

City of Gainesville

*City Hall
200 East University Avenue
Gainesville, Florida 32601*



Minutes

Thursday, September 25, 2014

1:00 PM

City Hall, Roberta Lisle Kline Conference Room

Base Rates and Fuel Adjustment Committee

CALL TO ORDER

Meeting was called to order at 1:08pm.

ADOPTION OF THE AGENDA

Kathy Viehe requested starting this meeting with the Power Purchase Agreement presentation. Committee agreed and adopted the agenda with that change.

APPROVAL OF MINUTES

[140345.](#) Base Rates and Fuel Adjustment Committee Meeting Minutes for 9/16/2014

Attachments: [140345 BFRA Committee 92514 Minutes 20140925](#)

Minutes from 9/16/2014 were approved as drafted.

RECOMMENDATION *Approve the minutes of the 9/16/2014 meeting, as drafted.*

CURRENT ACTION ITEMS

[110665](#) GRU Cost of Service Study (B)

Attachments: [20121011 RUC Presentation Item 110665](#)
[20121120-RUC Presentation Item #110665](#)
[20130624 RUC Presentation Item 110665](#)
[FINAL GRU Electric Rate Study.Baker Tilly](#)
[FINAL GRU Gas Rate Study.Baker Tilly](#)
[FINAL GRU Water Rate Study.Baker Tilly](#)
[FINAL GRU Wastewater Rate Study.Baker Tilly](#)
[110665 FY15 Cost of Service Study Schedule 20141009](#)

RECOMMENDATION *Receive presentation from staff on the schedule and content of the Cost of Service Study.*

Staff confirmed RFP has been sent off, and have received (five) 5 responses. Staff will finish reviewing and will award the bid on 10/7/2014. Staff will then bring it to the City Commission at the first meeting in November. After that, if approved, the contract will be negotiated and work will begin on 12/1/2014. Staff required that the work should be completed and the report given by mid-March, and then staff will bring it to the RUC in April, and receive direction in May.

[140344.](#) PPA in Fuel Adjustment or Base Rates

Attachments: [140344 GREC Cost Recovery Options Presentation 20140925](#)
[140344 Ratemaking Handout](#)

RECOMMENDATION *The Committee and staff discuss the range of options available for recovering PPA costs, and identify additional information or analysis that might be helpful for future discussion.*

Utilities Attorney Shayla McNeill began with an explanation of how some other utilities allocate costs, and Diane Wilson provided a presentation. The committee asked what the consumption of disconnected customers has been. Commissioner Wells asked staff to show the GREC PPA costs per kWh, and also asked that the PPA costs be reorganized in the presentation. The Committee requested that staff show the impact of removing the GREC PPA from the fuel adjustment charge and placing components into base rates "as if GRU owned the plant." Staff will conduct additional research and provide that information in a future meeting.

MEMBER COMMENT

CITIZEN COMMENT

Jim Konish and Donald Shepherd addressed the committee.

NEXT MEETING DATE

The next Base Rates and Fuel Adjustment meeting will be held Tuesday, 10/7/2014.

ADJOURNMENT

The meeting was adjourned at 2:50pm.