



2023 Year in Review

February 2024

Table of Contents

Public Utilities Commission.....	3
Princeton Public Utilities.....	6
Water.....	6
Electric.....	6
Power Plant.....	6
Buildings and Facilities.....	6
Administration.....	6
Accounting and Finance.....	7
Billing and Rates.....	7
Customer Relations.....	7
IT.....	8
Legal and Regulatory.....	8
Safety Efforts.....	8
Stakeholder Engagement.....	9
City of Princeton.....	9
Minnesota Municipal Utilities Association (MMUA).....	9
Southern Minnesota Municipal Power Agency (SMMPA).....	9
American Public Power Association (APPA).....	9
Minnesota Rural Water Association (MRWA).....	9
American Water Works Association (AWWA).....	9
State of Minnesota.....	9
Community.....	9

2023 Year in Review

Public Utilities Commission

January

- Richard Schwartz elected Chair. Dan Erickson elected Vice-Chair. Kathy Ohman elected Treasurer/Secretary.
- Approval of Official Depositories, Official Newspaper, Deposit Interest Rates, and Tort Liability Waiver
- Received MnDOC Conservation Improvement Plan Report and 2022 Reliability Report
- Approved Northland Securities Engagement Letter for Financial Planning associate with the Electric Capital Improvements Plan (Cap Plan)
- Postponed launch of new rates until February of 2023

February (Meeting on March 2nd)

- Approved the Cogeneration and Small Power Production Tariff
- Approved the Minor Materials and Construction Bid Packages for the Cap Plan
- Reviewed Minnesota's Open Meeting Law
- Received 2022 Water Conservation Report Certificate of Completion
- Reviewed Cap Plan Bonding schedule
- ACH credits expired
- Presentation of 2022 Year in Review

March

- Passed a Bond Reimbursement Resolution for upcoming Construction payments
- Selected winning CAP Plan bids for Minor Materials and Construction
- SMMPA Sherco Tour held on March 31st, Commissioners Schwartz and Edmonds attended.

April

- Approved the 2022 Consumer Confidence Report
 - Paid off Electric Revenue Note, Series 2006A
 - Received an update on the Cap Plan from DGR Engineering
 - Approved a Letter of Commitment for the GRIP-IIJA Grant application
-

May

- Received an update on SMMPA's Energy Efficiency Rebate program from SMMPA
 - Approved WSB to conduct a Water Comprehensive Study
 - Accepted Princeton's Wellhead Protection Plan, Part II
 - Selected KLM Engineering's bid to wash the South Water Tower
-

June

- Joint Meeting with the City held on June 1st
 - Updated PPU Holiday Calendar per Minnesota Statutes
 - Authorized Series 2023A Bond Issuance in the amount of \$6,670,000
 - Accepted the 2022 Financial Audit. Presentation by Smith-Schafer
 - Selected Clearview Construction's bid for replacing the Power Plant roof
 - Approved Commission Bylaws and Policy Manual
-

July

- Approved an Electric Rate Study Update
 - Approved Cap Plan – Phase II work
 - Conducted a review of the General Manager
-

August

- Approved 2023 Heat Share Agreement
- Approved IT MOU with the City of Princeton
- Continue work on electric Service Territory annexation
- Added 4M Fund / PMA to the Official Depositories List
- Dan Erickson became Chair of the Commission

September

- Added RBC Wealth Management to the Official List of Depositories
- Approved membership in the 4M Fund
- Approved the removal of a hydrant on a City Lot that was sold
- Approved a Service Territory Annexation Feasibility Study
- Approved Delinquent Bills and Property Tax Assessments
- Approved purchase of new GIS equipment
- Approved a Street Lighting MOU with the City of Princeton

October

- Conducted a Rate Study Update
- Reviewed Budget and Fee proposals for 2024
- Service territory negotiation update

November

- Selected a Safety Training Program provider for 2024-2027
- Approved the 7th Avenue Reconstruction Project Feasibility Report
- Updated the Employee Handbook
- Update on SMMPA's future generation needs
- Reviewed 2024 Rates, Fees, and Budget

December

- Approved 2024 Rates
- Approved 2024 Fees and Budgets
- Approved a Generation Feasibility Study
- Approved 2023 Charge-Offs
- Approved 2023 Disposal of Fixed Assets
- Approved 2024 Commission Calendar

Princeton Public Utilities

Water

- Completed the Water AMI conversion
- Completed a Comprehensive Water Study
- Completed Wellhead Protection Plan
- Secured a \$600,000 grant for Lead Service Line Replacements
- Washed the South Water Tower
- Repaired the mixer in the Middle Water Tower
- Purchased a Backhoe to allow staff to do their own leak repairs

Electric

- Began construction on Phase I of our Cap Plan. Started planning for Phase II.
- Won APPA's Excellence in Reliability Award for 2022
- 2023 Reliability Results are:
 - o ASAI = 99.9972%
 - o CAIDI = 82.244 minutes
 - o SAIDI = 14.51 minutes
 - o SAIFI = 0.176 interruptions
 - o Number of events = 12
- Replaced a work truck
- Fully tested all system breakers with minimal disruptions to our customers

Power Plant

- Provided a power plant tour to the Chamber of Commerce's Leadership group as part of their "History of Princeton" day.
- Started work on the Air Permit Renewal
- Successfully completed an Annual LMCIT Generation Audit which will reduce our Power Plant insurance premiums by 10%

Buildings and Facilities

- Completed annual roof inspections

Administration

- Hired a new Billing Clerk and a new Customer Services Representative
- Wrote monthly Commission meeting minutes
- Evaluated and updated health insurance benefits for staff
- PPU Emergency Preparedness Team met to discuss response needs
- Renewed our property and liability insurance as well as our Worker's Compensation policy
- Continued social media presence on Facebook, Twitter, Instagram, and LinkedIn
- Updated the Employee Handbook to address recent changes in state law (ie. Juneteenth, Cannabis, ESST)
- Conducted annual staff reviews
- Two office personnel attended Power Manager's Annual Conference (virtual)

Accounting and Finance

- Processed all invoices bi-monthly and provide Accounts Payable list to Commission for certification
- Monitored bank accounts daily, recorded interest received on all bank accounts, CD's, and investments
- Check interest rates on CD's and investments when they mature and re-invest funds
- Secured \$6.5 million dollars in bonds for Phase I of the Electric Cap Plan
- Received a A3 rating from Moody's
- Balance sales tax accounts and file returns monthly
- Completed annual inventory
- Balanced books monthly
- Worked with auditors on the annual financial audit which was presented to both the Commission and City Council
- Produced Trail Balance, Income Statement, and Balance Sheets monthly and include in Commission packets
- Provided the Commission with a mid-year Financial Update
- Converted payroll to ADP
- File quarterly payroll tax forms and unemployment forms along with HSA monthly deposits
- Invoice property owners/contractors for any new construction for connection fees and construction charges within the city (both commercial and residential)
- Completed a Minnesota Sales Tax Audit
- Created or updated various spreadsheets to streamline many financial tasks

Billing and Rates

- Updated the Cogeneration and Small Power Production Tariff
- Continued to adapt Power Manager to work more effectively with Yukon (AMI)
- Conducted cross-training on several billing steps
- Documenting the full billing process
- Inactivated irrigation accounts for winter
- Redesigned our Budget Billing process so customers can sign up any time during the year. Previously, customers could only sign up in April.
- Processed 2,949 bills each month (2,480 were paper bills, 993 were electronic bills, and 524 get both)
- Processed approximately 28 new customer applications each month.
- Renewed contracts with the Minnesota Energy Assistance Program to assist low-income customers in getting utility assistance from the state.
- Renewed customers budget billing options

Customer Relations

- Billing inserts included: City Sewer Rate Increase, New Electric Rate Structure, Age Friendly Princeton, LED Coupon, City of Princeton Park Survey, Be Bright, Heat Share, and Mission Renew.
- Published two Connectors (April and September)
- New customers were given a free LED lightbulb
- Public Power Week celebrated October 1st through the 7th. Tours offered and held a raffle for a gift box from SMMPA.

- Fielded 3,081 calls in 2023 (an average of 13 calls per day)
- Worked with SMMPA and Owatonna to create a logo for the Mission Renew program. Logo incorporated into all our marketing materials.
- Recorded a podcast on PPU for "This is Princeton"

IT

- Completed some Network Server upgrades
- IT Specialist retired at the end of September
- PPU entered into an Sharing of IT Services Agreement with the City of Princeton
- Staff participated in continuing education on cybersecurity threats
- Set up monthly A/V needs for Commission meetings
- Purchased additional GIS equipment to assist in the locating and mapping of assets
- Continued work on the five-year IT capital improvements replacing several old computers
- Began work to upgrade network servers

Legal and Regulatory

- Completed all federal reporting requirements including: EIA-923 (Power Plant Operations Report), EIA-860 (Electric Generator Report), EIA-861(S) (Electric Power Industry Report), and OSHA 300.
- Completed all state reporting requirement including:
 - o MPCA: DRF-1, DRF-2 and CR-04 reports (air emission requirements)
 - o MDER: CIP (energy efficiency) and DG (Distributed Generation)
 - o MPUC Reliability Report and Service Quality Report
- Completed DNR MPARS water permit report and Consumer Confidence Report
- Published 2023 Drinking Water Report
- Filed Hazardous Waste permit
- Held a Public Hearing on our Wellhead Protection Plan Update

Safety Efforts

- PPU Wins 2022 APPA Safety Award of Excellence
- Staff participated in monthly MMUA safety trainings (virtually and in-person). Topics included such things as: workplace safety, drug and alcohol awareness, and ergonomics.
- Administered random drug testing program for staff with CDLs
- Selected a new Safety Training Provider for enhanced services and reduced cost savings.
- Conducted our annual Federal Motor Carrier Safety Administration Clearinghouse query for employees with CDLs.

Stakeholder Engagement

City of Princeton

- General Manager and Water/Power Plant Superintendent met with the City to discuss our Wellhead Protection efforts
- Met with City staff on numerous development project proposals
- Established a Street Lighting MOU and IT Services MOU with the City
- General Manager gave a presentation to the Princeton EDA
- Joined the City in celebrating Public Safety Day on September 9th.

Minnesota Municipal Utilities Association (MMUA)

- General Manager elected to the MMUA Board
- General Manager serves as a member of MMUA's Audit and Finance Committee
- General Manager is a member of the Joint MMUA/MREA Workgroup
- General Manager and Chair Schwartz attended MMUA's 2023 Legislative Conference
- General Manager and Chair Schwartz attended MMUA's 2023 Annual Conference
- Participated in MMUA's Salary Survey and other miscellaneous surveys throughout the year

Southern Minnesota Municipal Power Agency (SMMPA)

- General Manager serves as a member of SMMPA's Audit Committee
- General Manager attended monthly SMMPA Board meetings
- PPU hosted SMMPA's December Board Meeting
- Submitted 2023 Schedule I Report, 2023 SMMPA DER Report, and 2024 SMMPA O&M Budget
- General Manager attended SMMPA's Budget and Rates Workshop
- General Manager and Electric Superintendent attended SMMPA's Annual Meeting

American Public Power Association (APPA)

- Received APPA's 2022 Safety Award of Excellence

Minnesota Rural Water Association (MRWA)

- Water/Power Plant Superintendent and two other staff members attended MRWA's Annual Conference

American Water Works Association (AWWA)

- General Manager and Water Superintendent attended the AWWA Annual Conference

State of Minnesota

- Worked with the State of Minnesota Department of Revenue to conduct a Sales Tax Audit

Community

- Profiled on KSTP's Water Tower Wednesday on July 12th
- Participated in the Rum River Festival and Mini Dazzle parades
- Attended Pumpkin Chunkin'
- Electric Superintendent honored with a PHS Grad Spotlight on "This is Princeton"
- General Manager and Office Manager attended the Chamber of Commerce's 2023 Awards Event

- Promoted our energy efficiency rebate programs for residents and businesses year-round.
 - o Big Check pictures taken with Greater Life Church and Sunken Ship Brewery
- Reported on Final 2022 Energy Efficiency Results (SMMPA will report 2023 numbers in late May/early June.
 - o Energy Savings: 973,413 kWh which is 1.86% of Annual Energy Sales (State req. = 1.5%)
 - o Low-Income Expenditures: \$20,298 which is 0.8% of Residential GOR (State req. = 0.2%)
 - o Total Spending (Princeton Public Utilities and SMMPA): \$191,573 which is 2.8% (State req. = 1.5%) with 5,243 program participants
- 2022 Enerlyte Program Savings (SMMPA will report 2023 numbers in late February / early March).
 - o Participants = 2,207 residential customers
 - o Total Savings = 320,444 kWhs (12.1 kWhs per customer per month)
- Water Superintendent and a representative from the Minnesota Rural Water Association were guest speakers for the High School's chemistry class. They taught them all about water and the water treatment process.
- General Manager and full Commission joined Glen Metalcraft for their groundbreaking celebration
- Celebrated Public Power Week (Oct. 1st – 7th, 2023).
- Promoted the Salvation Army's Heat Share program.
- Participated in the Be Bright campaign to promote LEDs to residential customers through price reductions at the time of purchase. 2023 participation was 2,844 LEDs rebated saving 81,215 kWhs. This was the last year of this 23 year offering.
- 2023 Winner of the Chamber's Winter Wonderland Business Decorating Contest
- PPU assisted with "Light Up Princeton"
- Installed and removed holiday decorations