MINUTES

A regular meeting of the Board of Light and Power was called and held on May 12, 2009 at 5:30 p.m. in the Board Meeting Room at 2200 Wright St., Marquette, MI 49855.

Following the Pledge of Allegiance the meeting was called to order.

Present: Richard J. Goodney, Chair
Carolyn M. Piirala, Secretary/Vice Chair
Kenneth C. Wanberg
Edward M. Angeli
John L. Sonderegger

Absent: None

It was moved by K. Wanberg, seconded by C. Piirala and unanimously carried to accept the April 28, 2009 regular meeting minutes as presented.

Following a discussion, it was moved by K. Wanberg, seconded by J. Sonderegger, and unanimously carried to approve the Accounts Payable totaling $464,070.20. R. Goodney questioned the purchase of security equipment? Executive Director Kirby Juntila responded the security camera is required for hydro facility security. Superintendent of Distribution David Lynch responded the security cabinets are for street lights and LED roadway lights have been purchased on a trial basis.

1. **Additions or Corrections to the Agenda.**

K. Wanberg requested the Board meet with the City Commission and K. Juntila asked that Item No. 3 be revised to reflect PA295. The Board concurred.

2. **Citizen Comment**.

No comments were received from citizens.

3. **Public Hearing PA295 – Renewable Energy Portfolio Standard and Energy Optimization Plan.**

C. Piirala read a letter from K. Juntila outlining PA 295 which requires utilities to create a Renewable Portfolio Standard and an Energy Optimization (EO) Plan. The EO mandates load reduction targets and allows utilities to collect a cost recovery surcharge to fund compliant energy efficiency programs and customer rebates. Both plans require utilities to solicit public comment to be filed with the Michigan Public Service Commission (MPSC).

R. Goodney opened the Public Hearing. Douglas Russell of 130 Edgewood Dr., Marquette, and the Executive Director of Michigan Green, a non-profit organization focused on promoting energy efficiency and renewable energy technology, read a prepared statement in support of the MBLP's plan. He said the MBLP's plan would be strengthened by an aggressive educational campaign for residential and business

customers. R. Goodney closed the Public hearing.

E. Angeli and J. Sonderegger asked for more detail on the EO plan. K. Juntila said staff is working with consultant MECA to develop a plan for the U.P. municipal electric utilities and electric cooperatives. The plan surcharge will accumulate cash from which MBLP customers can draw from for various rebate programs including compact fluorescent light bulbs and refrigerator rebates. C. Piirala questioned if the investor-owned utilities were participating in our program? K. Juntila responded no they are working through a statewide program while the U.P. municipals are keeping the program local. K. Juntila said even though the EO plan surcharge is state mandated, the Board will have to obtain confirmation from the City Commission for the surcharge to be added onto customer's bills. J. Sonderegger questioned the drafting of the policy? K. Juntila said the Michigan Municipal Electric Association of which the MBLP is a member, participated in drafting the language. The utility will have to file a report with the MSPC regarding target energy conservation goals. R. Goodney said the surcharges to be added to customer's bills to pay for the program are mandated by the state so it is not an option not to participate. K. Juntila concurred adding the surcharge funds will be used to operate the EO plan – not MBLP operations.

4. **Recommendation of Payment of Transformer Repair**.

It was moved by J. Sonderegger, seconded by K. Wanberg, and unanimously carried to pay for the repair of a transformer damaged during unloading to Pauwels Transformers, Inc. totaling $4,438. E. Angeli questioned the incident? D. Lynch responded it was a series of events that led to the incident which damaged the transformer. He said all employees were reminded/instructed on proper unloading techniques. He added that he respected the employee for notifying management of the damage as it could have been a hazard had the transformer later been energized in its damaged state. No one was injured in the incident.

5. **Recommendation to Purchase Demagnetizer for Meter Testing.**

On a motion by K. Wanberg, seconded by E. Angeli and unanimously carried, the Board awarded the purchase of a Meter Demagnetizer totaling $3,995 from Spinlab Utility Instrumentation, Inc. E Angeli asked what the demagnetizer would be used for? D. Lynch responded it will be used to more efficiently and cost-effectively reset meters that have become magnetized.

6. **Any Additional Business the Executive Director Wishes to Present.**

K. Juntila: 1). Thanked the Board forits approval of the state mandated EO and Renewable Energy Plans, and; 2). Asked Assistant Director of Operations William Pyle to give an update on the Tourist Park Dam. W. Pyle reviewed a drawing for the Board of the Tourist Park site. He said the drawing had been submitted to the Federal Energy Regulatory Commission (FERC) several weeks ago providing a conceptual design for the dam restoration project at Tourist Park. He said a meeting with FERC and the Independent Board of Consultants (BOC) has been scheduled June 15-17 in Marquette.

W. Pyle said the new dam would be a poured concrete dam with a core wall in the new section of dam. He advised the Board that a small pond that developed after the flood near the waste gates has been dewatered to allow for specialty concrete repair work. A recent walk-through with the MDNR, MDEQ and U.S. Fish & Wildlife was positive as a good working relationship ahs been developed. K. Wanberg questioned the status of the turbine? W. Pyle said the project is still being developed and that timing of the work to coincide with the refilling of the reservoir will need to be considered. W. Pyle said the upcoming meeting with the BOC and FERC is important to determine the final dam design and to develop construction drawings. R. Goodney commented on waiting to do improvements to the powerhouse building in case the project isn't approved. K. Juntila said a draft Environmental Assessment is being developed for submittal July 31 which includes a 30 day comment period for the agencies. With approval, construction could begin on the dam next spring. K. Juntila said staff will have more answers in a couple of weeks and will schedule a work session with the Board.

7. **Time for Citizen Comments.**

Lou Chappell of 2021 Woodland said the Board should respond to a recent Letter to the Editor regarding the dam restoration. He said the writer enjoyed the walking opportunities at the site and said Board dam restoration plans include maintaining a dog walking area.

8. **Any Additional Business the Board Members Wish to Present.**

E. Angeli commented that the surcharge to be added to the MBLP customer's bills is a result of the state mandated PA 295 for Energy Optimization and is not a rate hike but was concerned that customers might see it as such. He added that communication through advertising/education would help customers understand that it is a required program that will actually benefit them. K. Juntila said he would work with Supervisor of Administrative Services Mary Adamini to draft a press release for MBLP customers regarding the EO plan. He added he thought it would be appropriate for Mr. Chappell to respond to the Letter to the Editor about the dam restoration.

K. Wanberg said that City Commissioner John DePetro would like to have a joint meeting between the City Commission and the Board. E. Angeli and C. Piirala questioned the purpose of the meeting? K. Juntila said the MBLP has been talking to the City regarding its participation in the Automated Metering Infrastructure project and Tourist Park Dam Restoration. He added the City Commission will have to confirm the state mandated surcharge to be added to MBLP customer's bills for the Energy Optimization Plan. J. Sonderegger said the Board should receive/review an agenda before meeting. K. Juntila said eh would contact the City Manager to establish an agenda for a joint meeting. K. Wanberg said Commissioner Fred Stonehouse is concerned about regulating residential windmill installations and how they could be tied into the utility's distribution system. J. Sonderegger commented has great confidence in the Executive Director and staff to make decisions that are not at the Board level. It was moved by K. Wanberg, seconded by R. Goodney and unanimously carried to ask for a draft agenda for a joint Board and City Commission work session to discuss topics of mutual interest.

C. Piirala reminded the Board of its Budget Work Session at 5:30 p.m. Tuesday, May 19.

9. **Adjournment:**

The meeting was adjourned at 6:30 p.m.

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Carolyn M. Piirala,
Vice Chair/Secretary

Minutes of the Marquette Board of Light and Power are available at the MBLP's Main Office at 2200 Wright St., Marquette City Clerk's Office, and the Peter White Public Library. Minutes can also be viewed on the utility's website: www.mblp.org.