

VILLAGE PRESIDENT
Seth Speiser

VILLAGE CLERK
Jerry Menard

VILLAGE TRUSTEES
Mathew Trout
Dean Pruett
Elizabeth Niebruegge
Lisa Meehling
Ray Matchett, Jr.
Mike Blaies

VILLAGE OF FREEBURG

FREEBURG MUNICIPAL CENTER
14 SOUTHGATE CENTER, FREEBURG, IL 62243
PHONE: (618) 539-5545 • FAX: (618) 539-5590
Web Site: www.freeburg.com

VILLAGE ADMINISTRATOR
Tony Funderburg

VILLAGE TREASURER
Bryan A. Vogel

PUBLIC WORKS DIRECTOR
John Tolan

POLICE CHIEF
Stanley Donald

VILLAGE ATTORNEY
Weilmuenster Law Group, P.C

August 6, 2015

NOTICE MEETING OF THE ELECTRIC COMMITTEE (Blaies/Matchett/Niebruegge/Pruett)

An Electric Committee Meeting of the Village of Freeburg will be held at the Municipal Center, Executive Board Room, on **Wednesday, August 12, 2015, at 5:30 p.m.**

ELECTRIC COMMITTEE MEETING AGENDA

I. Items to be Discussed

- A. Old Business**
 - 1. Approval of July 15, 2015 Minutes
 - 2. Surplus Equipment
 - 3. IMEA Grant Program
 - 4. Charter Pole Agreement
 - 5. Safety Award Program
 - 6. Urge Testing Results
 - 7. Spreadsheet of Agreements
- B. New Business**
 - 1. IMEA Power Sales Contract Revision
- C. General Concerns**
- D. Public Participation**
- E. Adjourn**

At said Electric Committee Meeting, the Village Trustees may vote on whether or not to hold an Executive Session to discuss the selection of a person to fill a public office [5 ILCS, 120/2 – (c) (3)], litigation [5 ILCS, 120/2 - (c)(11)] personnel [5 ILCS, 120/2 – (c)(1)]; or real estate transactions [5 ILCS, 120/2 - (c)(5)].

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ELECTRIC COMMITTEE MEETING
(Blaies/Matchett/Niebruegge/Pruett)
Wednesday, July 15, 2015 at 6:30 p.m.

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The meeting of the Electric Committee was called to order at 6:45 p.m. on Wednesday, July 15, 2015 by Chairman Mike Blaies. Committee members present were Chairman Mike Blaies, Trustee Ray Matchett, Trustee Elizabeth Niebruegge, Trustee Dean Pruett, Mayor Seth Speiser (absent), Village Clerk Jerry Menard (absent), Trustee Lisa Meehling, Trustee Matt Trout, Public Works Director John Tolan (absent), Head Lineman Shane Krauss, Village Administrator Tony Funderburg and Office Manager Julie Polson. Guest present: Janet Baechle.

A. OLD BUSINESS:

1. Approval of June 10, 2015 Minutes: Trustee Mike Blaies motioned to approve the June 10, 2015 minutes and Trustee Ray Matchett seconded the motion. All voting yea, the motion carried.
2. Surplus Equipment: Shane advised we had 4 items sell today. We still have the bucket truck up for bid that will close at end of the month. Right now, we have over \$4,000 in bids on it.
3. IMEA Grant Program: Tony said, to his knowledge, no-one else has applied.
4. Charter Pole Agreement: There is nothing new on the agreement. Trustee Trout asked Tony if he talked to Charter about their solicitation in Freeburg. Tony said they have a right to come oin and solicit but they have to follow our rules. They don't have to pay for permit.
5. Safety Award Program: There is nothing new on this.
6. BHM&G Rice Neshap Compliance: Shane confirmed the urge testing will be conducted on July 23rd and 24th.
7. Spreadsheet of Agreements: Julie has not had a chance to work on this.
8. Electric Legacy Rate Customer: Tony said the letter was sent, the bill has been paid. Item can be taken off the agenda.
9. Electric Work at High School Concession Stand Area: Shane said that was taken care of. Their footing stairsteps on top of our conduit. Ok, take off.

B. NEW BUSINESS:

1. Regional Power Market Seminar: This seminar will be held on August 13, 2015 in Collinsville. Also, Kevin Gagen from IMEA will be here on the 28th.

Shane said with regard to the Village Hall power outage, Village Hall is fed by a dedicated underground circuit. The express feeder tripped out from north sub. After they isolated the problem, they were able to kick the express back on in 21 minutes. ESDA fired up the generator so they weren't without power during the storm. Shane advised he has one generator at Illinois Electric, and they advised it is not worth saving. We are down to one trailer unit and two portable units. Trustee Blaies brought up the traffic lights at State St. and Rt. 15 were not working after that. Shane advised the internal parts of the cabinet were replaced with in-stock items.

C. GENERAL CONCERNS: None.

D. PUBLIC PARTICIPATION: None.

E. ADJOURN: *Trustee Dean Pruett motioned to adjourn the meeting at 7:03 p.m. and Trustee Ray Matchett seconded the motion. All voting yea, the motion carried.*



Julie Polson
Office Manager



IPEA • IMUA

3400 CONIFER DRIVE, SPRINGFIELD, IL 62711
217-789-4632 / FAX 217-789-4642

July 29, 2015

RECEIVED

JUL 31 2015

Dear IMEA Participating Member:

In accordance with Section 3 of the Power Sales Contract, IMEA hereby gives notice of revisions to Rate Schedule B. This rate schedule was approved at the June 25, 2015 Board of Director's meeting and will become effective February 1, 2016. Please file the enclosed rate schedule with your Power Sales Contract with IMEA.

As always, call if you should have any questions.

Sincerely,

Kevin M. Gaden
President & CEO

Enclosure

**PARTNERS IN DELIVERING
EXCELLENCE IN UTILITY SERVICES**

**ILLINOIS MUNICIPAL ELECTRIC AGENCY
ILLINOIS PUBLIC ENERGY AGENCY
ILLINOIS MUNICIPAL UTILITIES ASSOCIATION**

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SCHEDULE B

**ILLINOIS MUNICIPAL ELECTRIC AGENCY
POWER SALES RATE SCHEDULE**

1. **Applicability.** This Power Sales Rate Schedule is applicable to electric service for all requirements for municipal use and redistribution to retail customers purchased in accordance with the provisions of the Power Sales Contract, other than those requirements purchased under Schedules B-2, B-4, and B-6.
2. **Availability.** This Power Sales Rate Schedule is available to Participating Members of the Agency who have executed a Power Sales Contract.
3. **Character of Service.** Electricity furnished under this Schedule B at one or more Points of Delivery as set forth in Schedule A shall be sixty-Hertz, three phase, alternating current.
4. **Billing Rates.** (a) For electricity furnished under Schedule B, the related charges for each Billing Period shall be determined as follows:

Demand Charges:

Power Supply Charge	\$9.50 per kilowatt ("kW") of Billing Demand
1991 Project Charge/Payment	As set forth in Section 4(b) below
Delivery Service Charge	\$3.75 per kilowatt ("kW") of Billing Demand for Members with delivery voltage less than 100 kV -OR- \$2.40 per kilowatt ("kW") of Billing Demand for Members with delivery voltage of 100 kV or greater
Backup Facilities Charge	Any Member who has access to an alternative feed for which IMEA incurs separate additional charges from a Delivery Service Provider will reimburse IMEA the actual cost of such additional facilities.
Energy Charge	35.00 mills per kilowatt-hour ("kWh") for all Billing Energy
Reactive Demand Charge	\$0.25 per kilo-VAr ("kVAr") for each kVAr of Maximum Lagging Reactive Billing Demand
Cost Adjustments	As set forth in Section 9 below

7. **Billing Energy.** The Billing Energy in any Billing Period shall be the metered energy for the period as determined under paragraphs 4 and 5 giving effect to all applicable adjustments as required, including those for Schedules B-2, B-4, and B-6.
8. **Maximum Lagging Reactive Billing Demand.** The Maximum Lagging Reactive Billing Demand for any billing period shall be the highest hourly summation of the flow of reactive power from IMEA to each Participating Member during the Billing Period.
9. **Cost Adjustments.** The Agency shall apply adjustment factors as either charges or credits on the Participating Member bills as determined from the variance in the Agency's demand and energy supply costs from those as calculated at the time of the Agency's base rate determination or to distribute revenues associated with premiums charged to certain purchasers. Adjustments for variances in demand related costs shall be accounted for using the Demand Cost Adjustment ("DCA"). Adjustments made to credit the amount collected from the premium paid by new Participating Members or other purchasers shall be accounted for using the Premium Credit Adjustment ("PCA"). Adjustments for variances in energy related costs shall be accounted for using the Energy Cost Adjustment ("ECA"). Adjustments for variances in the 2007C debt service costs shall be accounted for using the Debt Service Adjustment ("DSA"). The DCA, PCA and ECA will be applied on the invoice following the applicable month of service but shall be applied to the demand or energy usage from the prior billing period. The DCA, PCA, ECA and DSA are further defined below:

DCA: Demand related cost variance shall be computed monthly as the difference between the Agency's actual and base demand related costs. The resulting DCA factor for the period shall be calculated to the nearest \$0.01 per kilowatt, using the following formula:

$$DCA = \frac{SRDC - (9.50 \text{ times } MBD)}{MBD}$$

Where:

SRDC is the total fixed costs of the Agency's System Resources used to serve the Agency's Participating Members during the prior billing period, which includes, but is not limited to, the following:

- (1) Capacity payments to generating Participating Members.
- (2) The demand related costs of all long term power purchased by the Agency.
- (3) One-half of the monthly debt service obligation associated with the financing of Agency- owned resources and facilities other than the debt service associated with the 2007C Revenue Refunding Bonds. The debt service obligation shall include any remaining capitalized interest once a project has been placed in commercial operations and shall be proportioned monthly based on historic monthly demand.
- (4) The monthly fixed operations and maintenance expense associated with the production and transmission of electricity from the Agency's own resources.

- (5) A credit for the revenue collected by the Agency related to the Schedule B-6 demand charges.
- (6) A credit for the revenue collected by the Agency related to the Reactive Demand Charge.
- (7) A credit for the revenue collected by the Agency related to the 1991 Project Demand Payment - New Participating Members as calculated in accordance with Section 4(b)(3) above.
- (8) Other monthly fixed costs, credits or Agency obligations which are considered related to the supply of capacity to the Participating Members, and are considered appropriate to charge as a demand related cost by the Board of Directors.

MBD is the total kilowatt billing demand of the Agency's Participating Members under Rate Schedule B for the prior period, excluding the kilowatt billing demand billed under the Hydro Backup Rate (See Resolution 94-6-318) and Schedule B-6.

PCA: The PCA shall be a credit paid monthly to the 29 Participating Members who executed a Power Sales Contract with IMEA prior to January 1, 2007. The premium shall be collected from the Participating Members and other purchasers on a monthly basis based on the appropriate rate methodology as contained in the respective Addendum to Power Sales Contract. The total premium amount collected from Participating Members and other purchasers shall then be credited to the 29 Participating Members based on the following formula, rounded to the nearest \$0.01 per kilowatt:

$$PCA = \frac{PR \text{ times } (-1)}{MBD29}$$

Where:

PR is the total premium revenues collected for the prior month from the premium charged to Participating Members and other purchasers under their respective Addendums.

MBD29 is the total kilowatt billing demand for the prior month of the 29 Participating Members who executed a Power Sales Contract with IMEA prior to January 1, 2007.

ECA: Energy related cost variance shall be computed monthly as the difference between the Agency's actual and base energy related costs. The resulting ECA factor for the period shall be calculated, to the nearest \$0.00001 per kilowatt-hour, using the following formula:

$$ECA = \frac{SREC}{MBE} - 0.03500$$

Where:

SREC is the total energy related cost of the Agency's System Resources for the Agency's Participating Members' usage during the period, which includes, but is not limited to, the following:

- (1) Fuel and generation payments to generating Participating Members.
- (2) The energy related costs of losses associated with transmission and distribution service charges.
- (3) The costs of all long and short-term energy and all short term power purchased by the Agency.
- (4) The monthly fuel and variable operations and maintenance expenses associated with the production of electricity from the Agency's own resources.
- (5) One-half of the monthly debt service obligation associated with the financing of Agency- owned resources and facilities other than the debt service associated with the 2007C Revenue Refunding Bonds. The debt service obligation shall include any remaining capitalized interest once a project has been placed in commercial operations and shall be proportioned monthly based on historic monthly demand.
- (6) 2.50 Mills/kWh – For the purpose of funding ongoing capital requirements and increasing the Agency's General Reserve Fund.
- (7) Current year Delivery Service Charge revenue in excess of delivery service expenses, which have not yet been placed into the Renewals & Replacements Fund or otherwise used to offset delivery service expenses ("Excess Delivery Service Revenues"), may be used at the discretion of the President & CEO as a credit in this Energy Cost Adjustment ("ECA") formula. Delivery service expenses in excess of Delivery Service Charge revenue for a given month shall be added to the ECA formula if and to the extent there are no remaining Excess Delivery Service Charge Revenues for the current fiscal year.
- (8) Other monthly operating costs, credits or Agency obligations which are considered related to the supply of energy to the Participating Members, and are considered appropriate to charge as an energy-related cost by the Board of Directors.
- (9) At the discretion of the President & CEO, up to \$1,500,000 of Rate Stabilization Account funds may be used in any month (up to a maximum of \$6,000,000 in any one fiscal year) as a credit to SREC to reduce the rate impact to the Members caused by any extraordinary cost(s) which results in the average cost to the Participating Members exceeding a 10% increase over the same month of the previous year. If the President & CEO elects to use any Rate Stabilization Account funds for such purpose, then the funds will be recouped through a charge to the SREC over a period not to exceed the following 12 monthly periods.

MBE is the total kilowatt-hour billing energy for each billing period of the Agency's Participating Members.

DSA: The debt service cost variance associated with the Series 2007C Bonds shall be computed monthly as the difference between the revenue collected from the 1991 Project Demand Charge in Section 4(b)(1) above and the monthly debt service requirement ("DSR") for the 2007C Bonds. Amounts calculated for the DSA may be accumulated for several months during a fiscal year and then apportioned on a pro-rata basis to the 19 Participating Members paying the 1991 Project Demand Charge for regular 30 year debt service in accordance with Section 4(b)(1) above. Credits so accumulated shall be refunded to such Members during the fiscal year at the discretion of the President & CEO so the net amount remaining in the DSA at the end of the fiscal year is zero.

$$DSA = (2.40 \text{ times } ABD) + DSB - DSR$$

Where:

ABD is the adjusted billing demand of Participating Members paying 30 year debt service.

DSB is the debt service collected under the B-2 rate.

DSR is the actual debt service requirements for the billing period. The debt service requirement shall be proportioned monthly based on historic monthly demand.

10. Adjustment for Service to Non-Participating Members. Adjustments to the Energy Cost Adjustment may be made monthly to reflect the costs of service and revenues derived from sales by the Agency to non-participating member systems. The revenues from such sales shall be examined monthly on a case-by-case basis and any profits shall be credited to the rate stabilization account unless directed otherwise by the Board of Directors.
11. Tax Adjustment. In the event of the imposition of any tax, or payment in lieu thereof, by any lawful authority on the Agency for the purchase, production, transmission, or sale of electricity, the charges hereunder may be increased to pass on the Member its share of such tax or payment in lieu thereof.
12. Billing Period. The Billing Period shall be as nearly as practical to a calendar month.

Effective: February 1, 2016

Approved: _____


Chairman

Issued by: _____


President & CEO

