



2022 Year in Review

February 2023

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2022 Year in Review

Public Utilities Commission

January

- Approved two Task Orders for DGR, preliminary design for Phase 1 of ten-year capital improvement plan a coordination study
- Approved a 3% ACH credit on residential water charges through August 31st, 2022
- Approved new user agreement with CMS for service fees
- Approved 2022 Minnesota Pay Equity Report
- Removed the bankruptcy clause from credit checks for deposit determination
- Approved the Tort Liability Waiver From
- Approved the Cogeneration and Small Power Production Tariff

February

- Dan Erickson takes the Oath of Office for a three-year term (2022-2024)
- Kathy Ohman elected as Secretary
- Approved a Letter of Support to the City of Princeton for their Small Cities Development Grant application
- Approved a Join Meeting with the City of Princeton on May 5th, 2022 at 4:30pm in the City Council chambers
- Approved an Exception Agreement with ECE for streetlights on 19th/21st Avenue

March

- Richard Schwartz elected Chair, Dan Erickson elected Vice-Chair
- Review of Debt Service Reserve Requirements with Northland Securities
- Updated and approved the revised Cogeneration and Small Power Production Tariff
- Presentation of the 2021 Year in Review

April

- Presented the 2021 Reliability Report and the 2021 Drinking Water Report
- Approved the Redemption of Refunding Bond Series 2012A
- Updated Signatories
- City Joint Meeting for May 5th was cancelled to be rescheduled for a later date
- Security Updates approved
- Commissioner Hanson resigns effective June 1st, 2022
- The Commission and the public toured PPU facilities

May

- Proposal to conduct a Comprehensive Water Plan approved

June

- 2021 Audit Presented
- Jack Edmonds first meeting as Commissioner
- Electric Cap Plan presentation (DGR)
- Approved Task Order 03 Phase 1 Electric Distribution Improvements
- City Joint Meeting scheduled for August 4th, 2022

July

- SMMPA Presentation to the Commission on generation and rates
- ACH credit extended through February 2023
- Renewable Energy Credit program approved
- General Manager review

August

- Rate Study results presented at a joint City Council/Commission meeting
- Approved work for Air Permit renewal
- Approved 2023 Heat Share agreement
- Approved South Water Tower Lease for Princeton Public Schools
- Approved Princeton's candidacy for the SMMPA Board of Directors
- Chair Schwartz and General Manager Butcher attended MMUA's Annual Summer Conference

September

- Held a Work Study Session on September 8th on the Rate Study
- Approved a letter of support for the City of Princeton's efforts on the CSAH 4 / 7th Avenue project
- Approved Property Tax Assessments for delinquent bills
- Approved limiting the Lamp Recycling Program to residential customers only
- Approved 2022 Fee Schedule revision
- Approved a seasonal electric rate structure for 2023
- Approved the 2023 MMUA Safety Management Program in partnership with the City

October

- New agenda format implemented
- Approved Phase 1 Major Materials Bid Package for the Electric Cap Plan
- Reviewed Budget and Fee proposals for 2023
- Economic Development Rider introduced

November

- 2023 rates approved
- 2023 Budget and Fee Schedule approved
- Economic Development Rider approved
- Energy Cost Adjustment (ECA) Rider approved

December

- Approved bid selection for Electric Cap Plan – Phase 1: Major Materials
 - Approved 2023 Commission Calendar
 - Approved 2022 Charge-Offs
 - Approved 2022 Disposal of Fixed Assets
 - Approved policy language change for the Electric Rate Stabilization account
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Princeton Public Utilities

Water

- Worked on AMI conversions. Finished year at 78% completion
- Flushed hydrants in the Spring and Fall to maintain water quality
- Evaluated water treatment plant waste water impacts at the request of the city
- Conducted triennial Lead and Copper testing
- Purchased a Vacuum Trailer
- Revised the hydrant billing process and worked with the City to provide monthly reports from each department
- Applied for a grant to assist in lead service line replacements.
- Renewed the Water Tower Lease with the School District
- General Manager and Water Superintendent gave a presentation on the importance of our groundwater resources to the Princeton Chamber of Commerce.
- Reached out to the school district offering to partner on groundwater education efforts with the community's 4th graders
- Responded to various after hours customer service calls
- Awarded a \$2,200 grant from the Minnesota Department of Health for our WHPP efforts
- Completed a draft of the WHPP, Part II
- Water Superintendent and two other staff members attended MRWA's Annual Conference
- Assisted on various construction efforts
- Assisted the Minnesota Pollution Control Agency in a Well Survey for Gasoline Additives.
- Worked with T-Mobile on their equipment upgrades on the Middle Water Tower.

Electric

- Completed a 10-year Capital Improvements Program. Started Phase I.
- Various construction efforts.
- Responded to various after hours customer service calls
- Completed tree-trimming throughout the system to enhance reliability
- Responded to a mutual aid request from Mora Municipal Utilities
- Electric Superintendent and Lineworker attended MMUA's Technical and Operations (T&O) conference
- 2022 Reliability Results are:
 - o ASAI = 99.9989%
 - o CAIDI = 37.607 minutes
 - o SAIDI = 5.532 minutes
 - o SAIFI = 0.147 interruptions
 - o Number of events = 18

Power Plant

- Completed an Infrared Inspection for insurance purposes
- Completed emission's testing on all units
- Assisted Traveler's Insurance on a plant inspection per requirements of our insurance coverage.

- Provided a power plant tour to the Chamber of Commerce's Leadership group as part of their "History of Princeton" day.
- Two staff members attended MMUA's Generation School

Buildings and Facilities

- Installed security cameras throughout PPU's facilities
- Completed annual roof inspections
- Upgraded the security system from 3G to 5G

Administration

- Created a "Commissioner Orientation Handbook" to help educate new Commissioners on PPU
- Part-time CSR retired
- 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
- Reviewing of annexation options for the south industrial lot
- Launched *Mission: Renew* a Renewable Energy Credit (REC) program
- Conducted annual staff reviews and updated job descriptions based on feedback
- Three office personnel attended Power Manager's Annual Conference (virtual)
- Transitioned our collection service needs to OUE
- Shared training videos with all staff on ways to better utilize Microsoft Excel and Word.

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.
- 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
- Successfully completed an audit on the Minnesota Recapture Program by the Minnesota Department of Revenue
- Rate Stabilization funds added to Cash Reserve tracking spreadsheet for Commission
- Monthly financial reports are now shared electronically
- Processed payroll semi-weekly and make semi-weekly payroll tax deposits
- 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)
- Implemented new WEX fuel cards to take advantage of reduce fuel charges and better tracking of fuel consumption by vehicle
- Created or updated various spreadsheets to streamline many financial tasks
- Bookkeeper attended a virtual education session on "Accounting Tools"

Billing and Rates

- Updated our credit check process
- 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
- Processed 2,881 bills each month (1,872 were paper bills, 745 were electronic bills, and 148 get both)
- Processed approximately 32 new customer applications each month resulting in an increase in the total number of customers from 2,740 to 2,810.
- Renewed contracts with the Minnesota Energy Assistance Program to assist low-income customers in getting utility assistance from the state.
- Began charging credit card fees effective May 1st
- Implemented a complex 3% water billing credit for customers that successfully utilized ACH
- Designed a more streamlined and consistent Deposit Return Process
- Renewed customers budget billing options
- Completed an Electric Rate Study
- Launched Mission: Renew replacing the Solar Choice program.

Customer Relations

- Billing inserts included: City Sewer Rate Increase, 3% ACH Discount, Credit Card Charges, LED Coupon, Be Bright, Heat Share, Mission: Renew.
- Published three Connectors (March, September, and December)
- SMMPA/PPU Ad unveiled
- Promoted ACH as a payment option via social media, lobby poster, and during new service applications
- Freeze up letters sent out
- New customers were given a free LED lightbulb
- Public Power Week celebrated October 2nd through the 9th. Tours offered and held a raffle for a gift box from SMMPA.
- Fielded 6,136 calls in 2022 (an average of 24 calls per day)
- Added more capabilities for outage notifications via social media
- Redesigned the disconnection process and streamlined the process to help better communicate to customers their rights and responsibilities. The changes have resulted in less customer confusion, decreased stress in the office, and more consistency in our operations.
- Working with potential customers in the new Princeton Business Park.

IT

- Staff participated in continuing education on cybersecurity threats
- Continued to modify and structure internal network drives to facilitate information sharing and retrieval
- Set up monthly A/V needs for Commission meetings
- General Manager and IT Specialist met semi-annually with CW Technology to review operations, disaster recovery plans, and strategic alignment between security, infrastructure, communications, business, and management
- Reviewed internal IT policies and implemented new password rules for PPU logins
- Continued work on the five-year IT capital improvements replacing several old computers
- Constructed a server room for added security and reliability
- Converted staff cell phones to First Net for better emergency response capabilities
- Began work to upgrade network servers
- Updated our webpage for the Water Department to better promote our Wellhead Protection efforts.

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), OSHA 300, EPA's Risk and Resiliency Report.
- 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
- At the request of the Commission, received a legal opinion on donations by a municipal utility.
- Completed a PFAS Survey for the Minnesota Department of Health
- Published 2022 Drinking Water Report
- Filed for Hazardous Waste permit

Safety Efforts

- PPU Wins 2021 APPA Safety Award of Excellence – Honorable Mention. MMUA joined our celebration and we were mentioned in MMUA's newsletter.
- Staff participated in training from the Princeton Police Department on their new body cams.
- 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
- Renewed MMUA Safety Management Program in partnership with the City thus saving each entity \$7,100 / year.
- Conducted our annual Federal Motor Carrier Safety Administration Clearinghouse query for employees with CDLs
- Two staff members attended MMUA's Competent Person and Excavation Seminar
- More staff completed the appropriate NIMs training for their position

Stakeholder Engagement

City of Princeton

- Provided the City with a letter of support in their successful pursuit of a Small Cities Development Grant
- 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
- Worked with the City to address a city street light issue that extended beyond PPU's service territory
- Provided auditor information to the city to help them in finding and selecting a new auditor
- Joined the City in celebrating Public Safety Day

Minnesota Municipal Utilities Association (MMUA)

- General Manager attended MMUA's 2022 Legislative Conference (virtual)
- General Manager and Chair Schwartz attended MMUA's Annual Conference
- Electric Superintendent attended MMUA's Electrical Distribution and Design Workshop
- Participated in MMUA's Salary Survey, Supply Chain Survey, and other miscellaneous surveys throughout the year
- General Manager is participating in MMUA's Service Territory workgroup and MMUA's Government Relations Advisory Committee
- General Manager is a member of MMUA's Audit and Finance Committee
- General Manager is a member of a joint workgroup organized by MMUA and MREA to help municipal utilities and cooperative utilities collaborate on common issues. A joint statement from the group was published in November
- Promoted MMUA's Tom Bovitz Memorial Scholarship Program

Southern Minnesota Municipal Power Agency (SMMPA)

- General Manager attended monthly SMMPA Board meetings
- PPU hosted the April Board Meeting and gave a tour of the Power Plant afterwards
- Submitted 2022 Schedule I Report, 2022 SMMPA DER Report, and 2023 SMMPA O&M Budget
- Worked with SMMPA to update their EV Brochure for use in Princeton
- General Manager and Commissioner Erickson attended SMMPA's Annual Meeting
- General Manager is a member of SMMPA's Audit Committee
- General Manager and SMMPA ESR presented details on our energy efficiency rebate programs to the Princeton Chamber of Commerce
- SMMPA highlighted a PPU customer, Plastic Products, in their newsletter
- Along with Owatonna Public Utilities, the General Manager is helping to develop a marketing strategy for *Mission: Renew* that could be replicated in all member service territories.

American Public Power Association (APPA)

- PPU Rate Study efforts highlighted in APPA's January 31st newsletter.
- General Manager attended a webinar on Public Communications

- Our Commission tour was highlighted on the cover of APPA's May 3rd newsletter
- General Manager attended the APPA National Conference as part of the SMMPA delegation
- Office Manger attended APPA's Customer Connections Conference

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

- General Manager met with Department of Commerce one-on-one and provided input on the allocation of IJA funds through 40101d specifically for small municipal utilities.
- PPU provided a letter of support to the Clean Water Council in their continue pursuit of state funding which is used to help local communities, like Princeton, implement our WHPP efforts.

Community

- Distributed "If I Were a Lineworker" books throughout the community
- General Manager completed the Chamber of Commerce's Leadership Series
- Participated in the Rum River Festival parade
- General Manager attended several Chamber of Commerce events during the course of the year.
- Promoted our energy efficiency rebate programs for residents and businesses year-round.
 - o Big Check pictures taken with:
 - Mike's Discount Foods, Heavenly Fresh, Fairview Northland Hospital, City of Princeton Waste Water Treatment Plant, Edward Jones/Riverside Plaza, Great Clips
 - o Plastic Products highlighted in SMMPA's e-newsletter, the Current.
- Reported on Final 2021 Energy Efficiency Results (SMMPA will report 2022 numbers in late May/early June.
 - o Energy Savings: 1,292,957 kWh which is 2.5% of Annual Energy Sales (State req. = 1.5%)
 - o Low-Income Expenditures: \$22,312 which is 0.9% of Residential GOR (State req. = 0.2%)
 - o Total Spending (Princeton Public Utilities and SMMPA): \$205,614 which is 3.2% (State req. = 1.5%) with 4,897 participants
- 2022 Enerlyte Program Savings (the comparator graphs on our bills) were not available at the time of this report.
 - o 2021 Results were:
 - Participants = 2,171 residential customers
 - Total Savings = 328,280 kWhs (12.6 kWhs per customer per month)
- Celebrated Public Power Week (Oct. 2nd – 9th, 2022).
- Electric Superintendent participated in a video interview for a "This is Princeton" promotional effort.
- 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. 2022 participation was 2,436 LEDs rebated saving 68,462 kWhs
- Participated in the Mini-Dazzle parade
- PPU assisted with "Light Up Princeton"
- General Manager interviewed by the Union Times regarding 2023 rates.