

GREENVILLE UTILITIES COMMISSION
GREENVILLE, NORTH CAROLINA

Thursday, February 15, 2024

The Board of Commissioners of the Greenville Utilities Commission met in the Greenville Utilities Board Room in regular session at 12:00 noon with the following members, and others present, and Chair Geiger presiding.

Commission Board Members Present:

Peter Geiger	Mark Garner
Lindsey Griffin	Dr. Wanda D. Carr
Ferrell L. Blount III	Dillon Godley
Tommy Stoughton	Michael Cowin

Commission Staff Present:

Tony Cannon, General Manager/CEO	Lou Norris
Chris Padgett	Kevin Keyzer
Jeff McCauley	Jonathan Britt
Phil Dixon	Tony Godwin
Anthony Miller	Kathy Howard
John Worrell	Amanda Wall
David Springer	Paige Wallace
Richie Shreves	Emily Garner
Andy Anderson	Erin Walton
Scott Mullis	Karin Fullington
Amy Wade	Linda Clark
Ken Wade	Cameron Britton
Colleen Sicley	Carl Smith
Durk Tyson	Jacob Swink
Scott Farmer	Latoria Barrett
Steve Hawley	Glenn Crumpler

Others Attending:

Les Robinson, City Liaison; Jeff Monico and David Ames, Cypress Group of NC Sierra Club; Rick Smiley, Citizen; and Jennifer Vogt, Chamber Leadership Institute.

Chair Geiger called the meeting to order. Secretary Blount ascertained that a quorum was present.

ACCEPTANCE OF THE AGENDA

A motion was made by Mr. Griffin, seconded by Dr. Carr, to accept the agenda as presented. The motion carried unanimously as amended.

SAFETY BRIEF AND RECOGNITION OF HEROIC ACT

Mr. Kevin Keyzer, Operations Support Manager, provided a safety brief and explained the plan of action should there be an emergency at today's meeting. Mr. Keyzer provided a safety moment recognizing a heroic act from two GUC employees, Latoria Barrett, Warehouse Support Specialist, and Glenn Crumpler, Gas Systems Supervisor. He shared the story of how they assisted an individual that was in a vehicular accident. Latoria spotted a crashed vehicle off the side of the road on her way home from work. She knew Glen lived nearby and drove to his home and retrieved the fire extinguisher off of his GUC truck. In addition, Glenn grabbed his personal fire extinguisher from his home, and they proceeded to subdue the fire on the crashed vehicle. Another good Samaritan assisted to extract the driver from the vehicle as they could not get out on their own. The vehicle engulfed in flames immediately after.

Mr. Keyzer congratulated the two for the heroic acts.

RECOGNITION OF AMERICAN PUBLIC POWER ASSOCIATION'S EXCELLENCE IN PUBLIC POWER COMMUNICATIONS AWARD

Mr. Steve Hawley, Communications Manager/Public Information Officer, introduced his team and recognized them for their accomplishment in receiving the APPA Excellence in Public Power Communications Award for GUC's "Outage Text Notification Rollout." The campaign won for digital and print format.

The team includes Public Information Specialist Emily Garner, Communications Specialists Erin Walton, Karin Fullington, Linda Clark, and Intern Cameron Britton. They worked collaboratively on this campaign and did a great job. Mr. Hawley thanked everyone involved.

CONSENT AGENDA

Mr. Tony Cannon, General Manager/CEO, presented the following items for approval on the consent agenda:

(Agenda Item 1) Approval of Minutes - Regular Meeting: January 18, 2024, and Governance Workshop Sessions: January 22 and 23, 2024

(Agenda Item 2) Recommended Award of Bid for Tubular Steel Structures for Point of Delivery 3 to Simpson 115kV Transmission Loop – ECP 10168

A motion was made by Mr. Godley, seconded by Mr. Stoughton, to approve the consent agenda as presented. The motion carried unanimously.

STAFF PRESENTATION

Proposed NCEMPA Rider No. 1 Adjustment Factor:

Mr. Cannon stated that under the Full Requirements Power Purchase Agreement (FRPPA) between Duke Energy Progress (DEP) and North Carolina Eastern Municipal Power Agency (NCEMPA), a true-up of the prior calendar year costs is provided by DEP to NCEMPA in June of each year. Components of the true-up include capacity rates, coal combustion residuals (CCR) costs, and energy rates. NCEMPA's Rider No. 1 was designed to directly "pass on" (collect or credit) to the Members the FRPPA true-up costs or credits over a twelve-month period beginning in October. Rider No. 1 was modified in January 2018 to provide NCEMPA the ability to suspend or reinstate the rider. NCEMPA has suspended Rider No. 1 for five of the past seven FRPPA true-ups and the costs or credits were absorbed by working capital. In September 2020, Rider No. 1 was again modified to provide NCEMPA the ability to take credit or charge in single lump-sum or spread over 12 months. The most recent modification was approved in September 2022 to provide NCEMPA the ability to pass through the credit or charge over 24 months.

The 2022 FRPPA true-up resulted in a \$53M charge to NCEMPA, which will be collected from NCEMPA's 32 members over 24 months, effective April 2024. GUC's allocation is approximately \$12.8M, or 4.7% of annual purchased power related charges. To begin recovering or crediting, as applicable, NCEMPA Rider No. 1 charges for the NCEMPA Rider No. 1-22 and for future true-ups, GUC is proposing the addition of a NCEMPA Rider No. 1 Adjustment factor to the Purchase Power Adjustments (PPA) energy rates for electric customers.

Residential customers would see an average \$3.59 per month impact to their bill from April 1, 2024 thru March 31, 2026.

Public Hearing:

Chair Geiger stated that as properly advertised there will be a public hearing regarding the addition of a NCEMPA Rider No. 1 Adjustment (NR1) factor to Electric Rider RR-4 – Purchase Power Adjustments (PPA) energy rates.

The public hearing opened at 12:11 p.m. and with no one registered with the Executive Secretary to speak, Chair Geiger declared the public hearing closed at 12:12 p.m.

CONSIDERATION OF PROPOSED NCEMPA RIDER NO. 1 ADJUSTMENT FACTOR
(Agenda Item 3)

After brief discussion, a motion was made by Mr. Godley, seconded by Mr. Cowin to approve the addition of a NCEMPA Rider No. 1 Adjustment (NR1) factor to Electric Rider RR-4 – Purchase Power Adjustments (PPA) energy rates and associated updates to PPA references in Electric Rate Schedules EG-3, EG-4, and EG-6, effective April 1, 2024. The motion carried unanimously.

REVIEW OF MONTHLY FINANCIAL STATEMENT – JANUARY 31, 2024 (Agenda Item 4)

January 31, 2024, Financial Statement:

Key financial metrics for the combined funds for the period ending January 31, 2024:

Operating Cash	\$82,574,973	Days of Cash on Hand	126
Less Current Liabilities	<u>(\$29,359,408)</u>		
Fund Balance	\$53,215,565	Days of Cash on Hand After Liabilities	81
Fund Balance Available for Appropriation	18.7%		
Average Investment Yield	3.39%		

Fund Equity/Deficit Before Transfers

	Current Month			Year to Date		
	Actual	Budget	Last Year	Actual	Budget	Last Year
Electric	(\$1,167,251)	(\$3,121,558)	(\$1,491,527)	(\$3,005,821)	(\$4,207,373)	(\$1,696,208)
Water	\$196,760	\$42,962	\$770,053	\$1,059,367	\$1,001,962	\$3,501,669
Sewer	\$127,898	(\$180,891)	\$157,203	\$1,204,149	\$265,480	\$1,455,438
Gas	\$1,414,256	(\$1,804,698)	\$1,300,922	\$2,235,037	(\$5,820,639)	\$52,519
Combined	\$571,663	(\$5,064,185)	\$736,651	\$1,492,732	(\$8,760,570)	\$3,313,418

Fund Equity/Deficit After Transfers

	Current Month			Year to Date		
	Actual	Budget	Last Year	Actual	Budget	Last Year
Electric	(\$517,251)	(\$2,471,558)	\$508,473	\$894,179	\$342,627	\$7,115
Water	\$196,760	(\$90,371)	\$270,053	\$509,367	\$68,631	\$1,390,133
Sewer	\$127,898	(\$230,891)	\$57,203	\$854,149	(\$84,520)	\$22,445
Gas	\$1,414,256	(\$1,604,698)	\$1,300,922	\$2,235,037	(\$4,420,639)	\$160,116
Combined	\$1,221,663	(\$4,397,518)	\$2,136,651	\$4,492,732	(\$4,093,901)	\$1,579,809

Mr. McCauley provided a presentation on the Financial Statement for January 31, 2024.

The weather impact for the month of January indicated that the January Heating Degree Days were higher than last year. The January rainfall was approximately 3 inches which was lower than last year. The portfolio earned 3.4% for the month of January.

Overall year-to-date results through the end of January remain stable. The Electric Rate Stabilization Reserves are approximately \$15.9 million, and the Gas Rate Stabilization Reserves are \$4.9 million. The Operating Reserves are 126 Days Cash on Hand, and Renewals and Replacements Reserves are approximately \$2.6 million. The Capital Project Funds Reserved for Existing and Future Capital Projects are approximately \$20.0 million.

After discussion, a motion was made by Mr. Garner, seconded by Mr. Stoughton to accept the January 31, 2024 Financial Statement. The motion carried unanimously.

RECOMMENDED APPROVAL OF GUC REPRESENTATIVE TO SERVE ON THE GREENVILLE ENC ALLIANCE BOARD OF DIRECTORS (Agenda Item 5)

Mr. Cannon reminded the Board of Commissioners that the Greenville-ENC Alliance, (the Alliance) was established to lead economic development efforts county-wide. Members of this partnership include GUC and the City of Greenville as sustaining members, other Pitt County municipalities and various other public and private sector investors. The Alliance is governed by a Board of Directors to manage the property, affairs, and business of the Alliance.

As a sustaining member, Greenville Utilities Commission shall appoint three (3) members to serve on the Board of Directors as voting members. One of the current seats on the Alliance Board of Directors is vacant and needs to be filled. As such, the GUC Board Chair nominates Freeman Paylor to serve on the Alliance Board of Directors as a voting member on behalf of Greenville Utilities Commission. Mr. Paylor will replace Jon Anderson.

After discussion, a motion was made by Mr. Stoughton, seconded by Mr. Cowin to approve GUC Representative Freeman Paylor to serve on the Greenville ENC Alliance Board of Directors. The motion carried unanimously.

GENERAL MANAGER’S/CEO REPORT (Agenda Item 6)

1. Informational Reading

Bids, Statistical Data Report, Sewer Spill Tracking Report, Load Management Report, and PGA Report were provided.

The following Bids awarded by the General Manager/CEO during the past month were reported for information:

GREENVILLE UTILITIES COMMISSION
RANKING OF PROPOSALS RECEIVED
 IT PENETRATION TEST
 DECEMBER 19, 2023 @ 3:00 PM

VENDOR PROPOSAL RANKING
Securance Consulting*
Janus Consulting
ERM Protect Cybersecurity Solutions
Novacoast Inc.
Shore Break
Bulletproof
Trusted Sec
Guide Point Security
Moss Adams
Certus Cybersecurity
Milli Micro Systems
Global Solutions Group
Acumen
ePlus
Innovative Logics
Cogent Infotech Corporation
Spirent
FRSecure
TAC Security
Bay Infotech
Converge Technology Solutions
Net SPI

* Indicates recommended vendor to negotiate a contract.

TABULATION OF BIDS RECEIVED

DRESSER DI COUPLINGS.
JANUARY 25, 2024@2:00 PM

VENDORS	DELIVERY TIME (WEEKS)	TOTAL
TEC Utilities Supply, Inc.	1-2	\$35,853.50*
Core & Main, LP	1	38,749.40
Ferguson Enterprises	2-3	41,631.35
Technology International, Inc.	12	102,009.00

* Indicates recommended award based on the lowest responsible, responsive bid.

The Duke Energy Progress (DEP) monthly peak occurred on January 22, 2024, for the hour ending at 7:00 a.m. GUC's load management system was in full operation during this period. As a result, the estimated avoided demand costs amount to \$1,078,815.

2. Key Performance Indicators (KPIs)

The Corporate KPI report was provided.

3. Commendations

Staff Support Specialist Shirley Peele received a call from a customer Beverly Clemmons complimenting Chris Wallace and Jacob Roberti for providing outstanding customer service while investigating a gas leak at her home. Ms. Clemmons stated that they were awesome and very knowledgeable. They answered all her questions and she wanted to commend them for doing an outstanding job in detecting the leak at her gas pack. **Employees' Name:** Chris Wallace, Gas Service Specialist II, and Jacob Roberti, Gas Service Specialist I.

Ms. Peele received a call from customer Ralph Worthington to compliment the gas crew that responded to his service request for providing great customer service when installing his gas service and meter. Mr. Worthington was without heat, and he really appreciated how quick gas was installed at his residence. He stated he really appreciated their hard and diligent work. **Employees' Names:** Paul Bunch, Gas Systems Crew Leader I; Tony Richards, Gas Systems; Crew Leader I, Shaun Pridgen, Gas Systems Technician I; Spencer Dickerson, Gas Systems Technician I; and Logan Smith, Gas Systems Technician II.

Ms. Peele received a call from customer Hugh Bryan to compliment Paul Bunch and Logan Smith for providing great customer service when investigating a gas leak. He stated that they were very nice, professional, and did an excellent job in detecting the leak as well as answering his questions. Overall, he was very pleased with their work and said they exceeded his expectations. **Employees' Names:** Paul Bunch, Gas Systems Crew Leader I, and Logan Smith, Gas Systems Technician II.

4. Other

- Mr. Cannon announced the GUC customer lobbies and drive-thrus will be closed to the public on Monday, February 19, for the implementation of two new systems. Mr. Padgett provided some background on this project noting that the Oracle-based CCS will replace CC&B and Cityworks will replace MWM and WAM. Advanced notice of the lobby closing was provided through various sources. The project was led by Information Technology Director Andy Anderson and his team. The project is on schedule and under budget.

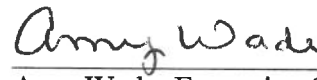
BOARD CHAIR'S REMARKS/REPORT (Agenda Item 7)

Chair Geiger thanked everyone for their participation and good interactions at the recent two-day workshop.

Chair Geiger announced the Finance/Audit Committee Meeting is scheduled for March 6 at 12:00 noon and the Regular Board meeting is scheduled for Thursday, March 21, 2024, at 12:00 noon.


There being no further business to come before the Board of Commissioners, Chair Geiger adjourned the meeting at 12:32 p.m.

Respectfully submitted,



Amy Wade, Executive Secretary

APPROVED:



Ferrell L. Blount III, Secretary