

# Proposed As Consent Item

MINUTES OF THE  
SHAKOPEE PUBLIC UTILITIES COMMISSION  
June 20, 2022  
Regular Meeting

1. Call to Order. President Mocol called the June 20, 2022, meeting of the Shakopee Public Utilities Commission to order at 5:00 PM. President Mocol, Vice President Krieg, Commissioner Brennan, Commissioner Fox, and Commissioner Letourneau were present.
2. Approval of Consent Agenda. Vice President Krieg asked that item (3g) be pulled for discussion. Commissioner Fox moved approval of all other items on the consent agenda: (3a) June 6, 2022 Minutes; (3b) June 20, 2022, Agenda; (3c) June 6, 2022 Warrant List, Account Credit Request/Deposit Refunds; (3d) June 20, 2022 Warrant List; (3e) Water Dashboard; and (3f) Capitalization Policy. Commissioner Letourneau seconded the motion. Ayes: Mocol, Krieg, Brennan, Fox, and Letourneau. Nays: None. Motion carried. As for item (3g), EPA PFAS Announcement Memo, Water Superintendent Lon Schemel clarified that federal primary drinking water regulations are expected in the fall, which may affect the SPU hybrid water treatment project. Vice President Krieg moved approval of item (3g); Commissioner Fox seconded the motion. Ayes: Mocol, Krieg, Brennan, Fox, and Letourneau. Nays: None. Motion carried.
3. Liaison Report. Commissioner Brennan noted that Xcel Energy representatives will attend the City Council meeting on June 21, 2022.
4. Public Comment Period. No public comments were offered.
5. General Manager Report. Joseph Adams, Director of Planning and Engineering, provided an update on behalf of Mr. Drent. He noted that SPU has assisted the School District in evaluating information concerning potential solar projects. He reported that SPU and MVEC made a joint filing to the MPUC to adjust the official service territory boundaries; they also sent letters to all affected customers. Mr. Adams noted that after further discussions with City and School District representatives concerning the potential water treatment site, it appears that SPU will likely need to consider other sites. He noted that the Canterbury irrigation system is now being fed by its pond and is not connected to SPU's water system. Mr. Adams stated that the Coalition for a Secure Energy Future will honor Senator Pratt with the 2022 Energy Champion award; SPU Commissioners and managers, City staff, MVEC leadership, and representatives of SPU's larger customers have been invited to attend. Mr. Adams reported on discussions with Xcel Energy concerning the West Shakopee Substation and phasing and timing of the transmission tap.
6. Water Report. Mr. Schemel reported that water pumpage has increased to 13.25 million gallons/day from 7.5 million at the beginning of June. He also presented a map showing the

flushing progress. Mr. Schemel noted that drilling will start this week on Well 23 and should take approximately four weeks.

7. Electric Report. Brad Carlson, Electric Superintendent, reported that SPU's peak this afternoon measured at 108.4. Mr. Carlson reported multiple outages, including June 6<sup>th</sup> for circuit 52, which affected 11,000 customers for approximately 33 minutes; a squirrel outage on June 12<sup>th</sup> affecting 50 customers; a cable that failed under the overpass of 169 on Eagle Creek today, with staff working on shedding load; when Xcel Energy's transmission pole was struck, SPU had to take out the Shakopee Substation; and on June 16<sup>th</sup>, a contractor hit an overhead line, affecting 680 customers. Mr. Carlson also provided project updates on Whispering Waters, Valley Crest Addition, relocation of cables at the Emblem project; and the Levee Drive duct bank.

8. SPU's Electric System Review. Mr. Adams provided an overview of the SPU electric system, with a detailed history of the substations and how the feeder system promotes reliability. He described the current challenges with the relocation of circuit 9, as well as circuits 8 and 10, underground during construction in the area. He noted that the Blue Lake Substation is the only one in which SPU pays Xcel Energy for transformation. Mr. Adams noted that it would be helpful to understand whether Xcel plans any system reinforcements at the Blue Lake Substation.

9. Marketing/Customer Service Report. Sharon Walsh, Director of Key Accounts/Marketing/Special Projects, reported that AMI bids were opened today; SPU received seven responses, ranging from \$4.2 million to \$9.1 million. She also noted that she plans a mid-year review on the conservation budget. Ms. Walsh noted that SPU and MVEC will send a second letter to all customers affected by the service territory exchange, notifying them of the MPUC proceeding. Ms. Walsh reported that the first Rhythm on the Rails event is on Wednesday, and SPU staff will attend with the electric vehicle to answer questions. She also is working on communication and updates to customers as to recent outages.

10. May Financials & Accounts Receivable Aging. Kelley Willemsen, Director of Finance and Administration, presented the current financial report. She noted that although water and electric revenues are currently lower than budget, they are higher than in 2021, and they should stabilize in the next few months. She also provided an update as to SPU reinvestments and decreased accounts receivable. Commissioner Letourneau moved to accept the May 2022 financial report; Commissioner Fox seconded the motion. Ayes: Mocol, Krieg, Brennan, Fox, and Letourneau. Nays: None. Motion carried.

11. Adjourn. Motion by Commissioner Fox, seconded by Vice President Krieg, to adjourn to the July 18, 2022, meeting. Ayes: Mocol, Krieg, Brennan, Fox, and Letourneau. Nays: None. Motion carried.

  
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Greg Drent, Commission Secretary