

**MINUTES OF THE  
MANITOWOC PUBLIC UTILITIES COMMISSION MEETING  
MONDAY, NOVEMBER 14, 2022**

The scheduled meeting of the Manitowoc Public Utilities Commission was called to order by Commissioner Hornung at 4:00 p.m. on Monday, November 14, 2022. In attendance were Commissioners Diedrich, Nickels, Seidl, and Sitkiewitz. Also present were Catherine Veschi – GreatBlue Research; Jennie Nelson, Eric Duenkel, Andy Onesti, Cindy Carter, Don Duenkel and Carissa Grimm – MPU; Troy Adams – General Manager; and Attorney Andrew Steimle – Steimle Birschbach, LLC. Commissioners Allie, Luckow, and Nickels were excused.

**COMMERCIAL AND INDUSTRIAL CUSTOMER SURVEY PRESENTATION – GREATBLUE RESEARCH:** A presentation was made virtually by Catherine Veschi, GreatBlue Research, on the results of the Commercial and Industrial Customer Survey. 139 C&I customers completed the survey by telephone or digital. Highlights of the results: there was a slight increase in satisfaction with increased contact with MPU; a slight decline in accessibility ratings for MPU representatives; increase in MPU representative characteristics – highest in past 3 surveys. Overall, the satisfaction ratings for ‘providing electric service’ increased significantly to 87% compared to 80% in 2020 and ‘providing water service’ remained steady at 83.8% compared to 84.2% in 2020. Opportunities identified from the survey include working with internal staff on their knowledge and ability to answer customer questions, increase marketing efforts of energy efficiency programs and incentives, increase the usefulness and helpfulness of the newsletter content, and find additional ways to direct customers to the various content on the MPU website.

Catherine Veschi, Eric Duenkel, and Jennie Nelson left the meeting at 4:26 p.m.

**WASTWATER TREATMENT FACILITY TRANSFER:** T. Adams provided an update on the remaining items needed to finalize the transfer of the WWTF to MPU effective January 1, 2023. A discussion was held on the capital projects discovered during the due diligence process and commission recommended issuing rate increases beginning in 2023 and incremental through 2025 to cover the \$11m project proposed for 2025. A discussion was held on the ordinance regarding threshold of expenditures needing Council approval. The consensus was to consider requesting an increase at a future time to adjust the values of the thresholds.

**MOTION:** A Motion was made by Commissioner Diedrich and seconded by Commissioner Seidl to approve the Dave Berg cost of service study, Lockton wage study, Donohue master plan, the split of the cash reserves, and demarcation that would be a contingency. Motion carried unanimously.

**2023-2027 DRAFT CAPITAL BUDGET:** The proposed 2023-2027 Capital Budget was distributed and discussed. The 2023 budget is estimated at \$8,084,313 million, which for the first time, includes the WWTF budget amount of \$1,818,000. The 2023 budget will not require any borrowing. The key projects include the Electric System Resiliency Project; stack filter rehabilitation and repairs; WWTF automation; initial payments on a new plat tie substation transformer; and routine annual capital projects.

**MOTION:** A Motion was made by Commissioner Seidl and seconded by Commissioner Sitkiewitz to approve the 2023 capital budget as presented. Motion carried unanimously.

**2023-2025 DRAFT O&M BUDGET:** The proposed 2023 and preliminary 2024 and 2025 O&M budgets were distributed to the Commission for review. The 2023 total operating revenues are estimated at \$61.3 million, a decrease of \$17.1 million from annualized 2022. The 2023 total operating expenses are estimated at \$60.7 million, a decrease of \$15.8 million from annualized 2022. The budget assumes a reduction in generation for 2023 due to significantly higher fossil fuel costs as the transition to renewable fuel pellets continues.

Commissioners thanked the team for their hard work in completing the budget process.

**MOTION:** A Motion was made by Commissioner Seidl and seconded by Commissioner Diedrich to approve the 2023 O&M Budget as presented. Motion carried unanimously.

**GENERAL MANAGER'S REPORT:** The report was distributed for review with a brief discussion on the federal mogul issue, the fire by reverse and if the damage to MPU substation property is billable, the lead service line replacement SOP, and the return of equipment from Maritime Plumbing and US Army Reserve.

**MINUTES:** The Minutes from the Regular Session Meeting on October 24, 2022 were presented for approval.

**APPROVAL OF CLAIMS:** Claims List dated November 15, 2022, and Wires dated November 9, 2022 were presented for approval.

**APPROVAL OF WWTF CLAIMS:** Claims List dated October 28, 2022; Claims List dated November 4, 2022; and Claims List dated November 11, 2022 were presented for approval.

**APPA LEGISLATIVE RALLY:** The request for Commission attendance at the APPA Legislative Rally was presented. The APPA Legislative Rally is scheduled for February 26, 2023 in Washington D.C. The Legislative Rally offers members of the public power community an opportunity to work together on federal legislative and regulatory issues that affect the industry. During the rally, individual meetings with the Wisconsin Congressional delegation will also be conducted. The approximate costs per person are \$2,375.

**2021 CONSERVATION PERFORMANCE REPORT:** The 2021 Conservation Performance Report was presented for review with no discussion.

**MISO ANNUAL ACTIVITY SUMMARY REPORT:** The following highlights of MISO activity were presented to Commission for MISO 2021-2022: MPU's actual peak demand is 106.7 MW; peak demand forecast error is 2.9%; 77 MW load of MPU is served through bilateral agreement with GLU; annual load forecast error was 4.74%, a slight increase from PY 2020-2021. Changes will be needed to the current strategy for MISO PY 2022-2023 as the bilateral agreement with GLU is reducing to 13 MWs and the short-term energy contracts with Dairyland Power Cooperative start on January 1, 2023. Development of a dollar-weighted forecast error metric may

be advisable to reflect the asymmetrical risk of market load purchases. A brief discussion was held on the forecast error.

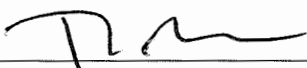
**MOTION:** A Motion was made by Commissioner Diedrich and seconded by Commissioner Sitkiewitz to approve the Regular Session Minutes from October 24, 2022; the Claim List dated November 15, 2022 check nos. 99347 through 99514 totaling \$2,122,005.35; Wire Transfers dated through November 9, 2022 totaling \$3,832,957.96; Claims List for WWTF batch 714.10.2022 dated October 28, 2022 totaling \$150,143.52; Claims List for WWTF batch 711.04.2022 dated November 4, 2022 totaling \$9,700.49; Claims List for WWTF batch 712.11.2022 dated November 11, 2022 totaling \$46,567.95; Commission attendance at the APPA Legislative Rally in February 2023; and to place on file the 2021 Conservation Performance Report and the MISO Annual Activity Summary Report. Motion carried unanimously

**QUOTATIONS/BIDS:** Three-Phase, Padmount Transformers – 75-750-1000 and 2000KVA. Due to supply chain issues and Commission meeting schedule, a special request was made to authorize the GM to award the bid to the lowest evaluated bid following the November 18, 2022 deadline for bid submissions and report the decision to Commission at its December 12, 2022 meeting.

**MOTION:** A Motion was made by Commissioner Seidl and seconded by Commissioner Diedrich to authorize the GM to award the bid for the three-phase, padmount transformers. Motion carried unanimously.

**NEXT MEETING:** Monday, December 5, 2022 at 4:00 p.m.

**ADJOURN:** A Motion was made to adjourn the meeting by Commissioner Seidl. Meeting adjourned at 4:53 p.m.

  
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Approved: Troy Adams, General Manager

  
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Approved: Alex Allie, Secretary