

**PERU UTILITIES
MINUTES OF THE PERU UTILITIES SERVICE BOARD MEETING OF
March 15, 2023**

The Peru Utilities Service Board held a meeting at the Peru office at 335 East Canal Street, Peru, Indiana, and through video conferencing via Teams Meeting, on Wednesday, March 15, 2023. Chairperson, Mary Costin called the meeting to order at 4:00 p.m. pursuant to notice as required by law. The following Board members were present Richard Donoho, Jami Edwards, and Dave Van Baalen. Others present Joshua Chance, Alice Hartley, Jamin Beisiegel, Michael Biesenbach, Wayne Brindle, Lee France, Tom Gustin-City Council Liason, Mayor Miles Hewitt. Kathleen Plothow-City Council Liason on teams. Public: Don Sturch Absent: Chris McKinney and Dustin Kern

1.) APPROVE BOARD MINUTES OF MARCH 1, 2023:

Board member Richard Donoho moved that the minutes of March 1, 2023 be approved. Board member Dave Van Baalen seconded the motion. The vote was unanimous, motion passed.

2.) PAYMENT OF CLAIMS:

Board member Jami Edwards made a motion to approve the claims as presented. Board member Dave Van Baalen seconded the motion. The vote was unanimous, the motion passed.

3.) NEXT REGULAR MEETING:

The next regular meeting will be held on-site Wednesday, April 5, 2023, at 4:00 p.m. in the Team-Teaching Room. Teams Meeting video conferencing is available for the public.

4.) PUBLIC COMMENT: None

5.) OLD BUSINESS: None

6.) NEW BUSINESS:

A.) APPROVE ENGINEERING QUOTE FOR PERU WASTEWATER ASSET MANAGEMENT PLAN:

The Board considered a quote for the engineering of the Peru Wastewater Asset Management Plan from Hazen and Sawyer in the amount \$40,000.00.

Board member Richard Donoho made a motion to approve the recommended quote for Hazen and Sawyer to perform the work for \$40,000.00. Board member Jami Edwards seconded the motion. The vote was unanimous, the motion passed unanimously.

B.) APPROVE QUOTE FOR FIVE 69kV TRANSFORMERS:

The Board considered the lowest quoted amount for \$41,625.00 from Power Line Supply for units manufactured by Artech. The transformers meet the project specifications.

Board member Jami Edwards made a motion to accept the bid from Powerline Supply Artech for five 69kV transformers in the amount \$41,625.00. Board member Richard Donoho seconded the motion. The vote was unanimous, the motion passed.

C.) APPROVE ECONOMIC DEVELOPMENT RATE RIDER AMENDMENT:

The board considered the updated Economic Development Rider for new and existing customers who add demand of at least 1 MW and have a capital investment of at least one million dollars.

Board member Richard Donoho made a motion to accept the Economic Development Rate Rider Amendment. Removing the load factor 75% qualification. Adding a paragraph defining the incentive period and allowing the ability to cap the total rebate through IMPA and have the ability to adjust to market pressures. Board member Jami Edwards seconded the motion. The vote was unanimous, the motion passed.

D.) APPROVE ELECTRIC COST OF SERVICE AND RATE STUDY:

The board considered the final Electric Cost of Service and Rate study for the Electric Division. Mr. Chance asked for the board to approve and recommend to the City Council the COSS/Rate study and the non-recurring charges as presented in the Feb. 15, 2023 meeting and add the CPI-U rider of 1.5%. The chart below shows how we currently compare and potentially compare in the future, but only based on our competitors’ current rates.

Local Area	Residential Charge for 1000 kWh energy	Cost per kWh	Customer Charge/Facilities Charge	Total Charge for 1000 kWh	Effective Rate per kWh	Current Rate % difference From P.U.	New Rate 2023	Max Increase 2024 3% CPI-U	Max Increase 2024 1.5% CPI-U
Duke Energy	\$168.10	\$0.168100	\$10.54	\$178.64	\$0.178640	44.74%	35.13%	31.31%	33.20%
Heartland REMC (Wabash)	\$130.38	\$0.130384	\$20.00	\$150.38	\$0.150384	21.85%	13.75%	10.54%	12.13%
Miami Cass Remc	\$118.80	\$0.118798	\$25.75	\$144.55	\$0.144548	17.12%	9.34%	6.25%	7.78%
Peru Utilities	\$119.20	\$0.119201	\$4.22	\$123.42	\$0.123421				
PU New Rate	\$122.20	\$0.122202	\$10.00	\$132.20	\$0.132202				
PU CPI-U 3% for 2024	\$125.75	\$0.125747	\$10.30	\$136.05	\$0.136047				
PU CPI-U 1.5% for 2024	\$123.97	\$0.123966	\$10.15	\$134.12	\$0.134116				

Board member Jami Edwards made a motion to accept the Electric Cost of Service and Rate Study. Board member Dave Van Baalen seconded the motion. After further discussion Jami Edwards amended the motion as stated to accept the Electric Cost of Service and Rate Study and add the CPI-U rider of 1.5% cap. Board member Richard Donoho seconded the motion. The vote was unanimous, the motion passed.

7.) **CITY ADMINISTRATION UPDATE:** Mayor Hewitt had nothing to report at this time. Kathleen Plothow stated the last city council meeting was a very emotional meeting concerning the new ownership and changes at Miamisport trailer park. She wanted to thank Josh for answering resident’s questions and supplying additional information.

8.) **CITY ATTORNEY UPDATE:** Absent

9.) **MANAGER’S REPORT:**

GRISSOM WATER TRACKER: Mr. Chance pulled the Grissom Water Utility CPI-U April 2023 Tracker adjustment from the agenda for the March 6th City Council Meeting to double check some of the amounts. It was correct and will be on the agenda for approval at the April 3, 2023, City Council Meeting.

CREDIT CARD FEES: Mr. Chance clarified a statement that we don’t directly charge the customer a credit card fee but when we do a rate study, they consider every fee that we pay. Mr. Chance stated that through the rate we do recover the fees from the customer.

EPA INSPECTION AT GRISSOM WATER PLANT: Mr. Beisiegel reported that this inspection was a new requirement of the EPA and the Clean Water Act of 2019. The Clean Water Act is a law that aims to prevent and repair water pollution in the U.S. There have been some issues in other states with water quality so in 2019 the EPA set up an enforcement and inspection division. They are going around back checking to see if IDEM is doing their job. The EPA sent 3 people from Region 5 of EPA-Chicago area to interview us and provide all the documents from the last 2 years about operations at the Grissom Water Plant. The EPA has 70 days to present their recommendations, but Mr. Beisiegel stated that they did fine and only had a few small things to correct when weather permits.

EPA PRELIMINARY RULE: Mr. Chance reported the US Environmental Protection Agency proposed the first national drinking water standard for “forever chemicals” that are dangerous to human health. The new rule intends to set drinking water standards for “forever chemicals” or PFAS a synthetic chemical that lingers in the environment that can cause serious health problems. Mr. Chance stated that Peru Utilities doesn’t have an issue with PFAS but the communities that do will need to install treatment or take other action to reduce PFAS levels.

POWER OUTAGE: Mr. Chance reported that Peru Utilities had a large power outage on last Friday. Mr. Biesenbach stated in Miami/Cass county there were so many hits on the transmission lines that they couldn’t all register. The largest outage was out on Business 31, a big tree broke lines off at 4 utility poles. It took some time to get the tree removed and lines repaired. Duke Energy’s Southeast substation had a static wire fall into the transformer breaker which locked out the entire substation. We have a loop feed coming from Walton and the Southeast substation. It took Duke Energy took 2-3 hours to get the Southeast substation backup and running. Smithfield was without power for an hour and fifteen minutes. Mr. Chance stated we are fortunate to have our own 69kV transmission line and dual feeds. The Peru Utilities line crew did a great job fighting through the inclement weather to restore power to the Miami county residents.

INDIANA STATE LEGISLATION: Mr. Chance reported the Indiana House of Representatives is currently considering HB 1167 that would provide more government transparency to Hoosiers by requiring public meetings be live streamed and archived. Records of the meetings would require each public agency to make recordings available to the public for at least 90 days after the meeting date. Mr. Chance stated that we would need to move the meetings to the board room and set up a new camera system for recording the meetings.

ADJOURNMENT:

There being no further business to bring before the Board, Richard Donoho made a motion to adjourn. Board member Jami Edwards seconded the motion. The motion passed, the meeting adjourned.

Jami Edwards, Secretary Peru Utilities Service Board

March 15, 2023 – Cont'd.

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