

**MINUTES OF THE  
MANITOWOC PUBLIC UTILITIES COMMISSION MEETING  
MONDAY, NOVEMBER 9, 2020**

The scheduled meeting of the Manitowoc Public Utilities Commission was called to order by Commissioner Luckow in absence of Commissioner Allie at 4:00 p.m. on Monday, November 9, 2020. In attendance were Commissioners Diedrich, Hornung, Nickels, Seidl, and Sitkiewitz. Also present were Taylor Foss – GreatBlue Research; Chris Klawonn, Bob Bouril, Dan Salm, Cindy Carter, Don Duenkel, Andy Onesti, Carissa Grimm – MPU; Troy Adams – General Manager; and Attorney Andrew Steimle – Steimle Birschbach, LLC. Commissioner Allie was excused.

**AWARDS/RECOGNITION/ACHIEVEMENTS:** T. Adams recognized with the commission one MPU employee for his years of service with MPU and congratulations on his upcoming retirement. Commission thanked the employee for his commitment and dedication to MPU and wished the retiree well.

Chris Klawonn left the meeting at 4:02 p.m.

**COMMERCIAL AND INDUSTRIAL CUSTOMER SURVEY PRESENTATION – GREATBLUE RESEARCH:** A presentation was made by Taylor Foss, GreatBlue Research, on the results of the Commercial and Industrial Customer Survey. 146 C&I customers completed the survey by telephone or digital. Highlights of the results: there was a slight increase in satisfaction with increased contact with MPU; a slight decline in accessibility ratings for MPU representatives; increase in MPU representative characteristics – highest in past 3 surveys. Overall, the satisfaction ratings for ‘providing electric service’ increased slightly to 80% from 79% in 2018 and ‘providing water service’ increased significantly to 84.2% from 75% in 2018. Opportunities identified from the survey include working with internal staff to efficiently route contacts, increase marketing efforts of energy efficiency programs and incentives, and find ways to direct customers to MPU website.

Taylor Foss and Dan Salm left the meeting at 4:26 p.m.

**MPU FINANCIAL POLIES:** This is a new initiative stemming from the strategic plan developed in 2018 to “develop financial policies to maintain strong credit ratings and authorized rates of return”. A brief discussion was held on whether rate stabilization at GLU is included and the granular content of the document and need to revise to address high level policy. The consensus was to make it a high level document, removing the procedural aspects, and present at the December meeting for approval. Commissioner Hornung expressed concern with a statement indicating commission is to ‘audit’ documents and requested to have it changed to ‘commission approves or accepts’.

**2019 CONSERVATION PERFORMANCE REPORT:** These performance indicators are a representation of MPU’s Energy Efficiency; Renewable Energy and Demand Side Management programs. Following are the highlights: 2015-2019 - the total capacity energy savings are 4,288 kW and 29,708,890 kWhs (4.3 MW and 29,709 MWhs respectively); on an average MPU paid to Focus on Energy \$151,704 per year and Focus provided incentives to MPU customers of

\$447,025; and 66 customers have signed up for MPU's Renewable Choice program. Discussion on opportunities to increase the low membership rate at .37% of MPU customer base and the possibilities that AMI brings with technology.

**2021-2025 DRAFT CAPITAL BUDGET:** The proposed 2021-2025 Capital Budget was distributed and discussed. The 2021 budget is estimated at \$11,297,573 million. The 2021 budget will not require any borrowing. The key projects include the Generation Resiliency Project, the remaining demolition projects, a large customer-funded overhead to underground facilities replacement project; and routine annual capital projects. The budget suggests a 2% rate decrease next year with the change in the resiliency project and other items. The fact that C&I customers are not actively seeking EV charging stations leaves an opportunity for MPU to lead. Commissioner Diedrich recommended including a question on electric vehicles in the 2021 Residential survey. There was brief discussion on the break-even point and opportunities of EV's.

**MOTION:** A Motion was made by Commissioner Diedrich and seconded by Commissioner Hornung to approve the 2021 capital budget as presented. Motion carried unanimously.

**2021-2023 DRAFT O&M BUDGET:** T. Adams started with an appreciation of the process by the leadership team in completing the budget. The proposed 2021 and preliminary 2022 and 2023 O&M budgets were distributed to the Commission for review. The 2021 total operating revenues are estimated at \$69.7 million, an increase of \$172,600 from annualized 2020. The 2021 total operating expenses are estimated at \$65.6 million, an increase of \$2.2 million from annualized 2020 mostly due to a decrease in electric and steam depreciation expense, an increase in power supply costs, increase in administration and general, increase in Health and Wellness Plan costs, and additional operating costs.

Commissioners thanked the team for their hard work in completing the budget process.

**MOTION:** A Motion was made by Commissioner Hornung and seconded by Commissioner Seidl to approve the 2021 O&M Budget as presented. Motion carried unanimously.

**GENERAL MANAGER'S REPORT:** T. Adams updated the Commission on the following: Diversity and harassment training was held for employees on November 10. MPU hosted the pre-con meeting on October 20 for the Menasha Avenue project. The contracts have been developed and MPU received the WDNR approval on October 15. Dorner Inc. has started the watermain replacement with a tie in near Ace Hardware.

**MINUTES:** The Minutes from the Regular Session Meeting on October 12, 2020 were presented for approval.

**MOTION:** A Motion was made by Commissioner Diedrich and seconded by Commissioner Seidl to approve the Regular Session Minutes from October 12, 2020 as presented. Motion carried unanimously.

**APPROVAL OF CLAIMS:** Claims List dated October 27, 2020; Claims List dated November 10, 2020; and Wire Transfers dated through November 4, 2020 were presented for approval. There was a brief discussion on the sales tax from the wire transfers.

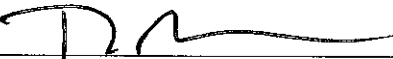
**APPROVAL OF WWTF CLAIMS:** Claims List dated October 30, 2020; and Claims List dated November 13, 2020 were presented for approval.

**FINANCIAL REPORTS FOR SEPTEMBER 2020:** The financial reports for September 2020 were previously distributed to the Commission for review and discussion.

**MOTION:** A Motion was made by Commissioner Diedrich and seconded by Commissioner Seidl to approve the Claims List dated October 27, 2020 check nos. 92592 through 92718 totaling \$1,454,989.48; Claims List dated November 10, 2020 check nos. 92719 through 92849 totaling \$454,644.68; Wire Transfers dated through November 4, 2020 totaling \$3,681,144.76; Claims List for WWTF batch 714.10.2020 dated October 30, 2020 totaling \$52,551.17; Claims List for WWTF batch 711.11.2020 dated November 13, 2020 totaling \$54,584.93; and to place the Financial Reports for September 2020 on file. Motion carried unanimously.

**NEXT MEETING:** Monday, November 23, 2020 at 4:00 p.m.

**ADJOURN:** A Motion was made to adjourn the meeting by Commissioner Hornung. Meeting adjourned at 4:51 p.m.

  
\_\_\_\_\_  
Approved: Troy Adams, General Manager

  
\_\_\_\_\_  
Approved: Mark R. Seidl, Secretary