**	**($2,581,245)**	**$1,729,245**
Total - Utilities Cost	**$28,978,398**	**$26,851,240**	**$2,127,158**
Unit Costs			
Total - Power Supply	$89.73	$88.13	$1.61
Total - Power Generation	($2.50)	($7.07)	$4.57
Final Cost of Service to City of Dover Ratepayers	**$87.23**	**$81.06**	**$6.17**

III. Energy Management

Power Supply:



- Dover's total load was 53,969 MWh versus a forecasted load of 54,392 MWh.
- Dover's planned and realized hedged volumes were 82% of forecast and actual, respectively.
- Dover's planned energy cost/MWh of unhedged load was $120. The actual energy cost for unhedged load was $89/MWh – this decrease is due to softer than expected PJM prices.
- Dover's planned energy purchase from the SunPark solar installation was 743 MWh at an all-in unit cost of $100/MWh. Dover's actual purchase from the SunPark installation was 940 MWh at an all-in unit cost of $109. The price discrepancy is due to environmental credits (SRECs) that were produced in earlier months and invoiced in November.

The following is a summary of Dover's power purchases for the month:

City of Dover's Wholesale Load		
	Volume	$'s
Hedges	44,450	($2,988,221.25)
PJM Charges	53,029	($1,453,710.00)
TEA Fees		($83,000.00)
Dover Sun Park	**3 mo. Rolling Avg.**	($140,216.30)
Total		**($4,665,147.55)**
Cost to Serve	**$/Mwh**	**($87.97)**

Purchased power variance report:

	Budget	Actual	Variance
Gross Load	54,392	53,969	422
Wholesale Load	53,648	53,029	619
Hedged Volume (MWh)	44450	44450	0
Unhedged Volume (MWh)	9,198	8,579	619
Hedged Volume (%)	82%	82%	-1%
SunPark Volume (MWh)	743	940	-197
SunPark Energy Cost ($/MWh)	$ 100	$ 109	$ (9)
Unhedged Energy Cost ($/MWh)	$ 120	$ 89	$ 32
Energy Costs ($/MWh)	**$76.63**	**$72.89**	**$3.73**
All-in Costs - Energy and Capacity ($/MWh)	**$89.01**	**$85.74**	**$3.27**

Generation:

Dover produced no generation in November. Dover's production margin equaled –$1,715.

City of Dover's Wholesale Generation		
Net Generation Mwh		**0.00**
All In Generation Margin		
PJM Bill Energy	$	-
PJM Capacity	$	573,435.00
Black Start, Reactive Credit, DASR & EFORp	$	35,579.51
Gas Purchases	$	(1,715.43)
Oil Purchases	$	-
Transport / Cash Out	$	-
Gross Margin	**$**	**607,299.09**
Production Margin		
Generation Production Revenues (PJM)	$	-
Gas Purchases	$	(1,715.43)
Oil Purchases	$	-
Transport / Cash Out	$	-
Gross Production Margin	**$**	**(1,715.43)**
$/Mwh All In Generation Margin	**$**	**-**
$/Mwh Generation Production Margin	**$**	**-**

Fuel Purchases:

Dover had no fuel purchases in November.

Transportation and Imbalance:

Dover had no transportation or imbalance fees in November.

Emissions:

Emissions and Allowance Management

Dover has elected not to include revenues from emission allowance sales in its 2011-2012 fiscal year budget. Dover has more than sufficient allowances set aside for retirement. Due to the expiration of EPA's Clean Air Interstate Rule (CAIR) at the end of CY2011, any unused or unsold CAIR allowances will expire without residual value.

Emissions Allowance Summary through September 30, 2011

2011-2012 EMISSIONS ALLOWANCE SUMMARY								
SO_2					NO_x			
Date	Action	Allowance Allocation	Sale Price	Rev.[1]	Allowance Allocation[2]		Sale Price	Rev.
					Seas.	Ann.		
N/A	2003-2006 Carryover	139			0	0		
1/1/08	2007 Carryover	549			0	0		
1/1/09	2008 Carryover	2,691			0	0		
1/1/09	2009 Allocation	2,723			53	80		
2/1/10	2010 Allocation	1,988			50	78		
1/1/11	2011 Allocation	1,988			49	76		
4/1/11	2011 Reallocation				2	4		
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[3]	(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		
9/30/11	2011 Emissions	(2)			(32)	(36)		
TOTAL ALLOWANCES		**Pre-CAIR: 3,189 CAIR: 3,976**	**-**	**$0**	**51**	**74**	**-**	**$0**

[1] Revenue calculations account for a $0.50/ton broker fee for SO2, a $2/ton broker fee for annual NOx and $1/ton broker fee for seasonal NOx

[2] Per Clean Air Interstate Rule (CAIR), starting in 2009, NOx emissions are governed by a seasonal and annual program.

[3] 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.

EPA Cross-State Air Pollution Rule or CSAPR

The final CSPAR was published in the August 8, 2011 Federal Register (76 FR 48208), with an effective date of October 7, 2011. The first compliance period begins for annual SO_2 and NO_x allowances on January 1, 2012. CSAPR does not include compliance requirements or allowance allocations for generating units located in Delaware and Dover will not be required to submit emission allowances for annual SO_2, annual NO_x or Seasonal NO_x for compliance years 2012 and beyond.

A number of administrative and legal challenges to this new rule have been filed, however TEA cannot foresee the potential outcome of such challenges. TEA has assumed that CSAPR will become enforced as promulgated, thus releasing the City of Dover from having to comply with CSAPR in its current form.

As expected, on October 12, 2011, EPA notified Dover that it will remove CAIR allowances of vintage years 2012 and greater from all AMS accounts on Friday, October 14, 2011. The only remaining allowances in Dover's AMS account should be SO_2 allowances allocated under the Acid Rain allowance program in Title IV of the Clean Air Act.

The Clean Air Act Title IV provisions for SO_2 will remain in effect and Dover, which does not have significant SO_2 emissions, will need to continue compliance with this program.

RGGI and Federal Regulatory Outlook

RGGI spot allowance prices have increased slightly since last month's report with a price mid-point of $1.97 as of December 21, 2011. The 14th RGGI auction occurred on December 7th and cleared at the reserve price of $1.89, with 63% of the 2009-2011 control period allowances offered for sale actually being sold in the auction. The 15th RGGI auction is scheduled for March 15, 2012.

The EPA issued the first national standard to reduce the emissions of mercury and other air toxics emissions from power plants in an effort to protect public health interests. Although the EPA added "flexibilities" into the final rule, the steep compliance cost of the Mercury and Air Toxics Standards will likely lead to a significant number of coal-fired power plant retirements by 2015.

IV. Operations Management

NAES Corporation
Dover, Delaware

November 2011
Monthly Report



Training was held on site for the Operations Staff to prepare them for the PJM Generation Operations Exam

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2.0 Financial

3.0 Operations

4.0 Maintenance

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6.0 General Plant Information

7.0 Summary of NAES Performance

1.0 Environmental, Health and Safety:

During the month of November, there were no restricted work days or lost time accidents. The facility has now gone 412 days without an OSHA recordable accident or a Lost Time reportable accident.

The plant received no Notice of Violations (NOVs) during the month. Plant staff members continue to work with the City of Dover, DNREC, and the DRBC on an Industrial Pre-Treatment application and permit with Kent County. Once approved, the conversion of the McKee Run NPDES discharge permit to a General Stormwater permit to address the redirection of the cooling tower discharges will be pursued.

There was one Near Miss incident reported during the month of November. The Near Miss occurred on November 16, 2011 at the VanSant Generating Station while Two employees were troubleshooting several alarms that had been activated on the Control System. While troubleshooting they moved a PLC control card in the Control Cab which then caused a signal to be generated that activated the Cardox System which resulted in a discharge of the fire suppression gases. While no one was hurt, the discharge could have caused a problem had anyone been working in any of the compartments where the Cardox was discharged.

Environmental, Health and Safety Statistics		
	Month (November)	Fiscal Year to Date (7/1/11-6/30/12)
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	1	5
Man Hours Worked	3,061.00	18,913.17
Date last OSHA Recordable		10/14/10
Date last Lost Time Accident		10/14/10
Days since last OSHA recordable		412
Days since last Lost Time Accident		412

Emissions (NOx & SO2) All data thru 11/30/11

NOx Summary - Year (May-Sept.)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

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

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	75#/48#	5/3	33/31– 3/1	0/0 - 0/0	42#/17#	2/2

Note – Emissions allowances are deducted according to oldest vintage first or unless otherwise directed.
Note #- 2 tons (Seasonal and 4 tons (Annual) were reallocated by the EPA to the McKee Run 2011 account.

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

Note: Data is as of 11/30/2011

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	5090*
2011	0	1850	138	1	1988*
2012	0	1850	138	0	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	59,805	1,699	5,796	55,708
2010	0	47,844	1,636	32,971	16,509
2011	0	35,883	1,227	17,763	19,348
2012	0	23,922	818	0	24,740
2013	0	11,961	409	0	12,370

Note: All CO2 allowance values are provided by the RGGI CO2 Allowance Tracking System.

2.0 Financial

Financial – Current Month

Month –November 2011			
	Actual	Budget	Variance
Personnel	217,456	280,690	63,234
Materials & Supplies	10,470	5,967	(4,503)
Administrative Expenses	101,154	120,578	19,424
Total	**$329,080**	**$407,235**	**$78,155**

Financial – Fiscal Year to Date (Estimated)

Number of Months – 5			
	Actual	Budget	Variance
Personnel	1,070,094	1,399,206	329,112
Materials & Supplies	103,973	64,770	(39,203)
Administrative Expenses	897,583	924,402	26,819
Total	**$2,071,650**	**$2,388,378**	**$316,728**

2.1 Variance analysis:

The actual expenses for November are $329,080 against a budgeted amount of $407,235 for a positive variance of $78,155 or ≈ 19.19%. The variance was due to the following:

PERSONNEL EXPENSES – Lower Labor, Overtime, and Burdens accounted for a favorable monthly variance of $63,234. Open positions within the plant contributed to the lower Labor and Overtime expenses. Also included in this variance is a positive variance of $31,912 for the Employee Incentive Accumulator and Employee Incentive Burden Accumulator that will occur every month. This is due to the expenses being broken down every month instead of in June when the money is actually expensed.

MATERIALS AND SUPPLIES EXPENSES- The accounts with any appreciable variances were the Security-Safety Materials and City Building Maintenance accounts which contributed to an unfavorable variance of $4,503.

ADMINISTRATIVE EXPENSES – Lower than budgeted expenses in the areas of Electric, Training-Conferences-Food, Contractual Services, Boiler Systems, Continuous Emission Monitors and DCS Control Systems contributed to a favorable variance of $5,691.

The latest budget forecast for the current fiscal year is $5,923,416 expensed versus a budget of $5,964,817 thereby realizing a 99.31% expenditure rate.

3.0 Operations

Unit Operations / Outages / Trips

McKee Run and VanSant Generating Station were in a Planned Outage status for the month of November, so no units were dispatched. The outage is expected to be closed on December 2, 2011 and all units would then be available for dispatch.

Month – November 2011							
		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	20.036	20.036	106.249	146.321	3.204	149.525
Auxiliaries purchased	MWh	20.036	20.036	106.249	146.321	3.204	149.525
Fuel Gas Used	MMBTU	0.0	0.0	0.0	0.0	0.0	0.0
Fuel Oil Used	MMBTU	0.0	0.0	0.0	0.0	0.0	0.0
Fuel Oil Used	Gallons	0.0	0.0	0.0	0.0	0.0	0.0
Total Fuel	MMBTU	0.0	0.0	0.0	0.0	0.0	0.0
Net Heat Rate	BTU/KWh	0.0	0.0	0.0	0.0	0.0	0.0
Unit Trips	#	0	0	0	0	0	0
Capacity Factor	%	0.0	0.0	0.0	0.0	0.0	0.0
Availability Factor	%	0.00	0.00	0.00	0.00	0.00	0.00
Commercial Unavailability (CU)	%	0	0	0	0	0	0
Planned Outage Hours	Hours	720.000	720.000	720.000	2,160.000	720.000	2,880.000
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	0.0	0.0	0.0	0.0	0.0	0.0
HW Boiler Gas Usage	MMBTU				426,278		426,278
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.

*** Indicates fuel used for testing high gas pressure trips on Units 1 & 2.**

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2011-2012 Fiscal Year-to-Date (5 Month)							
		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	59.234	57.267	236.585	353.086	55.933	409.019
Starts	#	1	1	16	18	12	30
Gross Generation	MWh	561.129	564.344	18,927.359	20,052.832	1,400.897	21,453.729
Net Generation	MWh	532.006	521.173	17,544.644	18,597.823	1,399.866	19,997.689
Total Auxiliaries	MWh	122.599	136.647	2,233.794	2,493.040	10.919	2,503.959
Auxiliaries purchased	MWh	113.591	113.591	851.079	1,078.261	9.888	1,088.149
Fuel Gas Used	MMBTU	8,554.933	7,620.677	194,854.408	211,030.018	20,352.923	231,382.941
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	8,554.933	7,620.677	194,854.408	211,030.018	20,352.923	231,382.941
Net Heat Rate	BTU/KWh	15,947	15,503	11,130	14,193	15,609	14,901
Unit Trips	#	0	0	0	0	1	1
Capacity Factor	%	0.85	0.83	4.35	3.47	0.98	2.92
Availability Factor	%	81.24	81.24	81.24	81.24	81.24	81.24
Commercial Unavailability (CU)	%	0	0	0	0	0	0
Planned Outage Hours	Hours	1409.000	1409.000	1409.000	4,227.000	1409.000	5,636.000
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	2,203.766	2,205.733	2,026.402	6,435.901	2,207.067	8,642.968
HW Boiler Gas Usage	MMBTU				426,278		426,278
Pilot Gas Usage	MMBTU	139,333	139,333		277,667		277,667

Fuel Oil Inventory							
	Monthly Inventory (Start)	Monthly Inventory (End)	Fuel Purchases (Month)	Monthly Inventory (Change)	FY 11-12 Inventory (Start)	Fuel Purchases (YTD)	FY 11-12 Inventory (Change)
McKee Run (#2 Fuel Oil)	452,963	452,081	0	(882)	454,725	0	(2,644)
VanSant (#2 Fuel Oil)	151,779	151,148	0	(631)	153,212	0	(2,064)

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

VanSant Lifetime through 11/30/11			
	Actual Starts	Factored Starts	Fired Hours
VanSant	1276	2205.45	4187.26
Since HGP - Dec 2004	217	537.75	803.68

Capacity Testing – FY 2010-2011

Summer 2011 (June 1- Aug 31)			Winter 2011-2012 (Dec 1- Mar 1)		
Unit	Rated Net Capability (MW)	Reported Net Capability (MW)	Unit	Rated Net Capability (MW)	Reported Net Capability (MW)
1	17	17.06	1	17	*
2	17	17.67	2	17	*
3	102	102.31	3	102	*
VanSant	39	39.07	11	39	*
Total	175	176.11	Total	175	175

Note: * Denotes Unit is qualified for the PJM Winter Demonstration Period Exemption Program

Team Report:

Operation staff continued to work on the control room expansion project. Insulation was installed and dry wall was hung, taped, spackled, and then painted. A new ceiling was installed so the I/C, E Technicians could hang the lighting fixtures. Once complete, the expansion of Unit 3 Control Room will be more operator friendly both when the units are in operation and when the units are waiting for dispatch.

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. In addition, they have been removing lagging and insulation at various locations on the boiler and on the Air Heater Expansion Joint. In preparation for the VanSant outage, Operations staff performed LO/TO on several pieces of equipment to expedite the start of the projected work scope.

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 November, plant maintenance staff continued addressing the backlog of work orders and completing outage activities. There were twenty-four work orders issued with ninety-three work orders being completed during the month. The table below summarizes the monthly work order activities.

Work Order Report				
November - 2011				
Priority #	Outstanding From Previous Month	Issued This Month	Completed This Month	Outstanding at the end of the month
1	15	0	6	9
2	35	0	13	22
3	84	3	21	66
4	6	0	1	5
5	24	0	7	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	55	20	46	29
Totals	219	23	94	148
Note: PMs are included in the priority totals				

Notable activities during the month include:

1) The Maintenance Staff removed and inspected the lube oil coolers and heads on Unit 3 Lube Oil Cooling System. Upon inspection, the cooler tubes and faces were found in need of cleaning and that the heads were in need of repair. Plant staff cleaned the face of the coolers and cleaned the tubes using a Goodway machine. They then flushed water through each tube to clean the remaining sediment out of the tubes that was not removed by the Goodway machine. The heads were repaired by using a material that filled in the eroded sections of the heads. The heads were then machined down to ensure the facing surface was flush. The system was tested for leaks and having found no leaks, was returned to service.

2) The IC&E Technicians installed the Christmas lights on Unit 3 Stack. The lights were illuminated on Thanksgiving evening. There are many residents in the community who enjoy and look forward to the Christmas lights installed on the stack each year.

3) The Maintenance Staff prepared the underground oil lines at VanSant in advance of performing a leak test of the lines using helium. The oil was removed from the lines and helium was injected into the lines and pressurized. The test team then started the process of checking for leaks in the system. The team detected no leaks in the underground oil line systems. This inspection has a three year interval requirement and is next inspection date is scheduled for the fall of 2014.

4) It was discovered during an inspection of the FD Fan inlet dampers that the bearings needed to be changed out and some repairs made to the bearing housing. The Maintenance Staff completed the change out of both sides of 3A and 3B inlet FD Fan Damper bearings and repaired the bearing housings. The dampers were then set, checked and tested for proper alignment operation.

5) The IC&E staff and a third party inspection company completed the cathodic protection inspection on the underground oil lines at VanSant. The system is working in the correct design specifications with no problems. This inspection has an annual inspection requirement. The next inspection date is scheduled for the fall of 2012.

5.0 Capital Improvement Projects (CIP)

Project Number	Description	Update
EG1102	Units 1 & 2 Cooling Tower Life Extension	Progress: The scope of work is being planned for 2011-2012. Schedule: Work planned for this fiscal year is in development. Work is 1% complete.
EG1107	Units 1 & 2 Life Extension	Progress: Turbine repair costs for several alternatives based on turbine inspections performed in fiscal 2011have been developed and were presented to the MC committee. Final decision on how and when to proceed will be dependent of valuation study to be performed. The refurbishment of the 1A Boiler Feed Pump was completed during the month. The rebuilt pump was installed, tested and is now presently in service. Schedule: Work planned for 2012 is 50% complete.
EG1112	Unit 3 Air Heater Expansion Joint	Progress: The FY2011 work was completed on the expansion joint. Schedule: The FY2012 scheduled work was completed in November 2011. Work is now 100% complete.
EG1113	Units 1 & 2 Controls Modifications	Progress: Work is presently 90% complete with only minor modifications to the fuel controls remaining and expected to be completed during the current planned outage. Schedule: The 2012 scheduled work will be completed by the end of Fiscal year.
EG1114	Unit 3 Gas Line Modification	Progress: The final gas line modifications are being made during the current planned outage. Work is presently 90% complete. Schedule: All scheduled work is expected to be completed by the end of December 2011.

EG1201	Unit #3 Boiler Air Heater	Progress: Development of the project work scope documents were completed and sent out for bids. This project is at 10% completion. Schedule: Request for bids was sent out with a pre-bid meeting set for Dec. 19 and bids to be submitted in early January 2012.
EG1202	Unit #3 Boiler Systems	Progress: Started on the development of the project work scope documents. Completion percentage is currently 10% complete Schedule: work scheduled for the fall 2011 outages has been completed. Remaining work activities will be completed during the spring outage
EG1203	Unit 3 FD & ID Fan Damper Upgrade	Progress: Development of the project work scope documents is complete. Work is presently 7% complete. Schedule: Bid package development is complete and request for bids sent out to vendors. Final quotes are due and award for materials expected in January. Installation should occur in the during the Spring 2012 outage.
EG1204	Unit 3 DCS Computers & Software Upgrades	Progress: Work continues on the development of the project work scope documents. Work is presently 2% complete. Schedule: Material procurement should occur in 1st quarter of 2012 and installation to follow in the 2nd quarter of 2012.
EG1205	Miscellaneous Capital Equipment Replacements	Progress: Metering pumps on the VanSant demineralizer skid were replaced and the tank berm stairway was purchased but not yet installed. Schedule: This project is for the unexpected needs that may occur during a budget year that were unexpected due to equipment failure. Project is 45% complete.
EG1206	McKee Run DI Controls Replacement	Progress: Started on the development of the project work scope documents. Several vendors were contacted in order to determine possible controls replacement schemes. Work is presently at 5% complete. Schedule: Bid package development to start in January with installation planned for April- June timeframe.
EG1207	VanSant Component Replacements	Progress: The air filter purchase and installation portion of the project was completed in September 2011. Work is presently at 40% complete Schedule: Inspection of the balance of equipment to be performed in the January –April timeframe.
EG1208	McKee Run Switchyard Blast Walls	Progress: Engineering has been completed and is being reviewed by plant staff and then will be put out for bid. Work is presently at 5% complete. Schedule: Expect to bid work in January with installation in the April – June timeframe
EG1209	McKee Run Structural Preservation	Progress: Started on the development of the project work scope documents. Work is 10% complete. Schedule: Bid documents to be developed in the 1st quarter of 2012 with site work to start in the 2nd quarter.

EG1210	Unit #3 Cooling Tower Line Inspection	Progress: Started on the development of the project work scope documents. Work is 2% complete. Schedule: This project is being reevaluated and may be rescheduled into 2013
EG1211	Unit 3 Stack Repairs	Progress: Development of the work scope is in the process of commencing. Work is 2% complete. Schedule: Repairs to be completed during the spring outage.
EG1212	Unit 3 Turbine Inspection	Progress: Plant Staff and NAES Turbine Services have finalized the work scope and specification and is now out for bids. Pre-bid is scheduled for mid December. Work is approximately 5% complete. Schedule: Bid award expected in January with installation during the spring outages in 2012 and 2013
EG1213	Unit 3 Auxiliary System Components	Progress: Oil filtration equipment has been received with training on the equipment to be scheduled for January 2012. Work is approximately 40% complete. Schedule: Evaluation of the other work scope items is underway.

6.0 General Plant Information

Training:

Plant scheduled OES-NA (PJM Training Firm) to conduct onsite instruction during the week of November 28 in order to provide a PJM-based training class for the Operations staff. This was set up to aid the non-PJM Certified Operators gain a better understanding of the course material that will help them achieve PJM Certification. Other operators also attended the training to acquire CEHs that will help them to retain their certification.

Topics discussed during the monthly safety committee meeting were reviewed by the entire staff. This month's safety topic was "Work Related Hearing Loss".

Calendar of Events	Date
Units 1, 2, 3 and 11 Fall Outage	October 3 to December 2, 2011
Winter Capacity Period	December 1, 2011 to February 28, 2012
McKee Run and VanSant Title V Annual Certification Due	February 1, 2012
NOx Emissions Reconciliation Due	March 1, 2012
SO2 Emissions Reconciliation Due	March 1, 2012
SARA III Report	March 1, 2012
Annual VanSant Black Start Test	March , 2012
Units 1, 2, 3 and 11 Spring Outage	TBD
Air Emission Inventory	April 1, 2012
McKee Run Title V Permit Renewal	April 20, 2012
EIA-860 Report	April 29, 2011
Units 1, 2, and 3 Spring Outage	TBD
NOx Ozone Season Starts	May 1, 2012
EIA-923 Report	May 6, 2012
Fiscal Year 2011-2012 Ends	June 30, 2012
PJM Summer Capacity Test Period	June 1, 2012- August 31, 2012
Toxic Release Inventory (TRI) Annual Report	July 1, 2012
McKee Run and VanSant Title V Semi-Annual Certification Due	August 1, 2012
NOx Ozone Season Ends	September 30, 2012
Two Year Accident Free	October 14, 2012

7.0 Summary of NAES Performance to Date

Measure	Plant Performance FY 2011-2012 Month		Year to Date		YTD Incentive	FY Maximum Incentive
Commercial Unavailability (CU)	0%		0%		$91,198	$91,198
Safety	0		0		$17,099	$17,099
Environmental	0		0		$17,099	$17,099
Capacity Tests Completed	Summer	Winter	Summer	Winter		
Unit 1	No	No	Yes	Yes	$3,420	$3,420
Unit 2	No	No	Yes	Yes	$3,420	$3,420
Unit 3	No	No	Yes	Yes	$20,520	$20,520
Unit 11	No	No	Yes	Yes	$6,840	$6,840
Total YTD Incentive %	100.00%		***Total YTD Incentive***		$159,597	$159,597

Note: Units 1, 2, 3 and 11 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.

V. Appendix

PJM Invoice Breakdown

	Gen	Load	Grand Total
Auction Revenue Rights		(66,483.30)	(66,483.30)
Balancing Operating Reserve		2,880.63	2,880.63
Balancing Spot Market Energy		31,535.58	31,535.58
Balancing Transmission Congestion		1,638.41	1,638.41
Balancing Transmission Losses		1,144.59	1,144.59
Black Start Service	(6,111.93)	1,672.24	(4,439.69)
Capacity Resource Deficiency		(17.10)	(17.10)
Day-ahead Operating Reserve		5,844.36	5,844.36
Day-ahead Scheduling Reserve		5.85	5.85
Day-ahead Spot Market Energy		268,767.35	268,767.35
Day-ahead Transmission Congestion		19,994.17	19,994.17
Day-ahead Transmission Losses		68,592.10	68,592.10
Expansion Cost Recovery		408.60	408.60
FERC Annual Recovery		3,040.10	3,040.10
Generation Deactivation Refund		(741.04)	(741.04)
Inadvertent Interchange		797.15	797.15
Load Reconciliation for Balancing Operating Reserve		6.90	6.90
Load Reconciliation for FERC Annual Recovery		7.12	7.12
Load Reconciliation for Inadvertent Interchange		7.02	7.02
Load Reconciliation for Market Monitoring Unit (MMU) Funding		0.65	0.65
Load Reconciliation for North American Electric Reliability Corporation (NERC)		1.10	1.10
Load Reconciliation for PJM Scheduling, System Control and Dispatch Service		27.00	27.00
Load Reconciliation for PJM Scheduling, System Control and Dispatch Service Refund		(2.33)	(2.33)
Load Reconciliation for Reactive Services		65.57	65.57
Load Reconciliation for Regulation and Frequency Response Service		39.61	39.61
Load Reconciliation for Reliability First Corporation (RFC)		1.67	1.67
Load Reconciliation for Schedule 9-6 - Advanced Second Control Center		1.87	1.87
Load Reconciliation for Spot Market Energy		5,049.99	5,049.99

Load Reconciliation for Synchronized Reserve	7.29	7.29
Load Reconciliation for Transmission Congestion	(259.46)	(259.46)
Load Reconciliation for Transmission Losses	35.47	35.47
Load Reconciliation for Transmission Owner Scheduling, System Control and Dispatch Service	9.39	9.39
Locational Reliability	693,454.50	693,454.50
Market Monitoring Unit (MMU) Funding	169.01	169.01
Meter Error Correction	2,413.59	2,413.59
Network Integration Transmission Service	262,228.80	262,228.80
Non-Firm Point-to-Point Transmission Service	(624.11)	(624.11)
North American Electric Reliability Corporation (NERC)	469.76	469.76
Organization of PJM States, Inc. (OPSI) Funding	33.45	33.45
PJM Scheduling, System Control and Dispatch Service - Advanced Second Control Center	1,773.33	1,773.33
PJM Scheduling, System Control and Dispatch Service - Capacity Resource/Obligation Mgmt.	969.00	969.00
PJM Scheduling, System Control and Dispatch Service - Control Area Administration	9,136.46	9,136.46
PJM Scheduling, System Control and Dispatch Service - Market Support	2,067.87	2,067.87
PJM Scheduling, System Control and Dispatch Service - Market Support Offset	(178.20)	(178.20)
PJM Scheduling, System Control and Dispatch Service - Regulation Market Administration	131.16	131.16
PJM Scheduling, System Control and Dispatch Service Refund - Capacity Resource/Obligation Mgmt.	(305.10)	(305.10)
PJM Scheduling, System Control and Dispatch Service Refund - Control Area Administration	(3,331.67)	(3,331.67)
PJM Scheduling, System Control and Dispatch Service Refund - Market Support	(762.25)	(762.25)
PJM Scheduling, System Control and Dispatch Service Refund - Regulation Market Administration	(45.91)	(45.91)

PJM Settlement, Inc.		178.20	178.20
Reactive Services		86,837.13	86,837.13
Reactive Supply and Voltage Control from Generation and Other Sources Service	(29,467.58)	32,124.44	2,656.86
Regulation and Frequency Response Service		13,798.23	13,798.23
Reliability First Corporation (RFC)		712.78	712.78
RPM Auction	(573,435.00)		(573,435.00)
Synchronized Reserve		17,873.48	17,873.48
Transmission Enhancement		11,935.13	11,935.13
Transmission Losses		(28,461.88)	(28,461.88)
Transmission Owner Scheduling, System Control and Dispatch Service		4,012.08	4,012.08
Balancing Operating Reserve for Load Response		0.10	0.10
Load Reconciliation for Organization of PJM States, Inc. (OPSI) Funding		0.08	0.08
Load Reconciliation for Day-ahead Scheduling Reserve		3.02	3.02
Load Reconciliation for Synchronous Condensing		0.02	0.02
Demand Resource and ILR Compliance Penalty		(642.92)	(642.92)
PJM Annual Membership Fee		5,000.00	5,000.00
Miscellaneous Bilateral		(1,338.13)	(1,338.13)
Grand Total	**$ (609,015)**	**$ 1,453,710**	**$ 844,695**