

MUNICIPAL ENTERPRISES COMMITTEE REPORT – AUGUST 12, 2019

Members: Richard, Chairperson, Martin, Reinhold

Attendees: Richard, Martin, Reinhold, Rowe, Ressler, Thompson and Citizen (3), LPN reporters (2)

The Municipal Enterprises Committee met on July 15, 2019 and discussed the following:

Action Items:

1. Borough Manager Thompson discussed a letter from McNees Wallace and Nurrick, the Borough's energy attorney, regarding the status of their ongoing review of the American Municipal Power documents related to the RICE Peak Shaving project. The legal review is being shared among the three subscribers, Hatfield Borough, Perkasio Borough and Ephrata Borough based on their percent of the total project output. The percent allocations are 21.77%, 34.68% and 43.55% respectively. The initial legal estimate was between \$10,000 and \$20,000. Due to the complexity of the documents they are estimating that they will require another \$7,500-\$10,000 to complete their review. The Committee will recommend that Borough Council authorize up to an additional \$10,000 to complete the review at the August 12, 2019 meeting. This authorization will cap the Borough's exposure at \$13,064.52.
2. The Committee discussed amending the Borough Technical Requirements for Customer Owned Generation-Revised February 11, 2019 by replacing the true-up rate for excess energy from the Base Power Supply Cost (currently \$0.07358) to the Energy rate (currently \$0.08). The Committee will recommend that Borough Council approve the change to the technical requirements at their August 12, 2019 council meeting.

Discussion Items:

1. Borough Manager Thompson reported to the Committee that the solar project passed a PPL field verified test of the facility and will be cutting in the solar output line into the Borough's substation on July 17 and 18. Once the facility is connected to the substation performance testing can be initiated and the facility is expected to be online by the end of July, barring any other unforeseen issues. No further action is required.
2. Borough Manager Thompson advised the Committee that the Pennsylvania seat on the AMP board of directors term expires this September. There will be an election at the annual PMEA conference September 11-13, 2019. If the Borough is successful in retaining the seat Mr. Thompson recommends that the Committee consider appointing the Borough's Enterprise Support Manager, Nate Merkel, as the alternate board member. This will allow the transition from Mr. Thompson to Mr. Merkel over the next year as part of the succession plan for the Borough Manager. No action is required at this time.

3. Several citizens questioned the availability of the full committee packet to the public on the Borough's Website versus just posting the agenda. Currently committee agendas are posted on the Borough website the Friday prior to the committee meetings. Council is provided access to committee packets through a Dropbox which is not accessible to the public. The Committee indicated their commitment to full transparency. The Borough Manager will discuss this issue with the Borough Solicitor who will provide his findings to Council for further consideration. In the meantime, requests for information can be made through the Right-to-Know process. Applications can be found on the Borough's website.

NOTE: Following this agenda items, the citizens engaged in a conversation regarding the spotted lanternfly. While this subject matter is not part of the Municipal Enterprises' responsibilities, the matter will be referred to the appropriate committee of Council for further review.