

City of Gainesville

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



Minutes

Thursday, May 14, 2015

3:00 PM

City Hall - Roberta Lisle Kline Conference Room

Regional Utilities Committee

*Mayor-Commissioner Pro Tem Todd Chase, Chair
Commissioner Lauren Poe, Member
Commissioner Craig Carter, Member
Commissioner Lee Pinkoson, Member*

Persons with disabilities who require assistance to participate in this meeting are requested to notify the Equal Opportunity Department at 334-5051 or call the TDD phone line at 334-2069 at least two business days in advance.

CALL TO ORDER

The meeting was called to order at 3:10 p.m. by Chair Chase.

ADOPTION OF THE AGENDA

The agenda was adopted as drafted.

APPROVAL OF MINUTES

[140958.](#) RUC April 9, 2015 Meeting Minutes (B)

Attachments: [140958 RUC 4.9.15 Meeting Minutes 20150514](#)

The minutes of the April 9, 2015 RUC meeting were approved as drafted.

RECOMMENDATION Approve the minutes of the April 9, 2015 RUC meeting as drafted.

CURRENT ACTION ITEMS

[140194.](#) Capacity Rate/Redundant Service Charge (B)

Attachments: [140194 Electric Service Charge Update 20150514](#)
[140194 Gas Service Charges 20150514](#)
[140194 Water Service Charges 20150514](#)
[140194 WW Service Charges 20150514](#)
[140194 Electric System Rate Proposals 20150709](#)

Staff began the discussion by explaining that as part of the cost of service study, Baker-Tilley reviewed various non-recurring residential service charges and made recommendations for changes. Staff presented a chart of the recommended changes and explained that we were seeking feedback from the committee in advance of making recommendations in the budget.

Staff explained that most of the services being discussed were one-time or infrequent charges, such as turn on/turn off fees, remote read meter installation, scheduled meter reads, among others. Discussion ensued among the committee and staff about the reasons for needing the increases, including the need to capture the true cost of each particular service. The committee suggested that we make a policy of reviewing all services charges on a fixed schedule to prevent the need for sudden large increases. They also recommended that during the budget hearing we provide numbers of how many of each of the services we perform annually and how much revenue those services generate at the current rates.

Staff explained to the committee that GRU wants to create two new rates - a standby service rate and a reserve distribution system capacity charge (or we could call it a dual circuit rate). The standby rate would be mainly for entities (usually large businesses or industrial businesses) that have self-generation such as combined

heat and power installations on their property. If they choose this service, GRU would build distribution out to them and be prepared to provide power in case their system went down and would charge a monthly fee for having that back-up capacity available. Most utilities in Florida have such a rate.

The dual circuit rate is for businesses who are already on GRU's system that want a dual feed into their facility to ensure a higher level of reliability. The facility would normally draw from one circuit and the other circuit would be a reserve standby capacity in case of an outage. GRU would charge a monthly fee for providing this dual capacity. We currently have nine customers who have dual feed capability and staff proposes that they be offered a grandfathering clause and be eased into the new rate after discussion. This service would be offered to larger business customers. The committee asked that we look at a similar rate for residential customers who are on net metering.

The committee agreed that staff could take the recommendations for the service charge increases and the two new rates (standby service and reserve distribution system capacity charge) to the full Commission during the budget hearings.

RECOMMENDATION

The RUC receive a presentation from staff, informing the committee of analyses done by Baker Tilly related to Service Charges and a proposed Redundant Service Charge. Staff seeks feedback and general direction from the RUC meeting to expedite the development of the staff recommendation. Staff will develop a recommendation on these two items to present to the full City Commission as part of the FY2016 Budget presentations.

DISCUSSION OF PENDING REFERRALS

140875. RUC Outstanding Referrals (B)

Attachments: [140875 RUC Outstanding Referrals 20150409](#)
[140875 RUC Outstanding Referrals 20150514](#)

Staff suggested that we discuss the GRUCom referral to the next RUC meeting. Commissioner Poe made a motion and Commissioner Carter seconded the motion to remove the Glen Springs Restoration referral from the RUC because it is being thoroughly vetted in the RCAPW committee. The motion passed.

RECOMMENDATION

Review and prioritize the list of outstanding referrals.

MEMBER COMMENT

Commissioner Poe said that Pure Energy wants to install several charging stations around the city. They will be solar operated and will need to be hooked into GRU's grid. He said that the RCAPW committee is currently discussing it and it will be coming to the full commission. He wants GRU to be aware so they can consider what any implications are for the utility.

CITIZEN COMMENT

Jim Konish spoke about GREC and the Navigant audit.

NEXT MEETING DATE

July 9, 2015.

ADJOURNMENT

The meeting was adjourned at 4:20 p.m.