



Independence for All STRATEGIC PLAN 2017-2021

Values

How we use resources:

Responsible – We practice fiscal responsibility. We carefully plan for and spend our resources in appropriate, cost-effective ways.

Sustainable – We manage our resources wisely, using only what we need to meet the current needs of our citizens while also keeping in mind the needs of future generations.

Services are:

Quality – We provide safe, sustainable, and well-maintained public facilities and municipal services to residents and visitors.

Reliable – We protect public health and the environment by providing consistent, reliable, and efficient city services.

Solutions are found through:

Collaboration – We get more work done when we work across departments and partner with the community.

Open communication – We are clear with our ideas and decisions. We aim to build respect and trust, resolve our differences, and create a positive environment.

Our attitude is:

Congenial – We maintain a positive attitude and atmosphere because we treat everyone with respect and fairness.

Empathetic – We are able to step into someone else's shoes, listen, and understand another point of view.

Engaging – We actively engage our citizens to ensure that community concerns and aspirations are consistently understood and considered.

Responsive – We always respond to citizen concerns in a timely and efficient manner.

Trustworthy – Our promises instill trust in our actions and decisions.

Decision making:

Accountable – We accept responsibility for our actions. Our decisions have a real impact on the community and we follow our words with actions.

Credible – We employ experienced and qualified staff. We use trusted sources and our decisions are based on balanced and objective information.

Innovative – We don't shy away from new ideas. We think of creative ways to work together. Our open thinking helps us accomplish our goals.

Ethical – We make equitable, fair and just decisions because that's the right thing to do.

Transparent – We are open and honest with our decisions and supporting data.

Visionary – We make smart, long-term decisions that consider future needs.

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INDEPENDENCE

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A GREAT AMERICAN STORY

Public Utilities Advisory Board Executive Meeting Agenda

February 15, 2024

2:30 PM, Independence Utilities Center 17221 E. 23rd St. So.

I. ROLL CALL

- A. Roll Call
 - 1. Roll Call and Minutes

II. REPORTS

- A. Finance & Administration
 - 1. Questions on Utility Financial Reports - December 2023
- B. Municipal Services - None
- C. IPL
 - 1. January 2024 Winter Blast
 - 2. Update on DKMT Studies
- D. Interim Assistant City Manager for Community Affairs - None

III. BOARD MEMBER COMMENTS

Board Member Comments

IV. ADJOURNMENT

- A. Next Meeting Date March 21, 2024

City of Independence

AGENDA ITEM COVER SHEET

Agenda Title:

Roll Call

1. Roll Call and Minutes

Department: City Manager's Office **Contact Person:** Lisa Reynolds

REVIEWERS:

City Managers Office

Approved

Board Action:

Board Action:

ATTACHMENTS:

- Minutes of 12-21-24



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Municipal Services - Water - Power & Light

CITY OF INDEPENDENCE, MO
PUBLIC UTILITY ADVISORY BOARD

Public Utilities Advisory Board Meeting Minutes
December 21, 2023

PUAB MEMBERS PRESENT

Les Boatright, Chairperson
Anthony Giaramita
Steve McLuckie
Sheri Tindle, Vice-Chairperson
Michael Talcott
Brad Chance

PRESENT FROM MUNICIPAL SERV.

Lisa Reynolds, Director

PRESENT FROM IPL

Jim Nail, Director
Jennifer Sawyer, Div. Admin. Asst.

OTHERS PRESENT

Adam Norris, Deputy City Manager
Stephanie Harris, Accounting Mgr. - F&A
Riley Newton, Asst. Comm. Mgr.

Steve Wagner, City 7

Chairperson, Les Boatright called the meeting to order at 2:30 p.m.

I. ROLL CALL

A. Roll Call - The board was able to establish a quorum. All members were present.

II. REPORTS

A. Finance & Administration

1. Questions on Utility Financial Reports – October 2023 – Stephanie Harris gave an update on all utility financials for the monthly October 2023 reports. She reported that everything looks good for all three utilities. A few things a little off but nothing that doesn't look ok and to be expected.

B. Municipal Services – None

C. IPL – Jim Nail said he has been elected to the Board of Directors for Midwest Reliability Organization (MRO) which is our NERC monitoring region. Went to first quarterly meeting, very interested group of people. Orientation in January. We also had our kick-off meeting for the IPL studies being done by DKMT, included IPL staff, City Managers and other directors. They asked great questions and I think they will do a fantastic job.
Ms. Tindle asked is the board you joined national or is it for SPP. Jim responded SPP is on the operational side MRO works under the umbrella of NERC to monitor our region, north Texas and up into Canada, so upper Midwest.

D. Deputy City Manager –None

III. BOARD MEMBER COMMENTS

A. Board Member Comments –

1. Mr. Talcott said I would like to call a special meeting before next week before the next Council meeting because I understand the purchase of the GEHA building did not get put on



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CITY OF INDEPENDENCE, MO PUBLIC UTILITY ADVISORY BOARD

the agenda because staff did not get back to Khristina in time. We as a board sometime get 24 hours or less to review financials and minutes. If the city doesn't have this information at their fingertips and we are talking a \$32M debt for the GEHA building, to me that's a problem. According to the Charter, which hasn't been changed yet, all these issues are to come to PUAB first. Council has already had a first reading on this. Mr. Talcott proceeded to read the PUAB section of the charter. So, the Council can go ahead and pass whatever they want but according to the charter they still need to give us reasons for that. We are talking about adding \$32M to the debt for ratepayers to shoulder the burden and we don't know what the actual asking price is. The city is depending on a General Obligation (GO) Bond which hasn't even been presented to the public and we don't even know if it will pass. To that point no one even has a plan B. If the project doesn't use all the entire \$20M we don't know what will be done with the excess. One option stated was to use it for something else. We need to remember per Charter, IPL cannot be used as a revenues stream for municipal functions, only IPL. IPL is being asked to purchase a building twice the size of where they are currently at with no apparent critical reason to move. With no idea of how to fill the new building as I understand it's about 90,000 square feet and it's my understanding that City Hall will not be moving there. Where is the money coming from? Is it IPL reserves? And if it is why not take the \$9.15M and save \$23M minus remodel costs. Also, we are in the DKMT study which we are paying roughly \$1M for, so where does that fit in? Will this be a consideration included in the study to skew the results. By adding \$32M in debt would it compromise a sale if a sale issue passed? I don't think it's beneficial to the ratepayers to sell a building for cost and buy one that's more expensive. Especially when the one IPL is currently in is fine, other than they want to put IPD there. I will say my wife and I both volunteer for IPD so there is no one that wants to see them in a more adequate facility than us. However, we need to be sure we are doing this legally, ethically and by the charter and not on the backs of the ratepayers. I just have so many questions that we as a board need to know to make sure the ratepayers are being represented. Again, this is \$32M in debt that is being proposed with no apparent backup plan if the GO Bond fails. Council has already had a first reading and it's up for a second reading and vote on January 2nd. My question is why is this being rushed through during Christmas and bypassing PUAB? I'd like to ask for a special board meeting next week because January 2nd is a week after that and there is a potential vote. I would like for them to present because at the last Council meeting, they had 4 members there to field questions. Whether it's Adam or Zach or the other two that's what I would like to request. We don't have some people here that could set his up so my second idea would be to make a motion to request Council to postpone until we are presented. Mr. Boatright said they already had the first reading so can they postpone the second reading. Mr. Boatright said they can. Mr. Nail said someone in the council meeting would just have to make a motion to postpone it. Mr. Talcott said I will do that; I will make a motion that we as a board officially by letter request that the City Council postpones the second reading and vote on the GEHA building purchase until this proposal is presented along with discussion to the PUAB. Ms. Tindle seconded the motion. Mr. Giaramita said I totally agree, they are putting the cart before the horse on this deal. I think this is dumb. I would very much like to talk about it and get some answers.



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CITY OF INDEPENDENCE, MO
PUBLIC UTILITY ADVISORY BOARD

Mr. Boatright added the timing with the two studies going on and with us not knowing which way that is heading, we shouldn't do this until we figure that out.

Mr. Tindle said normally a special meeting is on the calendar for the first Monday of the month and that would be too late unless they postpone their meeting.

Mr. Talcott said I think we need to send this letter, we are here as a board to hear these things and review, we are here for the ratepayers, we need to be able to evaluate these things and I think this is the second time we haven't had something come to us first.

Mr. Giaramita said unfortunately, I feel there is some contempt for this board among the City Council. So, they are going to do whatever they are going to do anyway. The chair called for the roll for the vote, the motion passed unanimously.

Mr. Boatright said I can draft the letter, get it to Khristina and she can get out to the board for review and then we can get it up to Council. Lisa Reynolds said she just got a message from Adam that he is on his way to the meeting and can talk to you about this when he gets here.

Mr. Boatright said that would be great, but I think we would still like to get that letter to Council.

2. Mr. Boatright asked about the cold weather rule, can you remind us about that? Jim Nail responded the cold weather rule is where we don't shut off if the temperature doesn't get above a certain level. I think if it's going to be below freezing for 24 hours. That does not protect people that write bad checks, break their arrangements, get caught stealing power, those sorts of things. Your resident or business won't get shut off in these weather circumstances. Mr. Boatright asked if we have had many instances so far this year that we had to do this? Jim responded so far; we haven't had too much of that yet. Mr. Boatright asked from what you've seen are disconnects up or down from past years? Jim responded I believe the latest report I got is that delinquent accounts are down this year.
3. Mr. Boatright asked if anyone knows why there is a construction site at Truman and Swope for approximately 2 months now and don't see any work being done, I believe it might be Spire. Lisa Reynolds responded they have open right away permits across most of the city right now and they seem to be bouncing crews back and forth, I don't know if they are having issues hiring crews or what.
4. Mr. Boatright asked if IPL was keeping more transformers in stock due to the long lead time or have there been any mandates come down that you must keep more in stock. Jim responded, what we have done is to look back over the last couple years and see what a yearly average is for use of those and trying to look at how many of those are issued because of construction or emergency repairs and we tried to use that as a guide for how many we keep in stock, we try to have at least what we experience for emergencies in stock. I had to tell one contractor, he wanted 12 of a size and we only had 10 in the entire warehouse, and I can't wipe out my entire supply and then next week have an emergency and we can't replace it. We are working with the developers and contractors to issue them as we can but also being responsible to ratepayers as well. I know the Missouri Public Service has really come down on investor owned and making them really beef up their transformer supplies because in some cases it's a 2-year lead time now, where it used to be a few months. Jim said some transformers we were able to get in 10 to 12 weeks now takes 20 to 30 weeks. Large



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substation transformers they are now quoting 3 to 5 years. The supply chain crises is real. We have been meeting with representatives from many of our state and national legislators to try to get their assistance in pushing many bills, hopefully helping this issue.

5. Mr. Boatright said being on the Charter Review Committee, I think it is going to Council on the 8th or at least the presentation to them on what we have been working on. One of the recommendations we added to the list was looking at the PUAB and the way it is structured. Do we use the people that are nominated like we have or do we do more of an official board like Springfield and some other municipalities have done it. That recommendation is going to them to look at. There is a list of about 10 recommendations and that was one that was added.
6. Mr. Boatright said Mr. McLuckie has been doing a lot of research on the PUAB going back and looking at all the articles in the Examiner and what they have mentioned about the PUAB. At one time, the Council, when Barbara Potts was Mayor, they were going to take the voters about what to do with the PUAB. Then Bill Carpenter became Mayor and he said we are not doing that. So that just died. So, Mr. McLuckie has worked on that and getting some of the history together for the PUAB. I told him we should get all that together at least for board members to view and have that knowledge. I do appreciate you doing that and taking the time to do it. Mr. McLuckie said he went back to 1989 & 1990 they had the idea of doing a professional board and taking it over from the council. I shared the articles with Khristina and also Indy Energy. Mr. Boatright said yes, let's go ahead and get that out to the board.
7. Mr. McLuckie asked Jim Nail regarding federal money and grants available. Jim responded we have a consultant that works with the city to find and apply for grants. One the energy side most of it revolves around batteries, wind and solar installations, getting power into underserved neighborhoods. Many are not grants that we could participate in. We are also waiting to see how studies come out before any other big decisions are made.

Adam Norris arrived at the meeting at 2:57pm. Mr. Boatright and Mr. Talcott filled him in on the progress of the meeting and the boards concerns and motion. Adam responded that I believe this is more of an operational matter. City facilities where employees work is definitely an operational matter. Real estate transactions are done in study sessions behind closed doors. We talked about it publicly as soon as we were in a position to, which hasn't been just last Monday night, it has been talked about for about a month publicly. There has been ample time for public input. We've been very transparent throughout this process about what are intentions were. I believe there have been opportunities for people to weigh in on that. There was another opportunity last Monday night and also two Tuesdays from now. This is not just a utility building, there are funds coming in from different sources for this as well. The notion that this is related to the GO Bond isn't correct, they are not related. This is not just utility funds but general fund, special sales tax funds so that exceeds the purview of the PUAB.

Mr. Talcott said it hasn't been that clear and again if there hasn't been talk of anyone but IPL and Municipal Services being in that building and no talk of City Hall being in that building. What else will be in there to fill that up. Adam said what the staff has put together is a pretty clear picture about how the building would be occupied and percentage of each department and that has been posted since Thanksgiving or so. That was available to the public and everyone else to see. I think the City Manager



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did a good job on Monday outlining the plan for this and I would encourage you all and anyone else to view that footage to get a good understanding of what the plan is. Mr. Talcott said I watched the entire meeting, and I heard the comment, what if the bond doesn't pass and what if we don't get the financing or whatever then what is the backup plan and the answer was, I believe we would just have to go back to the drawing board. So, there didn't appear to be any plan B. That's my concern, and I'm not trying to be adversarial, I'm just trying to watch out for the taxpayers. And when we are having that much debt and IPL funds are going to be used to purchase that. Adam responded, that is inaccurate, and the report from Monday night was very clear about that. All departments that occupy that building will be contributing to that not just one department. In fact, IPL's portion will be relatively small because of all the other facilities that they have available to them. If we delay this, we will run the risk of defaulting on our contracts and we are on a very strict timeline. Mr. Boatright stated the board will move forward with their motion.

IV. ADJOURNMENT – Meeting adjourned at 3:05 p.m.

A. The next meeting will be January 18, 2024.

City of Independence

AGENDA ITEM COVER SHEET

Agenda Title:

Finance & Administration

1. Questions on Utility Financial Reports - December 2023

Department: Finance &
Administration

Contact Person: Cindy Gray

REVIEWERS:

City Managers Office

Approved

Board Action:

Board Action:

ATTACHMENTS:

- PUAB Utility Financials with CIP - December 2023

CITY OF INDEPENDENCE, MISSOURI
 Budgetary Comparison Schedule
 Power and Light
 For the period ended December 31, 2023

	Budgeted Amounts		Actual	Variance	Percent	Percent
	Original	Amended	Amounts (Budget Basis)	with Amended Budget	Actual 50.00% of Year	From Budget
Operating Revenues:						
Charges for Services	\$ 137,475,870	137,475,870	79,020,492	(58,455,378)	57.48%	7.48%
Penalties	1,000,000	1,000,000	757,554	(242,446)	75.76%	25.76%
Connection Charges	33,000	33,000	3,610	(29,390)	10.94%	-39.06%
Miscellaneous	—	—	30,095	30,095	0.00%	-50.00%
Temporary Service	1,000	1,000	400	(600)	40.00%	-10.00%
Rental Income	294,500	294,500	23,944	(270,556)	8.13%	-41.87%
Transmission Wheeling	7,000,000	7,000,000	3,322,049	(3,677,951)	47.46%	-2.54%
Total Operating Revenues	145,804,370	145,804,370	83,158,144	(62,646,226)	57.03%	7.03%
Operating Expenses:						
Personnel Services	30,327,879	30,327,879	13,849,000	16,478,879	45.66%	-4.34%
Retiree Benefits	1,460,000	1,460,000	726,774	733,226	49.78%	-0.22%
Other Services	28,080,687	28,549,687	16,535,558	12,014,129	57.92%	7.92%
Supplies	62,389,475	62,442,275	32,751,220	29,691,055	52.45%	2.45%
Capital Projects	14,747,000	22,324,581	1,399,004	20,925,577	6.27%	-43.73%
Capital Operating	1,356,440	1,577,637	332,548	1,245,089	21.08%	-28.92%
Debt Service	8,638,100	8,638,100	1,297,358	7,340,742	15.02%	-34.98%
Other Expenses	100,000	100,000	—	100,000	0.00%	-50.00%
Total Operating Expenses	147,099,581	155,420,159	66,891,462	88,528,697	43.04%	-6.96%
Nonoperating Revenues (Expenses):						
Investment Income	118,000	118,000	1,316,075	1,198,075	1115.32%	1065.32%
Interfund Charges for Support Services	2,075,300	2,075,300	1,068,886	(1,006,414)	51.51%	1.51%
Miscellaneous Revenue (Expense)	15,700	15,700	425,637	409,937	2711.06%	2661.06%
Total Nonoperating Revenue (Expenses)	2,209,000	2,209,000	2,810,598	601,598	127.23%	77.23%
Income (Loss) Before Transfers	913,789	(7,406,789)	19,077,280	26,484,069	-257.56%	-307.56%
Capital Contributions	—	—	—	—	0.00%	-50.00%
Transfers Out – Utility Payments In Lieu of Taxes	(14,601,000)	(14,601,000)	(8,132,398)	(6,468,602)	55.70%	5.70%
Transfers In	—	—	—	—	0.00%	-50.00%
Transfers Out	—	—	—	—	0.00%	-50.00%
Total Transfers	(14,601,000)	(14,601,000)	(8,132,398)	(6,468,602)	55.70%	5.70%
Excess of Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Uses, Budget Basis	\$ (13,687,211)	(22,007,789)	10,944,882	32,952,671		
Beginning Available Resources			51,797,305			
Prior Period Adjustment			—			
Year-End Investment Market Value Adjustment			—			
Ending Available Resources			<u>62,742,187</u>			
Revenue Risk			5,300,000			
Capital Reserve			3,000,000			
Expense Risk			18,700,000			
Working Capital			25,500,000			
Targeted Reserve Level			<u>52,500,000</u>			
Total Non-Restricted Resources Available			\$ <u>10,242,187</u>			

Power and Light - Open Capital Projects
As of December 31, 2023

PROJECT	PROJECT TITLE	ORIGINAL BUDGET	NET BUDGET AMENDMENTS	REVISED BUDGET	ENCUMBRANCES	ACTUALS	AVAILABLE BUDGET
200815	T&D Sys IMPROVEMENTS	\$ 550,000.00	751,671.50	1,301,671.50	526,123.13	447,114.54	328,433.83
200828	FIBER OPTIC PROGRAM	200,000.00	70,789.23	270,789.23	100,855.72	123,165.33	46,768.18
201106	69 KV SUBSTATION FACILITIES	-	236,068.65	236,068.65	54,759.66	104,822.67	76,486.32
201405	SUBSTATION SECURITY PROJECT	-	196,405.74	196,405.74	30,088.40	43,057.52	123,259.82
201510	Sys OpS / DISPATCH	-	43,034.77	43,034.77	33,430.50	-	9,604.27
201603	69 KV Trans LINE REBUIL	-	771,535.88	771,535.88	65,408.60	19,282.89	686,844.39
201604	Sys OpS / UPS UPGRAD	-	51,175.00	51,175.00	17,935.00	33,240.00	-
201605	Sys OpS WORK AREA	700,000.00	619,842.18	1,319,842.18	-	-	1,319,842.18
201702	Prod FACILITIES IMPROVE	-	172,116.00	172,116.00	-	-	172,116.00
201703	BV GROUND WATER	-	289,356.17	289,356.17	93,184.50	34,386.65	161,785.02
201706	SUBSTATION K SWITCHGEAR &	-	146,637.27	146,637.27	146,316.11	-	321.16
201710	Mo CITY DIVESTITURE	-	350,294.83	350,294.83	315,264.88	35,029.45	0.50
201804	SUBSTATION E SWITCHGEAR REPLACEMENT	-	2,281,361.33	2,281,361.33	226,566.68	83,113.78	1,971,680.87
202101	Substation Fiber Optic Network	217,000.00	832,919.23	1,049,919.23	17,925.00	53,321.00	978,673.23
202102	Traffic Controller Upgrades	-	56,342.00	56,342.00	-	19,686.00	36,656.00
202103	Traffic Camera System Upgrades	-	51,837.00	51,837.00	-	-	51,837.00
202107	Motorola APX Radio Purchase Phase 2	-	67,716.89	67,716.89	-	-	67,716.89
202108	Operations APC UPS Battery Replace	75,000.00	99,700.00	174,700.00	-	-	174,700.00
202109	Substation Modeling	150,000.00	-	150,000.00	-	-	150,000.00
202110	20MVAR Capacitor Bank Sub A	-	190,689.11	190,689.11	-	13,233.83	177,455.28
202111	Transmission Pole Replacement Prog	-	529,680.46	529,680.46	-	35,674.10	494,006.36
202201	Substation A Transformer T-9 Mtce	-	180,000.00	180,000.00	70,425.00	-	109,575.00
202202	Substation N Transformer T-1 Maint	180,000.00	-	180,000.00	-	-	180,000.00
202205	Desert Storm Switchgear Cabinets	250,000.00	500,000.00	750,000.00	296,099.58	249,977.25	203,923.17
202206	T & D Road Improvement Projects	-	410,130.31	410,130.31	32,405.23	204,265.26	173,459.82
202208	Traffic Signal Detection Systems	60,000.00	21,635.00	81,635.00	-	-	81,635.00
202210	IPL Service Center PBX Upgrade to I	15,000.00	85,000.00	100,000.00	-	-	100,000.00
202211	H-S Hot Gas Path Inspection	-	239,397.25	239,397.25	-	-	239,397.25
202304	Controls Software Upgrade	-	364,491.80	364,491.80	79,139.40	271,516.40	13,836.00
202305	PLSC Operations Area HVAC Upgrade	-	100,000.00	100,000.00	-	-	100,000.00
202306	Substation A Blockhouse Roof Repl	-	25,022.00	25,022.00	-	-	25,022.00
202308	Substn & Trans Upgrade &Replacement	-	389,841.71	389,841.71	-	1,441.58	388,400.13
202314	Construction of New Substation S	6,000,000.00	-	6,000,000.00	-	-	6,000,000.00
202315	Construct New Trans System Sub S	1,350,000.00	-	1,350,000.00	-	-	1,350,000.00
202316	Construct 6 New Dist Feeders Sub S	650,000.00	357,460.73	1,007,460.73	33,209.27	34,065.46	940,186.00
202317	H5 Combustion Turbine Repair	-	714,175.19	714,175.19	23,866.42	329,872.00	360,436.77
202401	Purchase Evergy 69kV Line	1,200,000.00	-	1,200,000.00	-	-	1,200,000.00
202403	Sub M Breaker Replacement	150,000.00	-	150,000.00	-	-	150,000.00
202405	Emergency Replacement Trans Poles	250,000.00	-	250,000.00	-	-	250,000.00
202406	Service Center Upgrades	500,000.00	-	500,000.00	-	-	500,000.00
202407	Emergent Maintenance Production	400,000.00	-	400,000.00	-	-	400,000.00
202408	Substation & Trans Upgrade &Replace	400,000.00	-	400,000.00	-	-	400,000.00
202409	T & D Road Improvement Projects	500,000.00	-	500,000.00	-	-	500,000.00
202410	T & D System Improvements	500,000.00	-	500,000.00	-	-	500,000.00
202411	SCADA/EMS Software/Hardware Upgrade	450,000.00	-	450,000.00	187,440.00	147,349.60	115,210.40
		\$ 14,747,000.00	11,196,327.23	25,943,327.23	2,350,443.08	2,283,615.31	21,309,268.84

	Current Year	Prior Year	Total
	Budget	Budget (Enc Roll)	
Budget	\$ 22,324,580.92	3,618,746.31	25,943,327.23
Less Expenditures	754,424.72	1,529,190.59	2,283,615.31
Less Encumbrances	644,578.75	1,705,864.33	2,350,443.08
Total Available	\$ 20,925,577.45	383,691.39	21,309,268.84

CITY OF INDEPENDENCE, MISSOURI
 Budgetary Comparison Schedule
 Water
 For the period ended December 31, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budget Basis)</u>	<u>Variance with Amended Budget</u>	<u>Percent Actual 50.00% of Year</u>	<u>Percent From Budget</u>
	<u>Original</u>	<u>Amended</u>				
Operating Revenues:						
Charges for Services	\$ 32,610,000	32,610,000	17,735,270	(14,874,730)	54.39%	4.39%
Penalties	200,000	200,000	109,325	(90,675)	54.66%	4.66%
Connection/Disconnection Charges	17,000	17,000	12,216	(4,784)	71.86%	21.86%
Miscellaneous	15,000	15,000	11,180	(3,820)	74.53%	24.53%
Returned Check Charges	26,000	26,000	16,080	(9,920)	61.85%	11.85%
Rental Income	85,000	85,000	66,354	(18,646)	78.06%	28.06%
Meter Repairs	—	—	—	—	0.00%	-50.00%
Merchandising Jobbing	—	—	1,269	1,269	0.00%	-50.00%
Total Operating Revenues	<u>32,953,000</u>	<u>32,953,000</u>	<u>17,951,694</u>	<u>(15,001,306)</u>	<u>54.48%</u>	<u>4.48%</u>
Operating expenses:						
Personnel Services	10,123,922	10,026,347	4,158,043	5,868,304	41.47%	-8.53%
Retiree Benefits	364,000	364,000	173,434	190,566	47.65%	-2.35%
Other Services	14,168,493	13,985,493	5,650,608	8,334,885	40.40%	-9.60%
Supplies	3,626,950	3,833,950	3,008,695	825,255	78.48%	28.48%
Capital Projects	8,050,000	20,781,289	569,418	20,211,871	2.74%	-47.26%
Capital Operating	1,037,800	1,013,800	473,292	540,508	46.68%	-3.32%
Debt Service	2,540,938	2,540,938	2,052,184	488,754	80.76%	30.76%
Other Expenses	50,000	50,000	—	50,000	0.00%	-50.00%
Total Operating Expenses	<u>39,962,103</u>	<u>52,595,817</u>	<u>16,085,674</u>	<u>36,510,143</u>	<u>30.58%</u>	<u>-19.42%</u>
Nonoperating Revenues (Expenses):						
Investment Income	657,138	657,138	1,119,884	462,746	170.42%	120.42%
Interfund Charges for Support Services	3,360,000	3,360,000	1,682,386	(1,677,614)	50.07%	0.07%
Miscellaneous Revenue (Expense)	16,700	16,700	36,222	19,522	216.90%	166.90%
Total Nonoperating Revenue (Expenses)	<u>4,033,838</u>	<u>4,033,838</u>	<u>2,838,492</u>	<u>(1,195,346)</u>	<u>70.37%</u>	<u>20.37%</u>
Income (Loss) Before Transfers	<u>(2,975,265)</u>	<u>(15,608,979)</u>	<u>4,704,512</u>	<u>20,313,491</u>	<u>-30.14%</u>	<u>-80.14%</u>
Transfers Out – Utility Payments In Lieu of Taxes	(2,990,770)	(2,990,770)	(1,706,189)	(1,284,581)	57.05%	7.05%
Transfers In	—	—	—	—	0.00%	-50.00%
Transfers Out	—	—	—	—	0.00%	-50.00%
Total Transfers	<u>(2,990,770)</u>	<u>(2,990,770)</u>	<u>(1,706,189)</u>	<u>(1,284,581)</u>	<u>57.05%</u>	<u>7.05%</u>
Excess of Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Uses, Budget Basis	<u>\$ (5,966,035)</u>	<u>(18,599,749)</u>	<u>2,998,323</u>	<u>21,598,072</u>		
Beginning Available Resources			51,219,649			
Year-End Investment Market Value Adjustment			—			
Ending Available Resources			<u>54,217,972</u>			
Revenue Risk			2,000,000			
Capital Reserve			6,100,000			
Expense Risk			700,000			
Working Capital			5,600,000			
Targeted Reserve Level			<u>14,400,000</u>			
Total Non-Restricted Resources Available			<u>\$ 39,817,972</u>			

**Water - Open Capital Projects
As of December 31, 2023**

PROJECT	PROJECT TITLE	ORIGINAL BUDGET	NET BUDGET AMENDMENTS	REVISED BUDGET	ENCUMBRANCES	ACTUALS	AVAILABLE BUDGET
400708	TREATMENT PIT DISCHARGE	\$ 1,000,000.00	273,113.14	1,273,113.14	68,518.14	2,595.00	1,202,000.00
400904	EAST INDEPENDENCE INDUST PARK	-	674,000.00	674,000.00	-	-	674,000.00
401003	FUTURE Prod WELLS	500,000.00	1,462,326.00	1,962,326.00	789,565.56	442,342.44	730,418.00
401301	23RD ST MAIN REPLACEMENT	-	311,672.57	311,672.57	2,811.00	-	308,861.57
401402	LAGOON CLEANOUT	500,000.00	(24,500.00)	475,500.00	194,400.00	-	281,100.00
401505	Dist Sys IMPROVE	-	244,781.00	244,781.00	-	-	244,781.00
401506	TRUMAN ROAD BOOSTER STATION	-	106,569.52	106,569.52	-	-	106,569.52
401601	FILTER BACKWASH OUTFALL	-	190,325.00	190,325.00	-	-	190,325.00
401602	PIT DISCHARGE OUTFALL	-	459,824.48	459,824.48	-	-	459,824.48
401605	COURTNEY BEND BASIN CATWALK	-	10,020.00	10,020.00	-	-	10,020.00
401608	LIME SILO	-	3,919,760.18	3,919,760.18	3,446,930.72	104,707.81	368,121.65
401703	Maint BUILDING AT CBP	-	200,000.00	200,000.00	-	-	200,000.00
401704	VAN HORN RESERVOIR IMPROVE	-	(49,699.58)	(49,699.58)	-	-	(49,699.58)
401802	6" Main Replacement James Downey Rd	-	250,087.60	250,087.60	-	-	250,087.60
401804	Filter Valve House Roof Improvement	-	97,292.00	97,292.00	-	-	97,292.00
401808	VFD Drive Replacements HSP 2 & 4	-	230,967.00	230,967.00	-	-	230,967.00
401818	30" Steel Transmission Main Assess	-	156,300.00	156,300.00	-	-	156,300.00
401821	Main Replacement-32nd/Hunter/Bird	-	91,000.00	91,000.00	-	-	91,000.00
401822	Main Replacement-24Hwy/Northern/RR	-	240,166.00	240,166.00	-	-	240,166.00
402002	39th Street Reservoir	-	(16,042.60)	(16,042.60)	13,455.30	4,953.00	(34,450.90)
402004	Main Replace Walnut/Leslie/LeesSumm	-	81,218.73	81,218.73	-	-	81,218.73
402007	Courtney Bend Emergency Generator	-	1,150,000.00	1,150,000.00	-	-	1,150,000.00
402008	Wellfield Overhead Electrical Imp	-	1,000,000.00	1,000,000.00	-	-	1,000,000.00
402009	Main Replace Sheley/Claremont/Norw	-	188,790.00	188,790.00	-	-	188,790.00
402010	Main Replace Gudge/ll/Dodgion/KingsH	-	103,132.50	103,132.50	-	-	103,132.50
402011	Main Replace Salisbury/Peck/Geospace	-	120,100.00	120,100.00	-	-	120,100.00
402012	College Avenue Improvements	-	250,000.00	250,000.00	-	-	250,000.00
402101	Main Replacement Ralston 31st/29th	-	361,105.00	361,105.00	152,749.98	176,446.52	31,908.50
402102	Main Replacement 3rd St & Jennings	-	436,013.00	436,013.00	-	-	436,013.00
402103	Main Replacement Truman Road	-	86,890.00	86,890.00	44,728.00	-	42,162.00
402104	Lime Slaker No 5	-	350,000.00	350,000.00	361,710.87	16,377.93	(28,088.80)
402105	Main Replacement Sheley	-	89,229.50	89,229.50	-	-	89,229.50
402106	Main Replacement Sheley & Northern	-	983,910.00	983,910.00	79,663.39	445,108.11	459,138.50
402107	Facility Improvements/Const/Maint	-	1,714,358.50	1,714,358.50	53,607.97	10,750.53	1,650,000.00
402108	Basin Drive Improvements	-	340,523.00	340,523.00	-	-	340,523.00
402201	Roof Improvements	-	(19,500.00)	(19,500.00)	-	-	(19,500.00)
402203	Lime Slaker No 1	-	350,000.00	350,000.00	363,053.13	13,858.07	(26,911.20)
402207	CB Electrical Switchgear Improvemen	-	200,000.00	200,000.00	-	-	200,000.00
402301	IT Infrastructure Upgrade	-	9,034.80	9,034.80	-	-	9,034.80
402302	HSPS HVAC Improvements	-	250,000.00	250,000.00	106,520.00	-	143,480.00
402303	Lime Silo Recoating	-	400,000.00	400,000.00	-	-	400,000.00
402401	Fiber Optic Upgrades	500,000.00	-	500,000.00	-	-	500,000.00
402402	Lime Slaker No. 6	350,000.00	-	350,000.00	333,308.00	-	16,692.00
402403	Sludge House Piping Improvements	200,000.00	-	200,000.00	-	-	200,000.00
9749	MAIN REPLACEMENT PROGRAM	5,000,000.00	3,176,870.47	8,176,870.47	210,246.87	863,998.25	7,102,625.35
9952	SECURITY UPGRADES	-	454,706.39	454,706.39	71,103.04	97.69	383,505.66
		\$ 8,050,000.00	20,904,344.20	28,954,344.20	6,292,371.97	2,081,235.35	20,580,736.88

	Budget	Budget (Enc Roll)	Total
Budget	\$ 20,781,289.40	8,173,054.80	28,954,344.20
Less Expenditures	29,808.00	2,051,427.35	2,081,235.35
Less Encumbrances	539,609.52	5,752,762.45	6,292,371.97
Total Available	\$ 20,211,871.88	368,865.00	20,580,736.88

CITY OF INDEPENDENCE, MISSOURI
 Budgetary Comparison Schedule
 Sanitary Sewer
 For the period ended December 31, 2023

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budget Basis)</u>	<u>Variance with Amended Budget</u>	<u>Percent Actual 50.00% of Year</u>	<u>Percent From Budget</u>
	<u>Original</u>	<u>Amended</u>				
Operating revenues:						
Charges for Services	\$ 35,546,430	35,546,430	18,194,522	(17,351,908)	51.19%	1.19%
Penalties	200,000	200,000	180,361	(19,639)	90.18%	40.18%
Total operating revenues	<u>35,746,430</u>	<u>35,746,430</u>	<u>18,374,883</u>	<u>(17,371,547)</u>	<u>51.40%</u>	<u>1.40%</u>
Operating expenses:						
Personnel Services	6,988,726	6,988,726	2,888,272	4,100,454	41.33%	-8.67%
Retiree Benefits	348,000	348,000	197,334	150,666	56.71%	6.71%
Other Services	15,920,944	15,920,944	7,377,879	8,543,065	46.34%	-3.66%
Supplies	1,478,000	1,485,540	592,850	892,690	39.91%	-10.09%
Capital Projects	6,330,000	17,274,356	757,360	16,516,996	1.64%	-48.36%
Capital Operating	409,600	452,059	283,855	168,204	167.54%	117.54%
Debt Service	6,242,978	6,242,978	4,285,317	1,957,661	68.64%	18.64%
Other Expenses	—	—	—	—	0.00%	-50.00%
Total Operating Expenses	<u>37,718,248</u>	<u>48,712,603</u>	<u>16,382,867</u>	<u>32,329,736</u>	<u>33.63%</u>	<u>-16.37%</u>
Nonoperating Revenues (Expenses):						
Investment Income	326,000	326,000	733,734	407,734	225.07%	175.07%
Miscellaneous Revenue (Expense)	7,900	7,900	7,275	(625)	92.09%	42.09%
Total Nonoperating Revenue (Expenses)	<u>333,900</u>	<u>333,900</u>	<u>741,009</u>	<u>407,109</u>	<u>221.93%</u>	<u>171.93%</u>
Income (Loss) Before Transfers	<u>(1,637,918)</u>	<u>(12,632,273)</u>	<u>2,733,025</u>	<u>15,365,298</u>	<u>-21.64%</u>	<u>-71.64%</u>
Transfers Out – Utility Payments In Lieu of Taxes	(3,596,612)	(3,596,612)	(1,825,329)	(1,771,283)	50.75%	0.75%
Transfers In	10,000	10,000	10,000	—	100.00%	50.00%
Transfers Out	—	(2,130,000)	(1,776)	(2,128,224)	0.08%	-49.92%
Total Transfers	<u>(3,586,612)</u>	<u>(5,716,612)</u>	<u>(1,817,105)</u>	<u>(3,899,507)</u>	<u>31.79%</u>	<u>-18.21%</u>
Excess of Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Uses, Budget Basis	<u>\$ (5,224,530)</u>	<u>(18,348,885)</u>	<u>915,920</u>	<u>19,264,805</u>		
Beginning Available Resources			33,820,216			
Year-End Investment Market Value Adjustment			—			
Ending Available Resources			<u>34,736,136</u>			
Revenue Risk			1,200,000			
Capital Reserve			4,000,000			
Expense Risk			700,000			
Working Capital			6,800,000			
Targeted Reserve Level			<u>12,700,000</u>			
Total Non-Restricted Resources Available			<u>\$ 22,036,136</u>			

**Sanitary Sewer - Open Capital Projects
As of December 31, 2023**

PROJECT	PROJECT TITLE	ORIGINAL BUDGET	NET BUDGET AMENDMENTS	REVISED BUDGET	ENCUMBRANCES	ACTUALS	AVAILABLE BUDGET
301201	BURR OAK EAST	\$ -	1,035,327.15	1,035,327.15	-	-	1,035,327.15
301202	CRACKERNECK-VAN HOOK SEWER	-	529,163.59	529,163.59	-	-	529,163.59
301701	SCADA UPGRADE	-	84,886.62	84,886.62	-	7,378.84	77,507.78
301706	TREATMENT FACILITY IMPROVEMENT	-	480,293.20	480,293.20	9,651.09	152,745.79	317,896.32
301804	ROCK CREEK EFFLUENT STRUCTURE	-	321,449.93	321,449.93	-	-	321,449.93
302002	Arlington Improvements	-	100,000.00	100,000.00	-	-	100,000.00
302004	Neighborhood Projects 2019-20	150,000.00	1,890,934.34	2,040,934.34	18,207.62	-	2,022,726.72
302005	Biosolids Handling	-	991,019.78	991,019.78	-	-	991,019.78
302006	Raw Pumps & Screening	-	579,279.41	579,279.41	-	-	579,279.41
302007	Electrical Substation Rehab	-	158,690.00	158,690.00	29,351.00	-	129,339.00
302008	RCTP Fence	-	36,015.56	36,015.56	-	-	36,015.56
302101	Sanitation Sewer Evaluation Survey	-	106,982.83	106,982.83	-	-	106,982.83
302102	Raymond Harkless Mills San Imp	-	200,000.00	200,000.00	-	-	200,000.00
302103	Pump Station Imp & Maintenance	150,000.00	568,240.98	718,240.98	-	-	718,240.98
302104	Polymer System Relocation	-	100,000.00	100,000.00	-	-	100,000.00
302105	Piping Rehabilitation	-	585,933.69	585,933.69	14,332.50	-	571,601.19
302201	Upper Adair Interceptor	-	800,000.00	800,000.00	169,553.76	227,655.53	402,790.71
302202	Crackerneck Creek Slope Rehab	-	2,270,141.29	2,270,141.29	259,863.27	40,884.30	1,969,393.72
302203	Sanitary Sewer Main Reloc from Stre	300,000.00	400,000.00	700,000.00	-	-	700,000.00
302204	RCTP - Septic Pumper	-	300,000.00	300,000.00	-	-	300,000.00
302205	Clarifier Rehabilitation	1,800,000.00	1,235,952.56	3,035,952.56	18,646.70	27,637.24	2,989,668.62
302206	Railing Safety RCPS & SCPS	-	14,083.09	14,083.09	-	-	14,083.09
302301	Sludge Thickening Process Improve	200,000.00	400,000.00	600,000.00	-	-	600,000.00
302401	Cost of Service Study	100,000.00	-	100,000.00	-	-	100,000.00
302402	Grit Removal Improvements-RCPS	750,000.00	-	750,000.00	-	-	750,000.00
302403	Pressure Cleaning Truck	250,000.00	-	250,000.00	-	-	250,000.00
9757	TRENCHLESS TECHNOLOGY	500,000.00	620,433.66	1,120,433.66	352,944.15	162,980.05	604,509.46
		\$ 4,200,000.00	13,808,827.68	18,008,827.68	872,550.09	619,281.75	16,516,995.84

	Current Year	Prior Year	Total
	Budget	Budget (Enc Roll)	
Budget	\$ 17,274,356.23	734,471.45	18,008,827.68
Less Expenditures	223,318.00	395,963.75	619,281.75
Less Encumbrances	534,042.39	338,507.70	872,550.09
Total Available	\$ 16,516,995.84	-	16,516,995.84

City of Independence

AGENDA ITEM COVER SHEET

Agenda Title:

IPL

1. January 2024 Winter Blast
2. Update on DKMT Studies

Department: IPL

Contact Person: Joe Hegendeffer

REVIEWERS:

City Managers Office

Approved

Board Action:

Board Action:

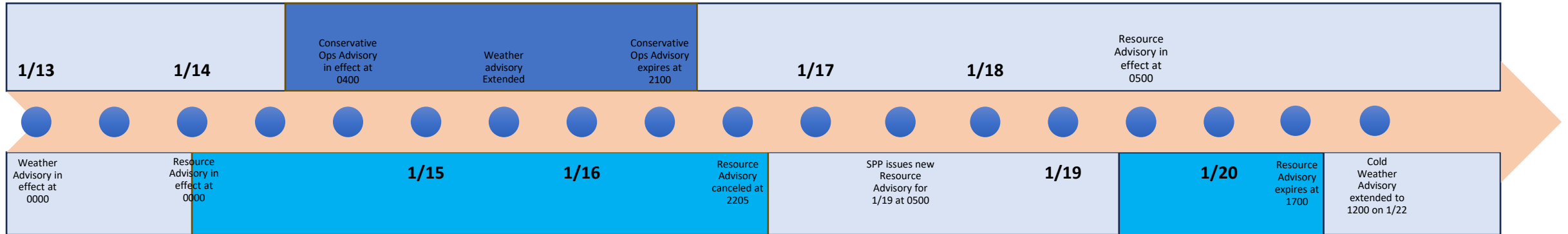
ATTACHMENTS:

- January 2024 Winter Blast

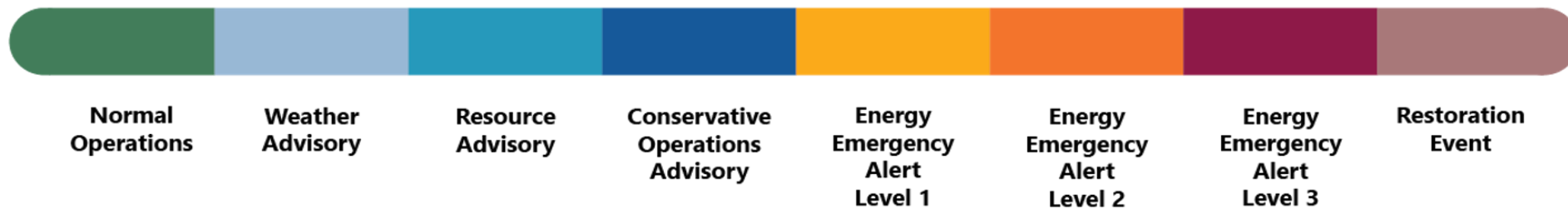
January 2024 Winter Blast



SPP Advisory Timeline

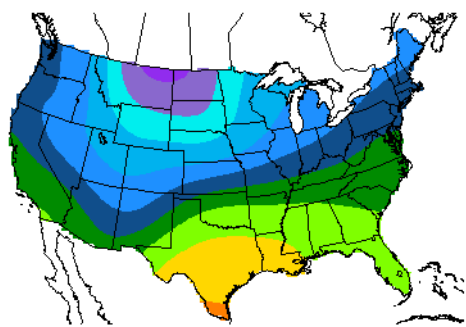


SOUTHWEST POWER POOL GRID CONDITIONS

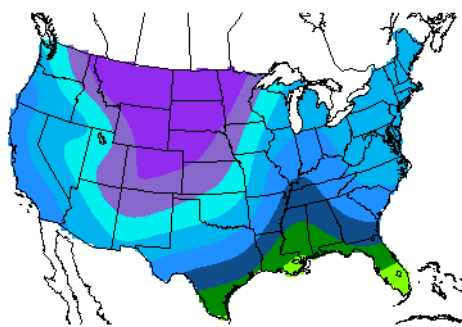
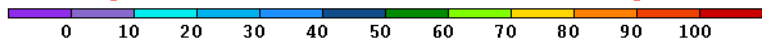


Advisories raise awareness and do not require general audiences to take action. SPP member utilities should follow applicable procedures.

Energy Emergency Alerts indicate all available generation has been committed to meet region-wide demand. As conditions worsen, voluntary conservation or service interruptions may be necessary to prevent uncontrolled outages.

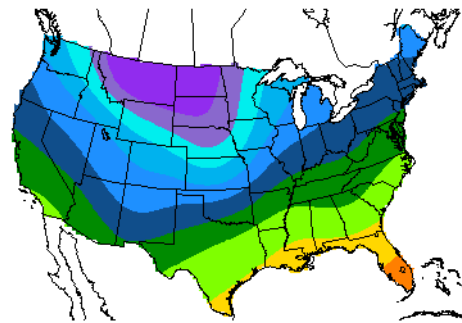


Maximum Temperature

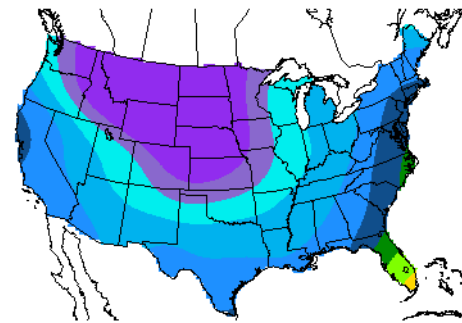
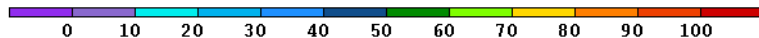


Minimum Temperature

Jan - 12

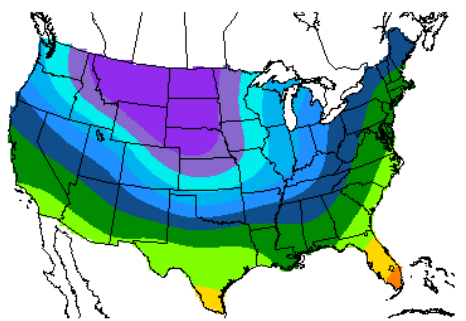


Maximum Temperature

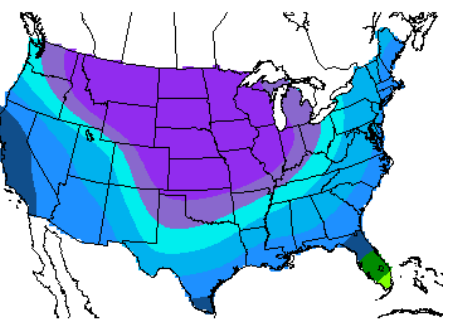


Minimum Temperature

Jan - 13

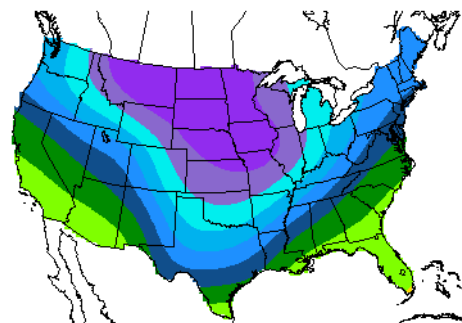


Maximum Temperature

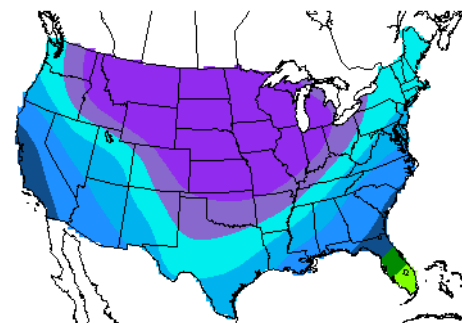
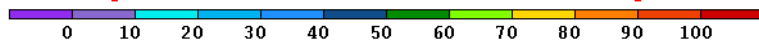


Minimum Temperature

Jan - 14

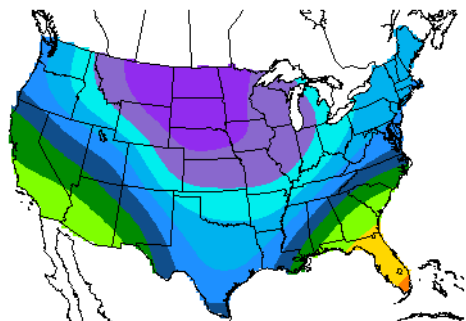


Maximum Temperature

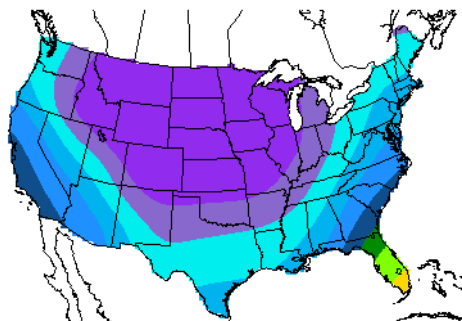
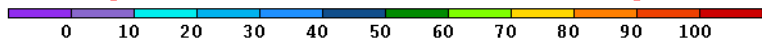


Minimum Temperature

Jan - 15

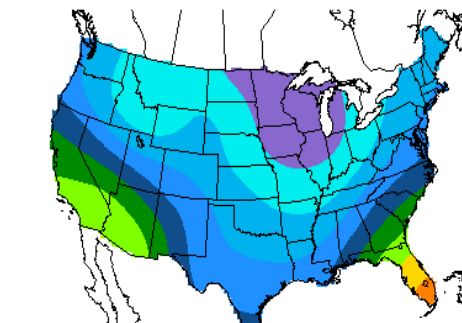


Maximum Temperature

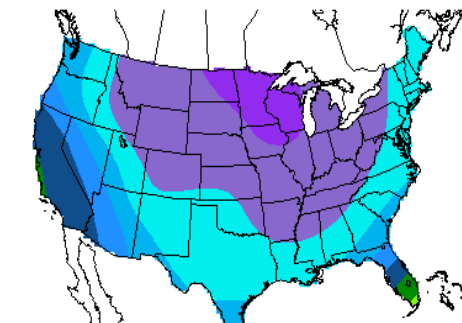
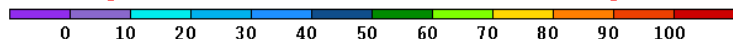


Minimum Temperature

Jan - 16



Maximum Temperature

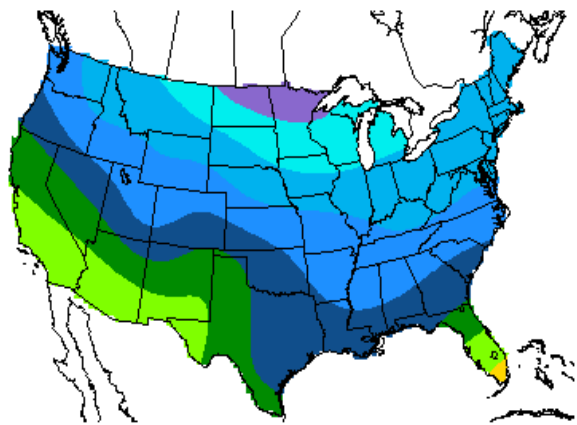


Minimum Temperature

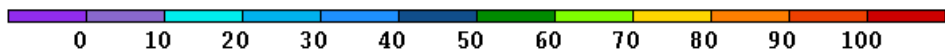
Jan - 17

Source: noaa.gov

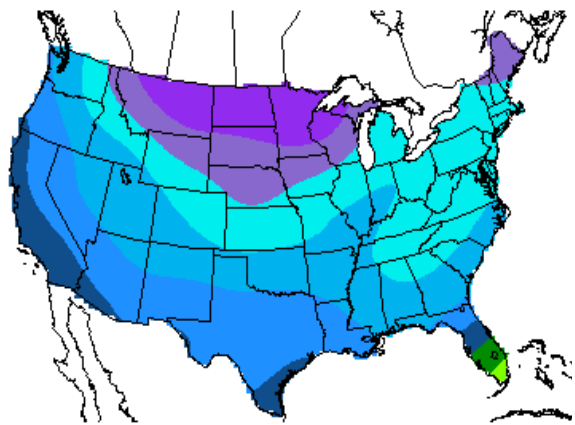
Jan - 18



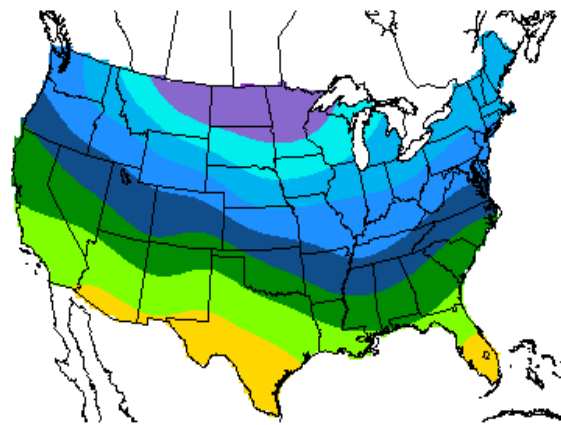
Maximum Temperature



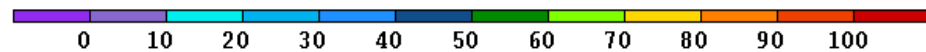
Minimum Temperature



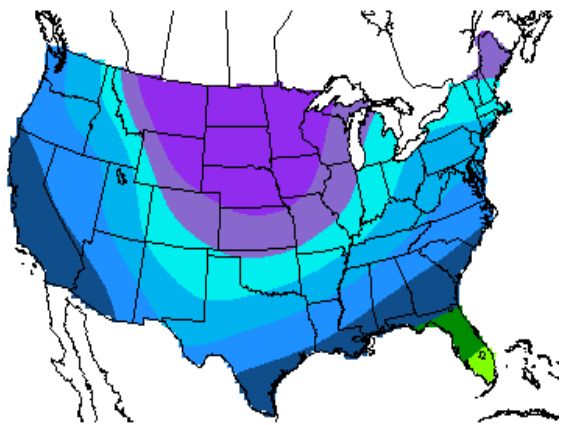
Jan - 19



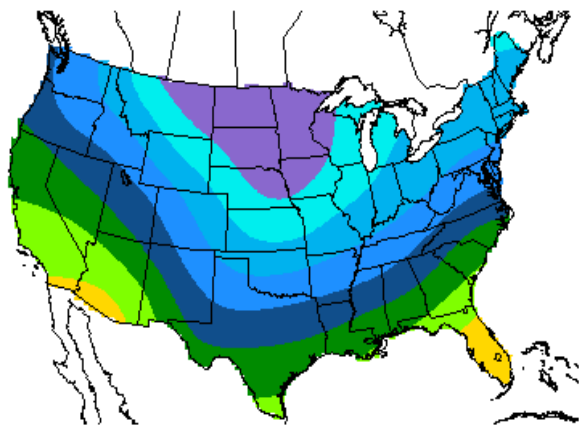
Maximum Temperature



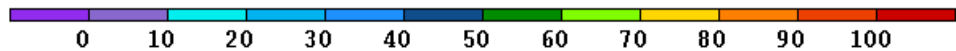
Minimum Temperature



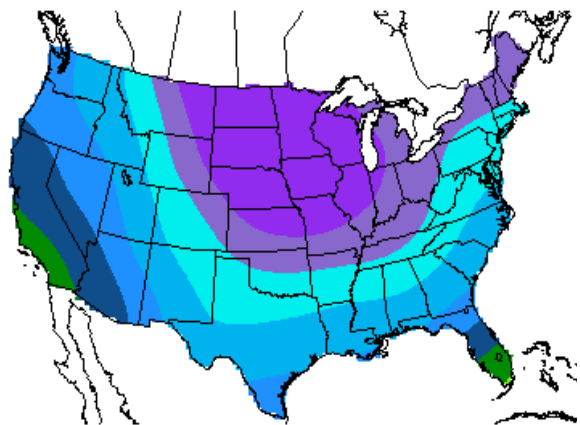
Jan - 20



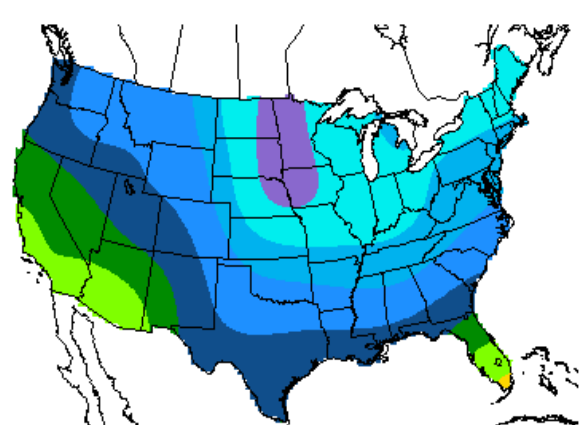
Maximum Temperature



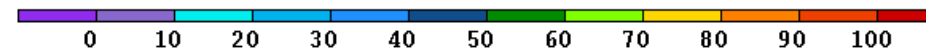
Minimum Temperature



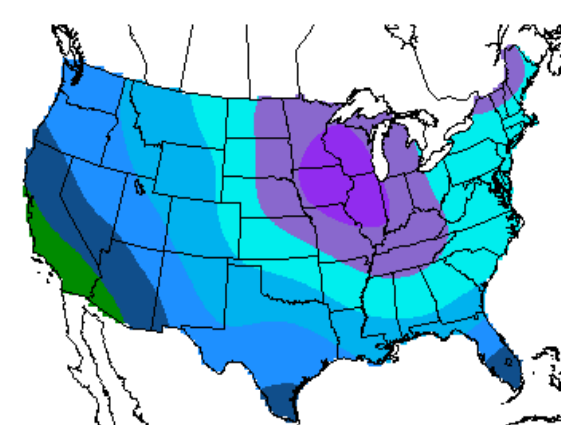
Jan - 21



Maximum Temperature



Minimum Temperature



IPL Preparations:

January 8th – 10th: IPL began coordinating to make necessary preparations for all units to be ready to be called upon such as:

- Monitor weather forecasts and SPP grid conditions for changes
- Perform maintenance related items to ensure unit reliability,
- Establish plan of action with vendor to order fuel
- Position our units in the most economic manner for the SPP market.

January 11th – 12th:

- All units were tested to make sure equipment was functioning properly. No issues were found.
- Fuel was ordered to appropriate levels in compliance with IPL winter policy and extreme cold as well as preparation of longer than normal unit commitment run times. All tank levels were 90% full for all our units.
- All units were placed into fuel oil offers due to anticipated high natural gas costs which came in at \$28.96/mmbtu for 1/13 – 1/17.

January 19th – 21st:

- Second round of cold weather showed up as expected, however only H5 and H6 were called upon during this timeframe and ran on natural gas.
- Fuel was already order previously to get our tank levels back to winter levels and prepare for additional unit commitments.

Natural Gas Prices:

Many factors can impact natural gas prices both nationally and regional from day-to-day such as:

- Weather, Outages, Underground storage amounts, Supply Chain disruption (geopolitical risks)

Monthly Max Prices

Month	2020	2021	2022	2023
January	\$1.890	\$2.670	\$5.130	\$4.410
February	\$1.780	\$622.785	\$7.045	\$2.940
March	\$1.575	\$2.630	\$4.970	\$2.525
April	\$1.680	\$2.710	\$7.305	\$2.245
May	\$1.885	\$2.810	\$8.740	\$2.230
June	\$1.710	\$3.655	\$8.855	\$2.450
July	\$1.675	\$3.880	\$8.775	\$2.400
August	\$2.310	\$4.115	\$8.930	\$2.610
September	\$2.150	\$5.320	\$8.700	\$2.295
October	\$3.125	\$5.920	\$6.150	\$3.135
November	\$2.855	\$5.370	\$6.275	\$2.850
December	\$2.700	\$4.000	\$29.725	\$2.390

Key Points:

Feb 2021: Winter Storm Uri

Jun – Dec 2021: Below avg storage/US coming out of pandemic, supply chain

Jan – Nov 22: Russia/Ukraine conflict, Supply chain disruptions

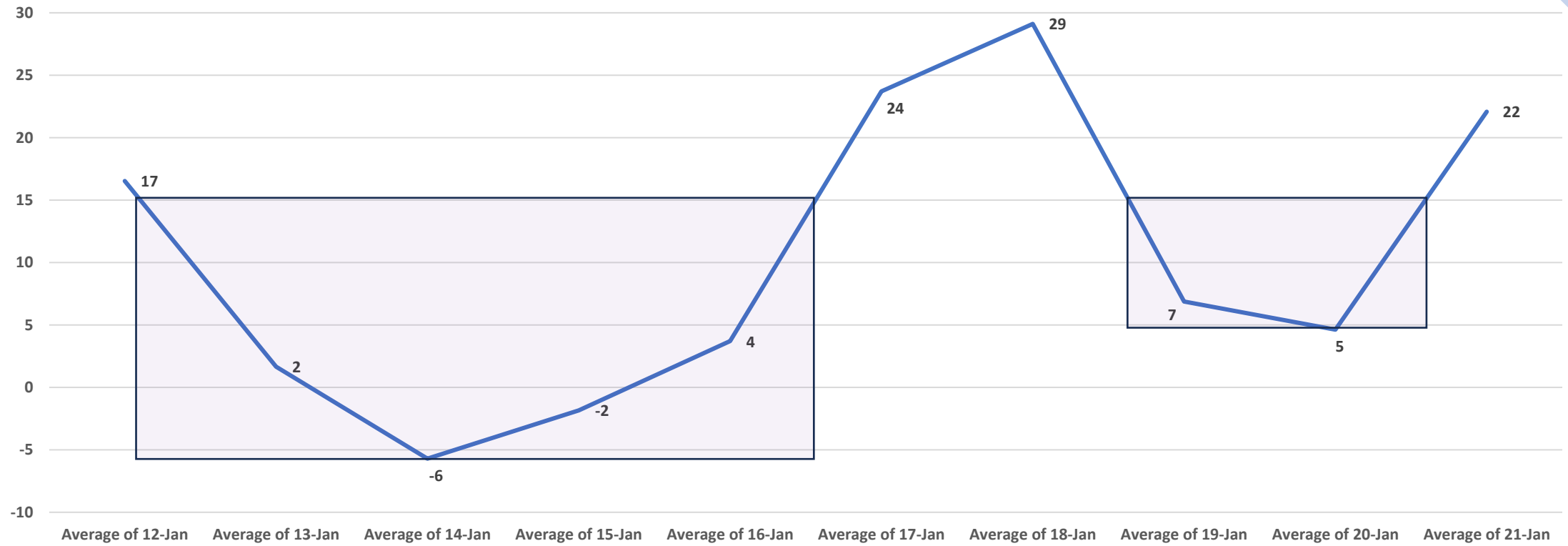
Dec 2022: Winter Storm Elliott, High demand for natural gas

Jan 2024 – Natural gas prices surged to \$28.96 due to extreme cold from Jan 13 – Jan 17.

Retirement of coal units coupled with more reliance on natural gas during cold weather events will cause us to see price spikes like we have seen the last three winters.

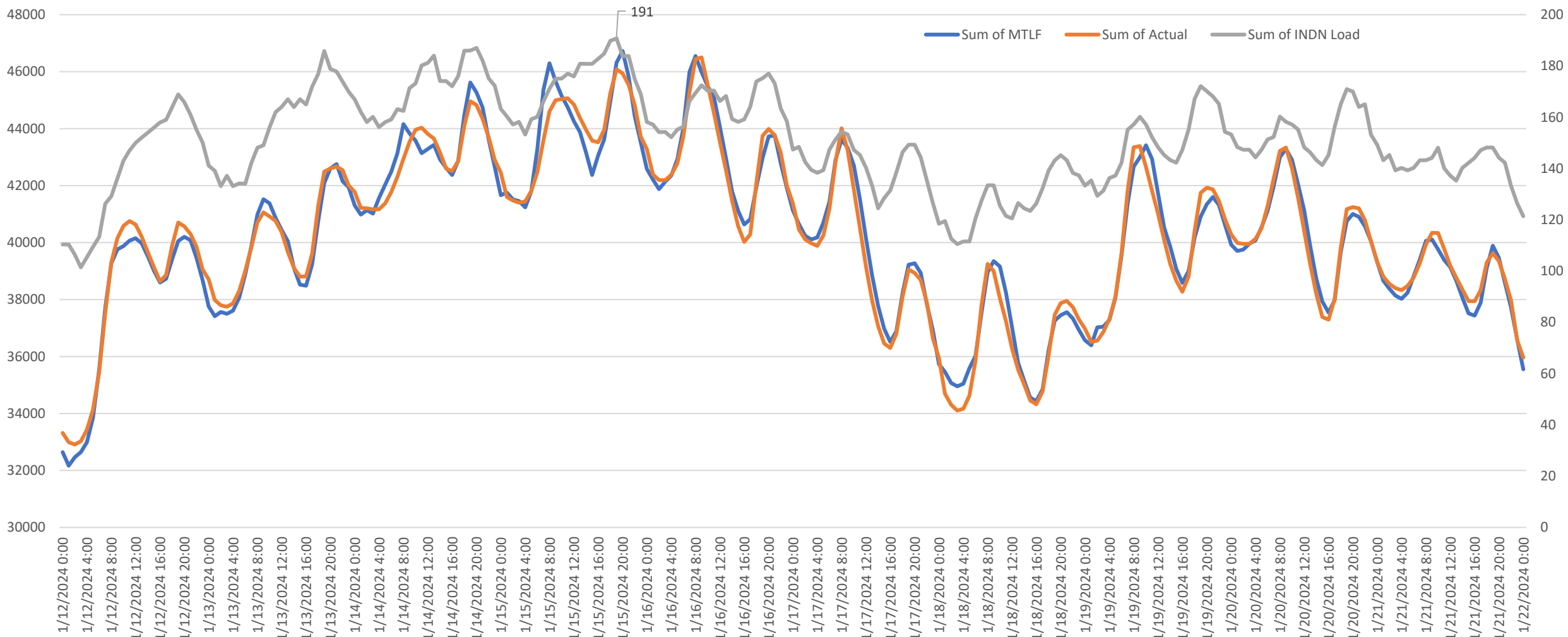
December 2022 Winter Storm and January 2024 Winter Storm were similar.

Independence Average Temperature



Per IPL Policy: Extreme cold is defined as temperatures staying at 15 degrees or below for more than 48 hours.

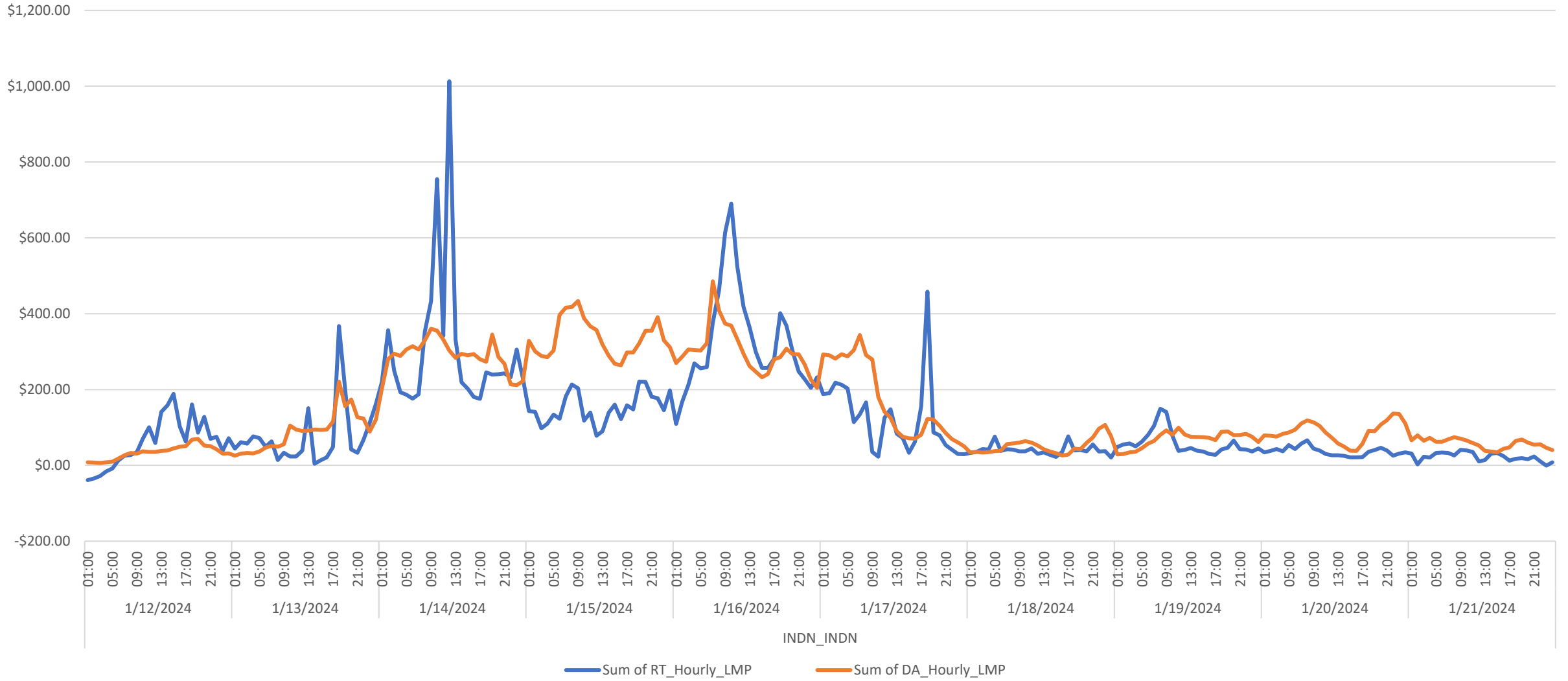
IPL service area experienced temperatures at 15 degrees or below for 119 hours beginning on 1/12 at 0900 thru 1/17 at 0700 and another 57 hours from 1/18 at 2300 thru 1/21 at 0700.



SPP Load Peak: 46.5GW on 1/15 at 2000

IPL Load Peak: 191MWs on 1/15 at 1900

INDN DA/RT LMPs



IPL Unit Performance (1/12 – 1/21):

Sub I	
Total MWh	752
Total Revenue	\$ 495,746.55
Total Expense (Est)	\$ (341,541.83)
Net Revenue	\$ 154,204.72
Net Rev \$/MWh	\$ 205.06
Rev \$/MWh	\$ 659.24
Net Exp \$/MWh	\$ (454.18)
Dispatches	8
Total Combined Runtime:	82.00

Sub J	
Total MWh	141
Total Revenue	\$ 85,454.54
Total Expense (Est)	\$ (67,941.13)
Net Revenue	\$ 17,513.41
Net Rev \$/MWh	\$ 124.21
Rev \$/MWh	\$ 606.06
Net Exp \$/MWh	\$ (481.85)
Dispatches	5
Total Combined Runtime:	22.28

Sub H	
Total MWh	1517
Total Revenue	\$ 666,105.98
Total Expense (Est)	\$ (464,556.80)
Net Revenue	\$ 201,549.18
Net Rev \$/MWh	\$ 132.86
Rev \$/MWh	\$ 439.09
Net Exp \$/MWh	\$ (306.23)
Dispatches	20
Total Combined Runtime:	167.00

CT Total	
Total MWh	2,410
Runtime (Hrs)	271.3
Dispatches	33
	Total \$
Total Revenue	\$ 1,247,307.07
Total Expense	\$ (874,039.76)
Net Revenue	\$ 373,267.31
Net Rev \$/MWh	\$ 154.88
Rev \$/MWh	\$ 517.55
Net Exp \$/MWh	\$ (362.67)

Load v. Generation

SPP Load Expense and Generation Credit
(dollars in thousands)

Date	Expense from Load	Credit from Generation										Net Expense or (Credit)
		Sub J-1	Sub I-3	Sub I-4	Sub H-5	Sub H-6	Dogwood	Iatan	Nebraska City	Smoky	Marshall	
12-Jan	\$ 138	\$ -	\$ -	\$ -	\$ (5)	\$ (6)	\$ (27)	\$ (10)	\$ (7)	\$ (0)	\$ (5)	\$ 78
13-Jan	\$ 389	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (35)	\$ (9)	\$ (4)	\$ (1)	\$ (4)	\$ 335
14-Jan	\$ 1,204	\$ 1	\$ (82)	\$ (82)	\$ (6)	\$ (96)	\$ (232)	\$ (53)	\$ 125	\$ (6)	\$ (40)	\$ 734
15-Jan	\$ 1,369	\$ 0	\$ (31)	\$ (46)	\$ (44)	\$ (65)	\$ (180)	\$ (304)	\$ (9)	\$ (18)	\$ (44)	\$ 628
16-Jan	\$ 1,193	\$ (57)	\$ (84)	\$ (96)	\$ (113)	\$ (129)	\$ (457)	\$ (177)	\$ (91)	\$ (28)	\$ (38)	\$ (77)
17-Jan	\$ 581	\$ (29)	\$ (39)	\$ (35)	\$ (44)	\$ (47)	\$ (201)	\$ (56)	\$ (72)	\$ (10)	\$ (12)	\$ 36
18-Jan	\$ 159	\$ -	\$ -	\$ -	\$ (3)	\$ (3)	\$ (79)	\$ (11)	\$ (20)	\$ 1	\$ (2)	\$ 42
19-Jan	\$ 268	\$ -	\$ -	\$ -	\$ (15)	\$ (19)	\$ (116)	\$ (12)	\$ (32)	\$ (3)	\$ (8)	\$ 62
20-Jan	\$ 328	\$ -	\$ -	\$ -	\$ (28)	\$ (27)	\$ (135)	\$ (60)	\$ (41)	\$ (1)	\$ (4)	\$ 33
21-Jan	\$ 196	\$ -	\$ -	\$ -	\$ (10)	\$ (7)	\$ (73)	\$ 5	\$ 12	\$ 3	\$ (0)	\$ 126
	\$ 5,826	\$ (85)	\$ (236)	\$ (260)	\$ (267)	\$ (399)	\$ (1,537)	\$ (686)	\$ (137)	\$ (63)	\$ (157)	\$ 1,998

· These numbers are the breakdown of costs from SPP, so they do not include any of the fuel or operating costs from our units or PPA expenses.

IPL Unit Issues:

1/14:

- H5 ran into line freezing issues, was eventually fixed and able to produce for a short period on its original dispatch.
- J1 tripped on high vibration, clutch bearing failed. This issue was resolved on 1/15.
- J2 failed to start, issue was not resolved until 1/17

1/15:

- I3 tripped offline due to high lube oil temps. The issue occurred at approximately 0045 and was resolved by 1500 the same day.

1/20:

- H6 failed to start, came back out of outage on 1/21 at 1220

1/21:

- H5 experienced a coolant leak and was resolved on 1/22 at 0833.

Prolonged periods of cold temperatures (15 degrees and below) eventually cause stress on units making it more difficult to come online as well as put other related equipment either directly or indirectly at risk. As mentioned on slide 3 reflects the difficulties we can experience during these type of cold weather events.

Production/Maintenance dealt with harsh conditions in order to keep units on and/or available for SPP to dispatch.