UTILITY COMMITTEE

A G E N D A

September 12, 2011 - 5:00 P.M. - Council Chambers - City Hall - City of Dover

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. Presentation - Power Plant Revenues

2. Adjournment by 5:30 P.M.

/tm
S:\AGENDAS & MINUTES\Committee-Agendas\2011\09-12-2011 UTILITY.wpd

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

City of Dover
Electric Generation Assets - Net Revenues

	2007	2008	2009	2010	Revised 2011	Approved 2012	Projected 2013	Projected 2014
Plant Operating Budget	$ 5,084,842	$ 5,603,064	$ 5,961,944	$ 5,547,750	$ 6,155,046	$ 5,964,817	$ 5,964,800	$ 5,964,800
Generation Fuels (for plant run time)	3,879,167	3,454,718	1,494,017	355,428	3,244,977	664,641	579,722	508,354
Subtotal	8,964,009	9,057,782	7,455,961	5,903,178	9,400,023	6,629,458	6,544,522	6,473,154
PJM Revenue (for plant run time)	(4,517,569)	(4,168,256)	(1,543,199)	(793,599)	(5,553,404)	(1,285,675)	(1,166,501)	(1,066,346)
Capacity Credits	-	(11,726,108)	(9,303,462)	(12,133,292)	(11,419,723)	(7,388,283)	(14,318,588)	(15,339,048)
Total Operations	4,446,440	(6,836,582)	(3,390,700)	(7,023,713)	(7,573,104)	(2,044,500)	(8,940,567)	(9,932,240)
Capital Improvement Outlays	-	521,762	2,534,763	649,955	2,106,427	1,810,410	2,180,650	1,839,290
Total Net Generating Cost	$ 4,446,440	$ (6,314,820)	$ (855,937)	$ (6,373,758)	$ (5,466,677)	$ (234,090)	$ (6,759,917)	$ (8,092,950)
Cumulative Net Generating Cost		$ (1,868,380)	$ (2,724,317)	$ (9,098,075)	$ (14,564,752)	$ (14,798,842)	$ (21,558,759)	$ (29,651,709)

Capacity credits were a result of PJM rules effective June 2007. Prior to this there was no capacity market.

ELECTRIC REVENUE

	2010/11 REVISED	2011/12 BUDGET	2011/12 APPROVED
BEGINNING BALANCE	13,537,864	11,867,003	11,867,003
BASE REVENUE:			
DIRECT SALES TO CUSTOMER	97,917,206	95,675,500	95,675,500
PURCHASE POWER ADJUSTMENT	(2,293,603)	(6,012,000)	(6,012,000)
UTILITY TAX	1,965,000	1,966,100	1,966,100
GREEN ENERGY	128,600	129,000	129,000
MISCELLANEOUS REVENUE	891,200	919,000	919,000
RENT REVENUE	186,816	225,000	225,000
TRANSFER FROM RATE STABILIZATION		-	1,000,000
INTRAFUND SERVICE RECEIPTS WATER/WASTEWATER	173,317	236,055	240,203
INTEREST EARNINGS	965,500	233,000	264,900
TOTAL REVENUES	**99,934,036**	**93,371,655**	**94,407,703**
TOTAL BEGINNING BALANCE & REVENUES	**113,471,900**	**105,238,658**	**106,274,706**
EXPENSES:			
POWER SUPPLY	47,634,363	42,047,430	42,047,430
POWER SUPPLY MANAGEMENT	2,321,562	1,170,000	1,170,000
PJM CHARGES - LOAD	13,363,432	15,043,396	15,043,396
CAPACITY CHARGES	12,302,392	8,506,512	8,506,512
CONTRACTUAL SERVICES	-	115,000	115,000
RATE STABILIZATION CREDIT	-	(1,000,000)	-
SUB-TOTAL POWER SUPPLY	**75,621,749**	**65,882,338**	**66,882,338**
PLANT OPERATIONS	6,155,046	6,089,822	5,964,817
GENERATIONS FUELS	3,244,977	664,641	664,641
PJM CREDITS	(5,553,404)	(1,285,675)	(1,285,675)
CAPACITY CREDITS	(11,419,723)	(7,388,283)	(7,388,283)
GENERATION SUBTOTAL	**(7,573,104)**	**(1,919,495)**	**(2,044,500)**
POWER SUPPLY & GENERATION SUBTOTAL	**68,048,645**	**63,962,843**	**64,837,838**
DIRECT EXPENDITURES			
TRANSMISSION/DISTRIBUTION	3,035,144	3,261,972	3,162,026
ELECTRICAL ENGINEERING	1,745,105	1,222,523	1,177,060
ADMINISTRATION	974,959	629,724	602,715
METER READING	205,915	222,206	215,208
SYSTEMS OPERATIONS	492,493	475,895	473,895
UTILITY TAX	1,965,000	1,966,100	1,966,100
DIRECT EXPENDITURE SUBTOTALS	**8,418,616**	**7,778,420**	**7,597,004**
OTHER EXPENSES:			
ALLOW FOR UNCOLLECTIBLES	310,000	150,000	150,000
RETIREES HEALTH CARE	639,110	646,510	646,510
TRANSFER TO PENSION UNFUNDED LIABILITY	833,000	1,110,500	1,110,500
OPEB	1,200,000	1,115,300	1,115,300
GREEN ENERGY PAYMENT TO DEMEC	128,600	129,000	129,000
INTRAFUND SERVICE FEES	3,293,025	3,556,264	3,370,778
INTEREST ON DEPOSITS	54,500	54,500	54,500
INVENTORY WRITE OFFS	175,000	175,000	175,000
DEBT SERVICE	3,589,904	3,336,800	3,336,800
OTHER EXPENSES SUBTOTAL	**10,223,139**	**10,273,874**	**10,088,388**
TRANSFER TO:			
IMPROVEMENT & EXTENSION	3,500,000	3,500,000	3,500,000
GENERAL FUND	8,856,000	6,338,000	7,876,288
TRANSFER TO DEPRECIATION RESERVE	1,250,000	-	-
RATE STABILIZATION RESERVE	1,300,000	-	-
TRANSFER TO SUBTOTAL	**14,906,000**	**9,838,000**	**11,376,288**
TOTAL EXPENSES	**101,596,400**	**91,853,137**	**93,899,518**
BUDGET BALANCE - WORKING CAPITAL	**11,875,500**	**13,385,521**	**12,375,188**
TOTAL BUDGET BALANCE & EXPENSES	**113,471,900**	**105,238,658**	**106,274,706**