Commissioner helps improve Melrose over 30 years of service

Reprinted courtesy of the Melrose Beacon by Carol Moorman

Melrose—Lyle Olmstead can look back on his 30 years as a Melrose Public Utilities Commissioner and smile. When he retired on Dec. 31, he left knowing the city utility services—electric, water and wastewater—are in better shape than when he started back in 1986, when he was first appointed.

He’s seen the city’s electric lines rebuilt and the majority of the electric distribution system put underground, two new substations, upgrades at the wastewater treatment plant and construction of two water towers.

He credits fellow commissioners, city council, city staff and residents with a team effort that has the public utilities in good shape into the future.

“We did it,” Dale Lyon, electric supervisi

Commissioner: see page 7 please please

Transforming School

MMUA held its annual Transformer School Jan. 12-15 at the MMUA Training Center in Marshall. The popular school featured a mix of hands-on and classroom training. Here, Matt Schwartz of Elk River Municipal Utilities (seated) has some book work checked by instructor Scott Meinecke. For more on the school, see page 6.

Growing renewables reliance spurs new RPU power plant

by Steve Downer

Ironically enough, a growing reliance on wind and other intermittent energy sources is providing a new lease on life for the municipal power plant.

More confirmation of this development came with a recent announcement that Wartsila will supply a 47 megawatt (MW) power plant to Rochester Public Utilities (RPU), Minnesota’s largest municipal electric utility. The RPU order includes five Wartsilla 34SG reciprocating internal combustion engines, which will be fueled by natural gas. The equipment will be delivered in 2017 and the plant is expected to be fully operational in May 2018.

The four-stroke, spark-ignited gas engines are an “important piece of RPU’s diversified portfolio, which also includes various forms of renewable generation,” said Walter Schlink, RPU Director of Power Resources.

The locally-owned plant also provides a hedge against the risk of volatile prices in the Midwest Independent System Operator (MISO) market. RPU is a MISO energy market participant. The quick-start attributes of the new plant will allow RPU to take advantage of market opportunities and offer products into MISO besides energy, such as reserves and regulation.

“This facility will also help meet our MISO capacity obligation with the reliability and reduced emissions of a natural gas-powered plant,” Schlink said.

The engines provide fast load-following capacity, necessary to support wind and solar energy. Minnesota’s Renewable Energy Standard mandates 25 percent of a utility’s total electric generation should come from renewable electric sources by 2025. RPU may shoulder this renewable mandate alone in a few short years. The RPU Board in 1999 elected to freeze the maximum amount of power it receives under wholesale power supply contract and has not extended the power sales contract beyond 2030. The new internal combustion plant was an early step identified in the RPU Electric System Plan.

RPU: see next page please

Windom plans utility improvements despite a number of uncertainties

by Steve Downer

The City of Windom Municipal Utility recently wrapped up a project to upgrade the electric distribution system to 13,800 volts and convert overhead residential service customers to underground, but plenty of work remains for the three-member Windom Municipal Utility Commission, Electric Utility Manager Brent Brown and staff.

A recent rate study was complicated by the closing of PM Beef, the last beef packing plant in southwest Minnesota. The plant closed unexpectedly Dec. 11. With it went 260 jobs and approximately 20 percent of the city’s electric load. The wastewater fund is expected to sustain a 15 percent loss.

The Windom Commission in January approved an average 3.5 percent electric rate increase. It is the utility’s first rate increase since 2007. One goal of the increase was to remove subsidies from one class to another, and most of the increase came in the customer service charge, where increases varied from one customer class to another. The municipal rate class was eliminated.

Rates will be reviewed midway through 2016. Further increases are likely over the next three years. Local rates, however, are expected to remain below the median for area utilities.

Windom: see page 5 please
Infrastructure Plan. The plan was commissioned in 2003 and was first presented to the RPU Board in 2005 (the same year the MISO energy market commenced). The plan considers both supply and demand activities and has been regularly updated.

The RPU Board in August 2012 approved a resolution to cease all coal burning and electric generation at the 100-megawatt (MW) Silver Lake Plant (SLP) by December 31, 2015. The aging Cascade Creek Unit No. 1, a 27-MW combustion turbine, is also being retired. Compared to the generation it is replacing, the new power plant will nearly double the efficiency and reduce hourly carbon emissions by 50 percent, noted Schlink.

While no longer generating electricity at Silver Lake, RPU will continue to burn natural gas in existing SLP boilers, to annually provide approximately 50,000 pounds per hour of steam to Mayo, through 2025. As outlined in its infrastructure plan, RPU contemplates the addition of a combined heat-and-power (CHP) facility. In the long-term, RPU power supply may also include a combination of combined cycle gas turbine and renewable generation.

Another key piece of the RPU infrastructure puzzle is the CapX2020 Hampton-Rochester-La Crosse 345-kV transmission line, which is expected to be in service this year. Line segments at 161-kV are crucial to RPU for both reliability and market access. The new RPU plant will be located in an industrial area on the city’s north side. A substation and natural gas pipeline are located at the site.

RPU also operates Cascade Creek Unit No. 2, a 48-MW natural gas-fired combustion turbine, the 2.6 MW Lake Zumbrun Hydroelectric Plant, and also receives capacity and energy from several small local sources. RPU has agreements in place for development of an approximately 500 kilowatt-hour solar energy plant, to be located adjacent to the utility headquarters. This plant is expected to be online in the third quarter of 2016.

RPU provides electric and water utility services to approximately 100,000 residents and has approximately 50,000 electric customers.

State’s largest coal supplier in bankruptcy

Arch Coal operates two mines in the Powder River Basin in Wyoming. The largest, supplied 48 percent of the coal purchased by Minnesota power plants in 2014, according to the U.S. Energy Information Administration. The company pledged no disruption of deliveries.

Reciprocating engine plants at the intersection of various developments

Some of the power supply issues affecting RPU affect all utilities, large and small. These include, according to the RPU Infrastructure Plan, “economic conditions, costs of fuel, and regulatory issues.”

Fuel cost and environmental issues are certainly contributing to the retirement of coal-fired power plants and the building of significant amounts of wind generation. It is at the intersection of these developments that a new role for municipal plants is emerging.

Natural gas-fueled reciprocating engine plants, note manufacturers’ literature, provide generating capacity in incremental units, can power up quickly, may be dispatched one engine at a time, and can be started and stopped quickly with little maintenance concern.

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Director of Training and Safety

Mike Willetts, mwilletts@mmua.org

JTS & ApprenticeShip Instructor

Art Gat chees, agatcheh@mmua.org

Natural Gas Circuit Rider

Troy Dahlen, tdaahlen@mmua.org

Regional Safety Group Program Leader

Mike Sewell, msewell@mmua.org

Regional Safety Coord./JTS Instructors

Bruce Westergaard, bwestergaard@mmua.org

Shane St. Clair, ssclair@mmua.org

Generation Coordinator/JTS Instructor

Bob Sewell, bsowell@mmua.org

Training Center Coordinator/JTS Instructor

Pete Wyffels, pwyffels@mmua.org

Mgt. Services and JTS Instructor

Rich Maxfield, rmaxfield@mmua.org

Regional Safety Coordinators

Bruce Bousu, bbousu@mmua.org

Al Czeczok, aczeczok@mmua.org

Mark Hotel, mhottel@mmua.org

Julie Jelen, jjelen@mmua.org

Robin Klug, rklug@mmua.org

Dave Lundberg, dlundberg@mmua.org

Marc Machacek, mmachacek@mmua.org

Ryan Mihalak, rmihalak@mmua.org

Joseph Schmidt, jschmidt@mmua.org

Kevin Thompson, kthompson@mmua.org

Chris Trembley, ctrembley@mmua.org

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Supreme Court affirms FERC’s demand response compensation rules

by Paul Ciampoli

The U.S. Supreme Court in January affirmed the Federal Energy Regulatory Commission’s rules for demand response compensation in wholesale energy markets run by regional transmission organizations and independent system operators.

The high court in a 6-2 decision reversed and remand-ed the U.S. Court of Appeals for the District of Columbia Circuit judgment that set aside FERC’s Order No. 745. In Order 745, issued by FERC in 2011, the commission set forth rules on compensating demand-response resources in the energy markets run by regional transmission organizations and independent system operators. FERC said that demand-response resources participating in an energy market run by an RTO or ISO must be compensated at the full locational marginal price, or LMP, as long as the demand-response resource passed a net benefits test.

The American Public Power Association and other electricity groups told the Supreme Court Aug. 31 that FERC lacks jurisdiction under the Federal Power Act to regulate the compensation to retail customers or aggregators for curtailing electric consumption. Congress reserved that authority to state and local regulators who are responsible for retail matters, APPA and others said in a joint brief. Oral argument was held at the Supreme Court in October.

The Supreme Court’s jurisdictional analysis consisted of three parts. First, the court found that demand response compensation in RTO and ISO markets directly affects wholesale electric energy rates within FERC’s jurisdiction. The FPA gives FERC jurisdiction over wholesale rates, but also any practice affecting such rates, and demand response was clearly such a practice.

Second, the court determined that FERC was not regulating retail sales in violation of the limits on its jurisdiction set by the FPA. Third, the court found that the contrary view—that FERC could not regulate wholesale demand response compensation—would create a ‘regulatory gap,’ because the states cannot regulate such compensation in wholesale markets.

In addition, the court found that FERC reasonably explained the compensation rule it adopted and under the deferential standard of review applied to such technical judgments, the FERC order could not be set aside as arbitrary and capricious.

The court’s opinion was written by Justice Elena Kagan. Justice Samuel Alito did not participate in the case.

Justice Antonin Scalia, joined by Justice Clarence Thomas, dissented.

“While the majority would find every sale of electric energy to be within FERC’s authority to regulate unless the transaction is demonstrably a retail sale, the statute actually excludes from FERC’s jurisdiction all sales of electric energy except those that are demonstrably sales at wholesale,” wrote Scalia in the dissent.

“So what, exactly, is a ‘sale of electric energy at wholesale?’ We need not guess, for the Act provides a definition: ‘a sale of electric energy to any person for resale,’” the dissent states.

The majority is “wrong even on its own terms,” for the rule at issue does in fact regulate retail electricity sales, which are indisputably matters subject to regulation by the states “and therefore off-limits to FERC,” Scalia said.

“While APPA disagrees with the majority opinion’s reasoning, the Supreme Court has now spoken, and we will move forward on demand response-related issues in that light,” said APPA President and CEO Sue Kelly.

For a municipal utility, political health will result in financial, operational health

In a phenomenon that reminds me of a modern youth sports ‘season,’ the political season is well upon us (did it ever really end?). Municipal utilities often seek to keep ‘politics’ out of the business—an ironic twist for utilities born of politics. The effort is high-minded, perfectly understandable and quite possibly a mistake.

Municipal utilities are born through the ballot box. They die the same way.

To enjoy long-term financial and operational health, a municipal utility needs to be politically healthy. That means people of good will must be sought out, found, educated, encouraged and supported, to assume positions of authority locally and on up the political food chain.

Along with keeping the lights on, municipal utilities should be about the business of politics.

This involvement needs to extend up the political food chain. Minnesota’s legislature reconvenes March 8. The U.S. Congress is in session. You may have noticed there is an election in November.

This is not an original thought, but I repeat it because it is true: municipal utilities have a unique perspective when it comes to the utility business. A municipal is a utility, true, but with no rate of return on investment, a municipal truly represents the ratepayer. A municipal also reflects the wishes of citizens of any locality, and the wishes of these citizens are necessarily reflected in utility policy and operation.

So get involved. If you don’t, somebody will. You may not like the result.

— Steve Downer

Upcoming rallies

The American Public Power Association Rally is March 7-9. The MMUA Legislative Rally is April 19. Registrations are open.
MMUA asks for flexibility and certainty in comments on Clean Power Plan rule

MMUA continues to be involved in the federal Environmental Protection Agency’s process to implement its proposed requirements for greenhouse gas emissions from existing electric utility generating units (the Clean Power Plan 111(d) Rule).

MMUA Jan. 21 commented on certain aspects of the proposal, as well as proposed model trading rules and various amendments.

MMUA said modifications were needed for flexibility and certainty, which would support Minnesota’s municipally owned electric utilities in ensuring reliable and affordable electricity to their communities, with proper consideration for the environment.

Safeguards for small entities

MMUA noted that it participated in the Small Business Advocacy Review Panel (SBAR Panel), but that a compressed regulatory timeframe shows that safeguards for small entities were not actually utilized by the EPA in any meaningful way.

The final 111(d) rule’s compliance deadline extension from 2020 to 2022 is a short step in the right direction, said MMUA, but does not go far enough to address the compliance timelines concerns of small entities. MMUA members and the nation’s other mostly small public power utilities are accountable to consumers, city councils, state and local governments when making decisions regarding generation resources, necessitating a longer timeline for compliance.

The EPA’s Proposed Trading Plan Rule needs a reliability safety valve (RSV), said MMUA. Since the Proposed Rule had no RSV, MMUA had no opportunity to provide input on the RSV concept. Neither the proposed federal plan nor the model trading rule include measures of state flexibility or the RSV. It is unreasonable, said MMUA, for the EPA to base assumptions about reliability and resources adequacy on circumstances that do not exist under the proposed trading plan rule.

MMUA asserted that a price safety valve is needed to ensure that the types of trading programs that the EPA envisions in the proposal avoid unnecessary compliance burdens. A price safety valve also has the potential to act as a safeguard against market manipulation.

Under previous EPA administered emissions trading programs, many sources complied with the underlying allowance limitations by adding control technology. However, in the case of the 111(d) rule, no commercially available carbon dioxide reduction technology exists.

In keeping with the 111(d) rule’s cost considerations, the EPA should provide the option of a price safety valve. Temporary price spikes only result in increased prices for consumers and windfall profits for traders, said MMUA.

Twenty-five states ask Supreme Court to stay CPP rule

Twenty-five states (not including Minnesota) on Jan. 26 asked the U.S. Supreme Court to stay the Environmental Protection Agency’s final rule under Section 111(d) of the Clean Air Act—the Clean Power Plan—to regulate carbon dioxide emissions from electric generating units.

The states, led by Texas and West Virginia, filed their application for a stay of the EPA rule five days after a U.S. appeals court denied motions by states and industry groups, including the American Public Power Association, that sought to put implementation of the EPA rule on hold until litigation over it could work its way through the courts.

On Jan. 21, a three-judge panel of the U.S. Court of Appeals for the District of Columbia Circuit declined to issue a stay of the EPA’s Section 111(d) rule. The ruling by the D.C. Circuit means that states must comply with the rule’s Sept. 6, 2016, deadline to submit initial state plans.

On Oct. 23, APPA and the Utility Air Regulatory Group asked the D.C. Circuit to review the rule. Separately, APPA and several other parties asked the court to stay the final rule, but were rebuffed.
Windom: continued from front page

The biggest project budgeted for in the near future is a substations upgrade. Windom has engaged an engineer for estimates, including a new transformer, breakers and relays. Brown expects the design to be complete by mid-summer and anticipates calling for bids by the end of the year, for delivery in the 2017-18 timeframe. The substation is adjacent to the municipal power plant.

The utility is also looking at some new transmission, along with related equipment and controls. It is working on funding for this part of the project. Windom takes service at 69 kV and distributes electricity at 13.8 kV.

Tied in with the rate study is a look at the municipal power plant, which provides a back-up source of power in case of emergency and also to the local needs when the price of power on the wholesale market is high.

The 59-megawatt plant was most recently updated in 1999, with the installation of three internal combustion engine generator sets. The plant also contains a combustion gas turbine, which was installed in 1978. Brown and the local commission are working with an engineer to explore the feasibility of replacing the turbine, most likely with another engine generator set. The engines in the plant are compliant with current environmental regulations.

Windom’s power supply strategy is to now be able to carry its own electrical load. With the closing of the packing plant, it is no longer short of capacity. However, the city is hopeful the plant will be re-opened, which would likely put Windom capacity short. A rise in capacity costs in the market is a concern. The utility and its consultants will continue to study at what capacity price it makes sense to add generation.

In its early days, the utility generated all of its own power locally. Today, power is supplied by the Commissioner Power Agency (CPA), the Electric Energy Association (EEA) and the Western Area Power Administration.

Windom has provided electric service since 1895. The current power plant building was constructed in 1936. It has been recognized for its Art Deco details. The front of the building contains three stone sculptured panels. The first two, Light and Energy, were placed there at the time of construction. Later, an additional fourth panel, Electricity, was added.

The utility is governed by a three-member commission. Commissioners are appointed by the mayor and city council.

The utility has completed major energy efficiency projects at Toro and a large re-tailer and has also worked with the school district on developing effective energy programs. Its energy savings have put it among the state’s best utilities in regards to energy conservation.

Area water, wastewater provider

The utility also provides water service. The Water Treatment Facility, built in 1998, has a design capacity of 3.3 million gallons of water per day. The plant supplies water to City of Windom residents, businesses as well as the City of Bingham Lake, an ethanol plant, and the Red Rock Rural Water System.

The Wastewater Treatment Facility, built in 1995, also serves Bingham Lake.

The Minnesota Public Utilities Commission has approved the $180 million, North Star Solar Facility, which will cover approximately 900 acres in the City of North Branch and two townships. It is touted as the largest solar plant in the Midwest. At peak, it is able to provide 150 megawatts of electrical generation.

An administrative law judge has recommended approval of the state’s second-largest solar project—a 515-acre project three miles east of Marshall. Energy from the site will be sold to Xcel Energy. The project cost is estimated at $100 million to $130 million. Peak output is pegged at 62 megawatts.

An administrative law judge has almost entirely recommended approval of Minnesota Power’s preferred route for its Great Northern Transmission Line. The 220-mile, 500-kilovolt, alternating current line would run from the Manitoba border to the Iron Range. MP will be the majority owner, in partnership with Manitoba Hydro. The matter now moves to the Minnesota Public Utilities Commission.

U.S. cyber intelligence firm iSight Partners said it has determined that a Russian hacking group known as Sandworm caused an unprecedented power outage Dec. 23 in Ukraine. The outage affected approximately 80,000 customers for about six hours, according to the report.

The Energy Information Administration Jan. 12 said residential electricity prices will increase by about 3 percent in 2017 after holding steady in 2015 and 2016. EIA put the average retail price of electricity in the residential sector at 13 cents per kilowatt-hour (kwh) in 2017, up from the 2015 and 2016 price of 12.7 cents per kwh. It is only the second time since 2008 that residential electricity prices jumped by more than 2.2 percent in a single year.

The rising prices reflect an anticipated increase of about 60 cents per thousand cubic feet in the cost of natural gas and more consumption of renewable energy, which tends to be higher in price than fossil fuel sources, according to EIA data.

Prices in New England will average 20.1 cents per kwh in 2017, the highest in the country.

General Manager Rick Burud recently retired after 42 years at Federal Rural Electric. Burud will stay active in the co-op world, as general manager of the Southern Minnesota Energy Cooperative (SMEC). SMEC was formed by 12 Minnesota cooperatives to facilitate the acquisition of Interstate Power and Light properties in Minnesota. The SMEC position is reportedly part-time.

The three-year, $384 million project to upgrade emissions controls at the Big Stone Plant at Big Stone, S.D., is complete. The system reduces nitrogen oxide and sulfur dioxide emissions by 80 percent and mercury emissions by 80 percent.

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Transformer School features variety of training techniques

MMUA held its annual Transformer School at the MMUA Training Center in Marshall. The pre-conference was held Jan. 12-13 and the school Jan. 13-15. Forty-five municipal employees attended the school, along with 16 from electric cooperatives. The pre-conference was attended by 34 from the municipalities along with 13 from cooperatives.

Scott Meinecke, who teaches at Northwest Iowa Community College, was the instructor.

The school featured a variety of classroom and hands-on teaching. The three-phase class started with the basics of transformers, including turns ratios, polarities, calculations, connections, and troubleshooting.

Participants learned about the three-phase systems with some basic phasor diagrams that explained the relationship of the phasor to the transformer itself.

In the hands-on portion of the course, participants worked with miniature transformers that were energized and would blow fuses, in order to experience what happens when something is wired incorrectly.

The class continued to build on the miniature transformer banks and work on troubleshooting.

Students discussed motor rotations as it relates to three-phase systems and ways to prevent voltage surge when switching a three-phase bank. They left with understanding of basic three-phase, delta, wye and open delta connections, along with troubleshooting. Calculations, connections, sizing and theory were covered, along with a consistent emphasis on safe work practices.

Austin manager’s locks shorn for safety, fundraiser

From the Austin Daily Herald

Austin Utilities staff got to shave their boss’s head Jan. 18 to celebrate a safe year and to raise money to fight cancer.

Three employees shaved General Manager Mark Nibaur’s head during an employee meeting at the Jay C. Hormel Nature Center to celebrate Austin Utilities’ perfect safety record in 2015.

The employees also bought raffle tickets and raised $485 for cancer fundraiser Paint the Town Pink for the chance to shave Nibaur’s head.

“We had a little fun with it,” Nibaur said.

Nibaur offered up his hair after Austin Utilities faced safety challenges with four incidents in 2013 and seven in 2014. Since 2000, Austin Utilities has ranged from three to 13 incidents. Common Occupational Safety and Health Administration (OSHA) injuries included bruises, joint injuries and cuts and bruises.

Nibaur estimated it has been at least 15 years since Austin Utilities had a year with no recordable injuries.

By last October, when it looked like Austin Utilities would reach its goal, Nibaur let his hair grow out so there’d be a bit more to cut.

“It was a new experience, kind of nervous,” Nibaur said.

Nibaur admitted his head would be a bit more to cut.

“Hey, the hair will grow back,” he said.

Nibaur offered up his hair to shave Nibaur’s head. “We had a little fun with it,” Nibaur said.

Along with shaving Nibaur’s head, the meeting gave employees an overview of 2015 along with a preview of 2016 and goals for the year. Nibaur said they may look at doing something fun again this year as motivation, but no firm ideas yet.

“Everyone keeps saying, ‘Hey, the hair will grow back,’ and it will,” Nibaur said.

Dave White shaves Austin Utilities General Manager Mark Nibaur’s head, after the utility had zero safety incidents in 2015. The event also served as a fundraiser for Paint the Town Pink.
Melrose Public Utilities Electric Supervisor Dale Lyon, right, congratulated long-time Commissioner Lyle Olmscheid on a job well done. In the background is a new utility substation.

Former employees said Olmscheid was a “forward planner,” instrumental in developing and maintaining a long-range plan.

Lyon said as long as Olmscheid has been a public utilities commissioner he was always looking out for the electric, water and wastewater rate payer. And it shows—Melrose has one of the lowest rates in the state.

Olmscheid said the whole idea of a public utility commission is to separate the utility ratepayer, who is anyone who uses city utilities, from the taxpayer, who is anyone who owns property in the city.

“The council deals with the tax payer and the commission deals with the rate payer,” said Olmscheid.

Olmscheid said the commission is proud of the fact that Melrose continues to have low utility rates.

“And it’s because we have industry, with a very stable (electric) load seven days a week, 24 hours a day and everyone in town benefits from the good, stable load,” said Olmscheid.

Effective management of the utilities has been vital.

“We have one of the best updated electrical, water and wastewater systems,” said Lyon, again crediting commissioners.

Thanks to upgrades, the city was able to accommodate their growing industry base, including Jennie-O Turkey Store, Melrose Dairy Proteins LLC and Proliant.

Another efficient upgrade was installation of new meters, which also makes for more accurate readings.

Olmscheid regularly traveled to St. Paul and Washington, D.C., to meet with legislators and discuss current and proposed legislation and how it would affect the utilities; trips that while time consuming were “usually beneficial.”

Through his dedication and involvement he was known and respected by our state and federal elected officials.

Patti Haase, city clerk who works closely with the public utilities commissioners, called Olmscheid a mentor to many.

“He has been instrumental with the community’s growth and welfare when it comes to public utilities,” said Haase.

Olmscheid has enjoyed his 30 years as a commissioner, even though at times tough decisions had to be made.

“Just about every meeting has some challenges and you have to talk big bucks and make a decision one way or the other,” said Olmscheid.

“And I think we’ve made the right decisions because our rates and service reflect that.”

Olmscheid won’t miss the scheduled monthly and many special meetings.

He kiddingly says he’ll have more time to watch TV.

“I’m 83. That helps explain when I say, ‘It was time,’” said this man who has called Melrose his home all of his life and where he and wife Ellie raised their family.

“Over all, our city’s utilities are in excellent shape and provide excellent service with very competitive rates,” he said.

Lyon called Olmscheid a great asset to the Melrose Public Utility.

As the two traipsed through the snow at the substation Tuesday, Lyon echoed sentiments felt by others Olmscheid has worked with.

“Lyle, you will be missed.”

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Commissioner: continued from front page

sor, said last Tuesday morn-
ing shaking Olmscheid’s hand as the two stood in front of the large transformer at the new substation built with future growth in mind.

Olmscheid had just come from what he calls the “power plant,” dropping off Christmas treats for the guys, a few who have been employed with the city as long – or longer – as he’s been on the commis-

sion.

Reminiscing about those 30 years, he smiles again when asked why he first applied for the position.

“I guess I just wanted to do it,” he said. “I worked at Stearns Electric for 17 years and knew a little bit about elec-
tricity.”

That experience came in handy, as did his need to know more about how the Melrose Public Utility works. It is a separate entity under the city of Melrose umbrella and is managed by a three-member commission, which includes two appointed residents and one city council member with input from public utilities em-
ployees.

Olmscheid said Melrose has had a public utilities commission since 1907 when, by resolution, the city council adopted the state statute es-
tablishing the commission.

“As a commissioner our duty is to oversee the utili-
ties, the water, wastewater and electric departments,” he said. “We make big decisions, I guess. Like, we have to okay projects and see to their fi-
ancing. In terms of money spent over the years, I think we’ve spent the most money in the area of wastewater, but we’ve also spent a lot of mon-
ey on electric and water too.”
Jerry Mausbach is the new Utilities Manager for the Blooming Prairie Public Utilities. Mausbach was most recently at Nobles Cooperative Electric, where he was Superintendent of Operations for four years. Previously, he had served six years at a electric manager/superintendent for the City of Winner, South Dakota.

At Nobles, Mausbach led a team of 190 line workers from neighboring co-ops in responding to an ice storm, when his co-op was hardest hit. He presided over refurbishment and replacement of 90 percent of that co-op’s infrastructure during his tenure. At Winner, he developed a load management and automated meter reading solution, leading to reduced overtime and significant savings. He also decreased line losses from 11 to 6 percent.

Mausbach is no stranger to Minnesota municipals, having also worked for the City of Lake Crystal, as well as Kingsbury Electric Cooperative.

In 2015, Central Minnesota Municipal Power Agency announced a change in the name of its management and consulting division from Utilities Plus to Central Municipal Power Agency/Services (CMPAS - pronounced “compass”). Although the name changes, CMPAS will continue to serve as both a project-oriented power agency and electric utility services organization.

Todd Jorgenson of Austin Utilities led a tour of the utility’s new facility Feb. 1. Jorgenson, the utility’s gas/water/engineering operations director, explains a feature of the facility to Austin Mayor Tom Stiehm while councilmember Judy Enight listens. The utility expects to occupy its new home later this year. Austin Utilities also unveiled a new logo at the event. More on this in months to come.

With the Iron Range economy hurting, Virginia Public Utilities winnowed its capital wish list to keep rates at current levels. The utility also credited a new wholesale power contract with Minnesota Power that will save $600,000 annually and lower natural gas prices as factors in helping it avoid a rate increase.

The City of Biwabik received a $2,000 Seed Grant from the Clean Energy Resource Teams (CERTS). The city will use the grant for a City Hall LED project, which will retrofit city hall offices.

The key goals of the project are to replace older inefficient T-12 fluorescent lighting fixtures in the building with modern efficient LED lighting fixtures. This project will save electric energy and costs to the city as well as reduce greenhouse gas emissions.
MP files service quality, reliability report and MPUC sets goals for 2015


Minnesota Power (MP) considers its entire service area as a single work center. MP met its reliability goals for SAIDI, SAIFI, and CAIDI for 2014 and the following goals were set for 2015:

<table>
<thead>
<tr>
<th>Year</th>
<th>SAIDI</th>
<th>SAIFI</th>
<th>CAIDI</th>
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<tbody>
<tr>
<td>2013</td>
<td>97.13</td>
<td>1.01</td>
<td>96.17</td>
</tr>
<tr>
<td>2014</td>
<td>97.50</td>
<td>1.02</td>
<td>95.59</td>
</tr>
<tr>
<td>2014 Actual</td>
<td>88.35</td>
<td>.96</td>
<td>92.03</td>
</tr>
</tbody>
</table>

MP used the IEEE 2.5 beta method to exclude major events from calculations of reliability indices.

The state Division of Energy Resources (DER) concluded that MP provided reasonable discussions regarding reporting of instances exceeding the ANSI voltage standard, customer deposit refunds, and calculations of estimated bills. However, the DER was not satisfied with MP’s discussion on the sharp decrease in the number of involuntary disconnected customers able to be restored within 24 hours.

MP indicated that there have been no changes to its internal business practices, and since it is the most costly method, disconnection is considered a last-resort method in remedying past due accounts. MP also stated that service is restored not longer than 24 hours after receipt of payment, so the increased restoration time is likely not due to an internal matter.

MP reported nine instances in 2014 in which nominal electric service voltages did not meet the standards of ANSI voltage range B. This number is higher than the typical number of instances each year since 2005.

MP stated that, due to recent large changeover in staff, along with a conversion of its outage management system, some of the instances exceeding the ANSI standard were not recorded properly. The company is reviewing and modifying the documentation methods and promised accurate statistics to report for 2015.

Reliability indices apply to all utilities; calculations explained

Minnesota statute 216B.029 STANDARDS FOR DISTRIBUTION UTILITIES apply to every electric utility in the state, including municipal utilities. The law requires each utility to adopt standards for safety, reliability, and service quality. Reliability standards must be based on the system average interruption frequency index (SAIFI), system average interruption duration index (SAIDI), and the customer average interruption duration index (CAIDI) indices.

SAIFI is the average number of interruptions per customer per year. It is determined by dividing the total annual number of customer interruptions by the average number of customers served during the year.

SAIDI is the average customer-minutes of interruption per customer. It is determined by dividing the annual sum of customer-minutes of interruption by the average number of customers served during the year.

CAIDI is the average customer-minutes of interruption per customer interruption. CAIDI approximates the average length of time required to complete service restoration. It is determined by dividing the annual sum of all customer-minutes of interruption durations by the annual number of customer interruptions.

An interruption is defined as an outage of five minutes or more.

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Around: continued from facing page anniversary in 2016, and will use the attention to raise public awareness about the need for a new office building and service center. A 2010 study found new, efficient facilities were needed. The office building dates to the 1950s. The current service center is a couple blocks away and too small to accommodate the current generation of bucket trucks.

Plans call for a new building, at the site of the current office on U.S. Hwy. 12, with a 2021 move-in date.

The Nashwauk City Council Dec. 29 approved purchasing 100 acres of land from U.S. Steel, to be used as a new wastewater pond built in partnership with Keevtin and Lone Pine Township. The parties are planning and seeking funds for the project.

Brainerd Public Utilities, following a rate study, will increase electric rates an average of 2.5 percent, water 4.9 percent and wastewater 3.9 percent. The increases are designed to keep each fund financially healthy.

The Glencoe Planning Commission is considering a right-of-way and utility undergrounding ordinance for utilities. The ordinance would require other utilities to place their facilities underground if Glencoe Light & Power is placing its facilities underground. The commission is also reviewing a model solar ordinance.
Apprentice Line Worker

Missouri River Energy Services (MRES) is a joint action agency supporting 60 member municipalities that own and operate their own electric distribution systems. We are dedicated to supplying our members with reliable, cost effective, long term energy and energy services in a fiscally responsible and environmentally sensitive manner. MRES is expanding our electric distribution maintenance crew in Olivia, MN. We are looking for a highly motivated individual to join our team providing services to the city.

Knowledge, Skills, Abilities and Requirements:

• High school graduation plus a diploma from an accredited line worker program; one year minimum.
• Knowledge of electric line construction, maintenance, and repair. Some work experience is preferred, but not required.
• Knowledge of the appropriate safety procedures utilized on a line crew.
• Possess a valid and unrestricted Class A commercial driver’s license (CDL) or ability to obtain within 6 months.
• Completed a Minnesota Department of Transportation (DOT) physical or ability to complete within 6 months.
• Hold a CPR certification.
• Ability to work outdoors in all weather conditions.
• Must be able to climb and work at heights of up to 70 feet without undue discomfort.
• Able to frequently lift and/or move up to 50 pounds and occasionally lift and/or move up to 100 pounds.
• Follow written and verbal instructions and make quick and efficient decisions.
• Ability to interact and communicate effectively with co-workers and the public.
• Generally available to respond to emergency calls any time of day, year round.
• Reside within 15 minutes of Olivia, MN.

We provide very competitive wages, a comprehensive/low cost benefit package, and an outstanding work environment that promotes a long lasting career. For consideration, email resume and cover letter by Feb. 26 to hr@mrenergy.com. Visit our website at www.mrenergy.com to learn more about us. MRES is an Equal Opportunity Employer.
Utility Line Worker

The Sleepy Eye Public Utilities Commission is seeking applications for the position of Utility Line Worker. The qualified individual’s duties would include, but not be limited to, operating and maintaining all overhead and underground electrical distribution systems, constructing new overhead and underground lines, maintaining City owned street lighting, tree trimming, reading meters and other general utility work as assigned. Desirable skills would include experience with or understanding of high voltage electrical distribution systems, experience with equipment operation such as tractor/backhoe, digger derrick truck, and bucket truck, experience with or understand of low voltage electrical systems. Applicant will need to possess, or be able to obtain a Class B CDL. Salary is dependent on qualifications. Please send application and resume to Bob Elston at Sleepy Eye Public Utilities, 130 2nd Avenue NW, Sleepy Eye MN 56085, or email BElston@sleepyeye-mn.com. Application form may be picked up at City Hall or online at www.sleepyeye-mn.com. Applications will be reviewed beginning February 16. Position is open until filled.

Electric Superintendent

The Shakopee Public Utilities Commission is accepting applications for the position of Electric Superintendent. Consideration will be given to those candidates that are knowledgeable of or possess experience in the following:

• Experience managing the construction of electrical distribution systems including project management, structural component design and review, project costing, and staff supervision
• Maintenance of electrical distribution systems and related equipment and materials management
• Management of outage database and system usage to assess system demand and capacity
• Managerial experience with strong leadership skills
• Development, establishment, and maintenance of operating policies with emphasis on safety and compliance with all state and federal regulations
• Experience in preparing and managing operating budgets, capital improvement plans and project costing standards
• Excellent written and oral communication skills; serves as technical liaison with contractors, and industrial and commercial customers on construction and maintenance projects
• Extensive knowledge of principles and practices related to overhead and underground electrical distribution and transmission systems.
• Bachelor degree in engineering or related field is required. Applicant must have a minimum of five years municipal utility management experience; minimum three years of experience supervising technical staff.

This position reports to the Shakopee Public Utilities Manager and has management responsibility for a staff of 20. Shakopee Public Utilities provides electric and water service to 17,000 electric customers and 11,000 water customers in the City of Shakopee, Minnesota and adjacent areas.

Interested persons must submit an application and resume to Shakopee Public Utilities, Attn: Human Resources, PO Box 479, Shakopee MN 55379 by February 19th, 2016. Applications may be downloaded from the web at www.spuweb.com or are available at the main office at 255 Sarazen Street, Shakopee, MN 55379, (952) 233-1508. A detailed job description is available upon request.

Power System Operator

Moorehead Public Service (MPS) is accepting applications for a Power System Operator. This position operates Supervisory Control and Data Acquisition (SCADA) and load management systems, dispatches electric and water crews, coordinates transmission line switching, monitors electrical and security systems, operates equipment to bring electrical systems and generation on and off-line, and completes operating logs and reports. A minimum of one year of electrical experience and an Associate’s degree in an electrical-related field are required. Desired qualifications include training or experience with control systems software, such as SCADA; familiarity with electric schematics, such as one-line diagrams; experience operating high-voltage breakers in switchgear; and experience with clearance procedures and training in switching procedures. The current wage is $19.00 to $31.67 per hour. Benefits include pension (Minnesota Public Employee Retirement Association), low deductible health insurance (no cost for single coverage), and generous vacation and sick leave. Application form and job description are available at www.MPSUtil.com; employment at the MPS office in Moorehead City Hall, 500 Center Avenue, Second Floor; or by calling 218.477.8000. Applicants MUST complete an MPS Application for Employment to be considered for employment with MPS, EOE, Closing Date: Friday, February 12, 2016.

FOR SALE

Electric distribution materials and hardware
Brainerd Public Utilities
While most of the attention in Minnesota has been focused on the April 2 Public Power Lineworkers Rodeo, there is a related Public Power gathering of note—the annual American Public Power Association Engineering & Operations Technical Conference. The E&O as it is colloquially known, will be held April 3-6 at the Hyatt Regency in Minneapolis.

While the final program is under development, local public power leaders will figure prominently.

MMUA Annual Sponsor Dave Berg, a long-time associate member and consultant, will team with Larry Koshire, retired general manager of Rochester Public Utilities, for a presentation titled, Environmental Then and Now: It’s Not Your Parents’ Power Company. They will discuss current and future regulations and how they impact the evolution of our industry. The presentation is scheduled for the morning of Monday, April 4.

That afternoon, the Southern Minnesota Municipal Power Agency will provide expertise on Natural Gas: The Next Generation. This session will examine new and forthcoming regulations that encourage an increase in the use of natural gas. SMMPA’s experts will assess pending regulations, natural gas markets, current infrastructure, and new natural gas options.

Public power’s record of innovation and responsiveness to community needs has inspired many small-scale renewable projects across the country. Attendees will learn more about some of these projects the morning of Tuesday, April 5. Speakers include Scott Magnuson, Superintendent, Brainerd Public Utilities and Ray Wahle, PE, Director, Power Supply & Operations, Missouri River Energy Services.

Troy Adams, general manager of Elk River Municipal Utilities, has been asked to speak about lineworker pay. Adams’ presentation will either be part of a panel discussion, or handled independently.

Mike Willetts, MMUA Director of Training and Safety, will be speaking at a session on a revision of the APPA Safety Manual session. Willetts chairs the safety manual working group.

The E&O will feature multiple breakout sessions on safety policies and practices. Other topics include mutual aid management, troubleshooting internal faults and distribution transformers, safety compliance, and more.

Opportunities abound for MMUA Associate members to participate in the 2016 Public Power Lineworkers Rodeo. The Rodeo will be held April 2 in Shakopee.

The Public Power Lineworkers Rodeo is the premier venue for journeyman and apprentice lineworkers to compete for professional recognition and to learn about the latest safety products and services.

The American Public Power Association (APPA) offers numerous opportunities at this event for a business to expand its reach within the municipal market. As a sponsor and vendor, you’ll:

• interact with more than 500 public power electric superintendents, lineworkers, and safety personnel.
• create brand awareness with more than 60 unique utilities from across the U.S.
• meet with decision makers and decision influencers.
• network with a great group of people with genuine interest in your products and services.

If you are interested, please contact Pamela Cowen, APPA’s Director of Membership and Marketing, at pcowen@PublicPower.org or go to the Rodeo page on the APPA website. Click on ‘Sponsorship.’

MMUA members may also contact Rita Kelly at 763-746-0707 or rkelly@mmua.org

MMUA and Shakopee Public Utilities are excited to host this national event and hope to have a great showing of our members. The Rodeo will be held at Canterbury Park and is free and open to the public.

Even if you don’t become a sponsor or have a table at the expo, you are invited to come watch teams as they compete and see what it’s all about.

Rodeo opportunities abound for associate members

Legislative Rally — Tuesday, April 19

MMUA’s Legislative Rally is the municipal utility industry’s big opportunity to inform and influence state lawmakers. The 2016 Legislative Session will be unique in many ways. The State Capitol (without running water and restrooms) is closed to the public; the only legislative activities that will take place in the Capitol building are House floor sessions. It is also the first session when the new Minnesota Senate Building will be open—Senate floor sessions will be held in a temporary chamber in the new building.

With the disarray of construction, new facilities, and a short session, it’s especially important that MMUA make an impact. A strong turnout will ensure that our message is heard.

Given the unique nature of this session, and to acknowledge the time many members are already committing to the APPA Lineworkers Rodeo, MMUA has switched our typical three-day legislative conference to a one-day legislative rally. The day will begin with a briefing and lunch at the Embassy Suites in downtown St. Paul. From there, members will spend the afternoon visiting legislators.

We’ll cap the day with a reception, providing MMUA members the opportunity to visit with lawmakers in a relaxed atmosphere.

Also Upcoming

Meter School
Pre-Conference, Feb. 16-17
Meter School Feb. 17-19
Meter Product Show, Feb. 17

Public Power Lineworkers Rodeo
April 2
Canterbury Park, Shakopee

APPA Engineering & Operations Technical Conference
April 3 - 6
Minneapolis

Generation School
April 12-14

Substation School
April 19-21

Underground School
May 17-20