

# OFFICIAL NOTICE AND AGENDA

There will be a Regular meeting of the City of Stoughton Utilities Committee on Monday, September 19, 2011 to be held at 5:00 p.m. in the Edmund T. Malinowski Board Room of the Stoughton Utilities Administration Offices of the Stoughton Utilities Building, 600 S. Fourth Street in Stoughton, WI 53589.

## AGENDA:

Call To Order.

Stoughton Utilities Committee Consent Agenda. (All items are considered routine and will be enacted upon by one motion. There will be no separate discussion of these items unless a Stoughton Utilities Committee member so requests, in which event the item will be removed from the consent agenda and be considered on the regular agenda.) **(Action.)**

- a) Stoughton Utilities Payments Due List Report.
- b) Draft Minutes of the August 15, 2011 Regular Stoughton Utilities Committee Meeting.
- c) Stoughton Utilities July 2011 Financial Summary.
- d) Stoughton Utilities July 2011 Statistical Information.
- e) Stoughton Utilities Communications.
- f) Stoughton Utilities Committee Annual Calendar.
- g) Stoughton Utilities August 2011 Activities Report.

## BUSINESS:

1. Status of the Stoughton Utilities Committee Recommendation(s) to The Stoughton Common Council. **(Discussion.)**
2. Stoughton Utilities Compensation Analysis. **(Action.)**
3. Stoughton Utilities Revised 2012 Proposed Budget. **(Action.)**
4. Stoughton Utilities Proposed 2012 Budget From The August 15, 2012 Stoughton Utilities Committee Meeting. **(Action.)**
5. Request To Participate In The WPPI Energy/Stoughton Utilities Shared Savings Program From Universal Acoustic & Emission Technologies, Inc. (Universal) Located At 1925 USH 51 West. **(Action.)**
6. Stoughton Utilities Committee Agenda Items Requiring Post-Committee Action. **(Action.)**
7. Wisconsin Retirement System-Unfunded Actuarial Accrued Liability (Prior Service Liability) Status Report No. 3. **(Discussion.)**
8. Rural Development Loan And Grant Program (REDLG) Status Report No. 7. **(Discussion.)**
9. Stoughton Utilities Customer Collections Status Report. **(Discussion.)**
10. WPPI Energy Orientation Meeting. **(Discussion.)**
11. Stoughton Utilities Committee Future Meeting Agenda Item(s). **(Discussion.)**

## ADJOURNMENT

Mayor Donna L. Olson  
Stoughton Utilities Committee Chairperson  
September 13, 2011

## Notices Sent To:

Mayor Donna L. Olson, Chair  
Aldersperson Eric Hohol, Vice-Chair, Common Council Liaison  
Aldersperson Greg Jenson, Alternate Stoughton Common Council Liaison  
Aldersperson Larry Peterson  
Stoughton Utilities Committee Citizen Member David Erdman  
Stoughton Utilities Committee Citizen Member Jonathan Hajny  
Stoughton Utilities Committee Citizen Member Angie Halverson  
Stoughton Utilities Operations Superintendent Sean Grady  
Stoughton Utilities Director Robert P. Kardasz, P.E.

cc: Stoughton Common Council Members  
Stoughton Utilities and MEUW Southeastern Regional Safety Coordinator Christopher A. Belz  
Stoughton Utilities Billing and Consumer Services Technician Erin N. Bothum  
Stoughton City Media Services Director William H. Brehm  
Stoughton City Attorney Matthew P. Dregne  
Stoughton Utilities Wastewater System Supervisor Brian G. Erickson  
Stoughton Utilities Office and Information Systems Supervisor Brian R. Hoops  
Stoughton Deputy City Clerk and Confidential Secretary Maria P. (Pili) Hougan  
Stoughton Utilities Finance and Administrative Manager Kim M. Jennings, CPA  
Stoughton City Clerk and Personnel Director Kelly S. Michaels  
Stoughton Library Administrative Assistant Debbie Myren  
Stoughton Finance Director Laurie Sullivan  
Stoughton Utilities Water System Supervisor Roger M. Thorson  
Stoughton Utilities and WPPI Energy Services Representative Alicia VandenOever  
Stoughton Utilities Electric Lead Line Worker Craig A. Wood  
Stoughton Leadership Team  
Stoughton Newspapers  
Wisconsin State Journal

**IMPORTANT: FIVE MEMBERS ARE NEEDED FOR A QUORUM:** If a Stoughton Utilities Committee member encounters a situation that may affect your scheduled participation, please contact Robert Kardasz or Sean Grady at 877-7423 or 877-7416 respectively prior to 5:00p.m. or via e-mail at [bkardasz@stoughtonutilities.com](mailto:bkardasz@stoughtonutilities.com).

It is possible that members of, and possibly a quorum of members of other committees of the Common Council of the City of Stoughton may be in attendance at the above-mentioned meeting to gather information. No action will be taken by any such group(s) at the above-mentioned meeting other than the Stoughton Utilities Committee consisting of Mayor Donna Olson, Alderperson Eric Hohol, Alderperson Greg Jenson, Alderperson Larry Peterson, Citizen Member David Erdman, Citizen Member Jonathan Hajny, and Citizen Member Angie Halverson.

Please note that items taken on the Consent Agenda will not be discussed. Any individual Stoughton Utilities Committee member may request an item be removed from the consent.

Upon reasonable notice, efforts will be made to accommodate the needs of disabled individuals through appropriate aids and services. For information or to request this service, please contact the Stoughton Utilities Director at (608) 877-7423.

An expanded meeting may constitute a quorum of the Common Council.

Current and past Stoughton Utilities Committee documents, including meeting notices, meeting packets, and meeting minutes, are available for public download at <http://uc.stoughtonutilities.com>.



**Stoughton Utilities**

600 South Fourth Street  
P.O. Box 383  
Stoughton, WI 53589-0383

*Serving Electric, Water & Wastewater Since 1886*

**Date:** September 13, 2011

**To:** Stoughton Utilities Committee

**From:** Robert P. Kardasz, P.E.  
Stoughton Utilities Director

**Subject:** Recommended Actions At The September 19, 2011 Regular Stoughton Utilities Committee Meeting.

AGENDA:

- Stoughton Utilities Committee Consent Agenda.
  - a) Stoughton Utilities Payments Due List Report. **(Review, discuss and accept the Stoughton Utilities Payments Due List Report via the consent agenda approval.)**
  - b) Draft Minutes of the August 15, 2011 Regular Stoughton Utilities Committee Meeting. **(Approve the Draft Minutes of the August 15, 2011 Regular Stoughton Utilities Committee Meeting via the consent agenda approval.)**
  - c) Stoughton Utilities July 2011 Financial Summary. **(Discuss and accept the Stoughton Utilities July 2011 Financial Summary via the consent agenda approval.)**
  - d) Stoughton Utilities July 2011 Statistical Information. **(Discuss and accept the July 2011 Stoughton Utilities Statistical Information via the consent agenda approval.)**
  - e) Stoughton Utilities Communications. **(Discuss and accept the Stoughton Utilities Communications via the consent agenda approval.)**
  - f) Stoughton Utilities Committee Annual Calendar. **(Discuss and accept the Stoughton Utilities Committee Annual Calendar via the consent agenda approval.)**
  - g) Stoughton Utilities August 2011 Activities Report. **(Discuss and accept the Stoughton Utilities August 2011 Stoughton Utilities Activities Report via the consent agenda approval.)**

BUSINESS:

1. Status Of The Stoughton Utilities Recommendation(s) To The Stoughton Common Council. **(Discussion.) (Review and discuss the Stoughton Utilities Committee recommendation(s) to the Stoughton Common Council.)**
2. Stoughton Utilities Compensation Analysis. **(Action.) (Review, discuss, approve, and recommend the approval to the Stoughton Personnel Committee and the Stoughton Common Council.)**
3. Stoughton Utilities Revised Proposed 2012 Budget. **(Action.) (Review, discuss, approve, and recommend the approval of the Stoughton Utilities Revised 2012 Budget to the Stoughton Common Council.)**
4. Stoughton Utilities Proposed 2012 Budget From The August 15, 2012 Stoughton Utilities Committee Meeting. **(Action.) (Review, discuss, approve, and recommend the approval of the Stoughton Utilities Proposed 2012 Budget from the August 15, 2012 Stoughton Utilities Committee Meeting if the Stoughton Utilities Revised Proposed 2012 Budget is not approved.)**
5. Request To Participate In The WPPI Energy/Stoughton Utilities Shared Savings Program From Universal Acoustic & Emission Technologies, Inc. (Universal) Located At 1925 USH 51 West. **(Action.) (Review, discuss and approve the request to participate in the WPPI Energy/Stoughton Utilities Shared Savings Program from Universal Acoustic & Emission Technologies, Inc. (Universal) located at 1925 USH 51 West.)**
6. Stoughton Utilities Committee Agenda Items Requiring Post-Committee Action. **(Action.) (Review, discuss, approve and recommend the approval to the Stoughton Common Council.)**
7. Wisconsin Retirement System-Unfunded Actuarial Accrued Liability (Prior Service Liability) Status Report No. 3. **(Discussion.)**
8. Rural Development Loan And Grant Program (REDLG) Status Report No. 7. **(Discussion.)**
9. Stoughton Utilities Customer Collections Status Report. **(Discussion.)**
10. WPPI Energy Orientation Meeting. **(Discussion.)**
11. Stoughton Utilities Committee Future Meeting Agenda Item(s). **(Discussion.)**

cc: Sean O Grady  
Stoughton Utilities Operations Superintendent

Date: Wednesday, September 07, 2011  
 Time: 08:37AM  
 User: SGUNSOLUS

**Stoughton Utilities**  
**Check Register Summary - Standard**

Page: 1 of 9  
 Report: 03699W.rpt  
 Company: 7430

Period: - As of: 9/7/2011

Check Nbr	Type	Date	Amount Paid	Vendor ID / Name	Description
<b>Company: 7430</b>					
000479	HC	7/30/2011	1,166,924.79	009 WPPI	WPPI-Renewable energy/WPPI-Buy Back Solar Credit/WPPI-Large Power
000480	HC	8/30/2011	204.99	547 Charter Communications-Ach	Charter-Aug Ach/Charter-Aug Ach/Charter-Aug Ach
000481	HC	8/30/2011	40.08	004 Us Cellular - Ach	Us Cellular - Aug Ach
000482	HC	8/30/2011	843.44	002 Employee Benefits Corp - Ach	Emp Ben Corp - Aug Ach/Emp Ben Corp - Aug Ach/Emp Ben Corp - Aug Ach/Emp Ben Corp - Aug Ach
000483	HC	8/30/2011	859.84	001 Delta Dental - Ach	Delta Dental - Aug Ach/Delta Dental - Aug Ach/Delta Dental - Aug Ach
000484	HC	8/30/2011	55,088.01	010 WI Dept. of Revenue Taxpayment-Ach	Dept of Rev-Aug Ach/Dept of Rev-Aug Ach
000485	HC	8/30/2011	6,590.46	008 Payroll State Taxes - Ach	State Taxes - Aug Ach
000486	HC	8/30/2011	7,307.38	020 Wells Fargo Client Ana-Ach	Client Analysis-Aug Ach/Client Analysis-Aug Ach/Client Analysis-Aug Ach
000487	HC	8/30/2011	201.28	003 Alliant Energy - Ach	Alliant Energy - Aug Ach/Alliant Energy - Aug Ach/Alliant Energy - Aug Ach/Alliant Energy - Aug Ach
000488	HC	8/30/2011	29,198.59	025 Payroll Federal Taxes- Ach	Federal Taxes-Aug Ach/Federal Taxes-Aug Ach/Federal Taxes-Aug Ach/Federal Taxes-Aug Ach
021030	CK	8/3/2011	332.08	123 US CELLULAR	US Cell-Phones/US Cell-Phones
021031	CK	8/3/2011	138.46	133 WISCONSIN SCTF	WI SCTF-August A Support
021032	CK	8/3/2011	139.53	184 CAPITAL CITY INT'L. , INC	Capital city-Trk 2 repairs
021033	CK	8/3/2011	1,008.10	290 MID-WEST TREE & EXCAVATION, INC	Mid-West-Trenching/Mid-West-Trenching/Mid-West-Trenching/Mid-West-Trenching
021034	CK	8/3/2011	1,597.15	309 HAWKINS, INC.	Hawkins-Fluoride & chlorine
021035	CK	8/3/2011	268.56	312 STATE DISBURSEMENT UNIT	State Disb-Aug A Support
021036	CK	8/3/2011	2,058.00	327 BORDER STATES ELECTRIC SUPPLY	Border States-Supplies

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021037	CK	8/3/2011	64.58	436 STOUGHTON LUMBER CO., INC.	Stoton Lumber-Misc Hardware/Stoton Lumber-Misc Hardware
021038	CK	8/3/2011	15,990.51	448 STRAND ASSOCIATES INC.	Strand-B&G food Discharges/Strand-East Main St Const/Strand-Hvac study PB #5/Strand-Scada/Strand-Scada/Strand-East Main St Const/Strand-Misc Assistance/Strand-anaerobic dig
021039	CK	8/3/2011	1,750.00	463 GREAT-WEST	Great-West-Aug A Def Comp
021040	CK	8/3/2011	298.89	473 CITIBANK (SOUTH DAKOTA) N.A.	Citibank-Aug A Garnishment
021041	CK	8/3/2011	373.67	482 AT & T	AT & T-Analog field lines/AT & T-Analog field lines/AT & T-Analog field lines
021042	CK	8/3/2011	1,074.76	521 WESCO RECEIVABLES CORP.	Wesco-Inventory/Wesco-Supplies/Wesco-Inventory
021043	CK	8/3/2011	90.00	548 WISCONSIN RURAL WATER ASSOC.	WRWA-Water Class
021044	CK	8/3/2011	20.00	675 WI STATE LABORATORY OF HYGIENE	Lab of Hygiene-Fluoride tests
021045	CK	8/3/2011	524.11	691 ASPLUNDH TREE EXPERTS CO., INC.	Asplundh-Tree Trimming
021046	CK	8/3/2011	150.00	731 NORTH SHORE BANK FSB	N Shore Bank-Aug A Def Comp
021047	CK	8/3/2011	2,281.22	781 DUNKIRK WATER POWER CO LLC	Dunkirk-July Dunkirk Dam
021048	CK	8/3/2011	580.00	844 DVORAK LANDSCAPE SUPPLY, LLC	Dvorak Land-Stump killer
021049	CK	8/3/2011	500.64	979 EFI INC	EFI-Holiday Lights
021050	CK	8/3/2011	25.00	983 C & M HYDRAULIC TOOL SUPPLY	C & M-Repair Tool
021051	CK	8/10/2011	36.12	075 DONALD WALKER	D Walker-Customer Refund
021052	CK	8/10/2011	12,646.07	131 CITY OF STOUGHTON	City Stoton-Health Membership/City Stoton-Aug Life Ins/City Stoton-Aug Life Ins/City Stoton-Restat #1180206/City Stoton-Restat #1180206/City Stoton-July Life Ins/City Stoton-July Life Ins/City Stoton-July Life Ins/City Stoton-Aug Life Ins/More...
021053	CK	8/10/2011	23.15	148 FASTENAL COMPANY	Fastenal-8" blk cabletie
021054	CK	8/10/2011	97.26	172 DUECO, INC.	Dueco-Strob Light

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021055	CK	8/10/2011	42.10	189 SHERI OLSON STEVENTON	S Olson-Customer Refund
021056	CK	8/10/2011	11.94	194 ADVANCE AUTO PARTS	Advance Auto-Washer Fluid
021057	CK	8/10/2011	32.00	240 D&M SERVICE CENTER	D&M Svc Ctr-Lp Gas
021058	CK	8/10/2011	248.31	258 OZEE CARS LLC	Ozee Cars-Customer Refund
021059	CK	8/10/2011	448.91	303 CPR SERVICES, INC.	CPR-Blower 4 supply
021060	CK	8/10/2011	834.77	327 BORDER STATES ELECTRIC SUPPLY	Border States-Gaskets/Bushing/Border States-Inventory/Border States-Shipping
021061	CK	8/10/2011	36.00	390 BADGER WATER LLC	Badger Water-Lab Water
021062	CK	8/10/2011	1,871.01	400 RESCO	Resco-Hotsticks/Resco-Inventory items/Resco-Supplies/Resco-Inventory Items/Resco-Supplies
021063	CK	8/10/2011	36.19	404 KARL KELLER	K Keller-Customer Refund
021064	CK	8/10/2011	85.77	419 BEN & BRANDY GRADY	B Grady-Customer Refund
021065	CK	8/10/2011	629.00	521 WESCO RECEIVABLES CORP.	Wesco-Supplies
021066	CK	8/10/2011	1,416.80	550 FIRST SUPPLY LLC MADISON	first Supply-Inventory/First Supply-Inventory/First Supply-Inventory/First Supply-Shipping
021067	CK	8/10/2011	7,310.73	590 AUXIANT	Auxiant-Medical Admin/Auxiant-Medical Admin/Auxiant-Medical Admin/Auxiant-Medical Admin
021068	CK	8/10/2011	82.65	591 AUXIANT	Auxiant-Medical Claims/Auxiant-Medical Claims/Auxiant-Medical Claims
021069	CK	8/10/2011	403.94	809 CINTAS CORPORATION #446	Cintas-11 clothing/Cintas-11 clothing/Cintas-11 clothing
021070	CK	8/10/2011	13.89	864 AUTO-WARES WISCONSIN INC.	Auto-Wares-Backhoe Filter
021071	CK	8/17/2011	22.77	111 AUTO PARTS OF STOUGHTON	Auto Parts-Grease Fittings
021072	CK	8/17/2011	517.20	125 CHAMPION, INC.	Champion-Supplies

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021073	CK	8/17/2011	14,744.33	131 CITY OF STOUGHTON	City Stoton-Aug Retirement/City Stoton-Aug Retirement/City Stoton-Aug Retirement
021074	CK	8/17/2011	138.46	133 WISCONSIN SCTF	WI SCTF-Aug B Support
021075	CK	8/17/2011	717.44	134 CRESCENT ELEC. SUPPLY CO.	Crescent-Public Benefits #17
021076	CK	8/17/2011	118.58	148 FASTENAL COMPANY	Fastenal-Supplies
021077	CK	8/17/2011	558.25	166 INKWORKS, INC.	Inkworks-Envelopes-Notices/Inkworks-Envelopes-Notices/Inkworks-Envelopes-Notices
021078	CK	8/17/2011	194.96	183 MIDWEST SAFETY SUPPLY LLC	Midwest-Supplies/Midwest-Supplies/Midwest-Supplies
021079	CK	8/17/2011	209.38	256 GREAT LAKES UNDERGRN. EQUIP. C	Great Lakes-Jetvac Reel Parts
021080	CK	8/17/2011	987.50	290 MID-WEST TREE & EXCAVATION, INC	Midwest Tree-Trenching
021081	CK	8/17/2011	62.00	293 UNITED WAY OF DANE COUNTY	United Way-Aug contribution
021082	CK	8/17/2011	268.56	312 STATE DISBURSEMENT UNIT	State Disb-Aug B Support
021083	CK	8/17/2011	4.20	327 BORDER STATES ELECTRIC SUPPLY	Border States-Bushing
021084	CK	8/17/2011	89.45	358 KUNZ GLOVE CO., INC.	Kunz Gloves-Work Gloves
021085	CK	8/17/2011	829.01	400 RESCO	Resco-Supplies/Resco-Inventory/Resco-Inventory
021086	CK	8/17/2011	1,772.23	405 ROSENBAUM CRUSHING & EXCAV.	Rosenbaum-Materials/Rosenbaum-Dump Fees
021087	VC	8/31/2011	0.00	435 VIERBICHER ASSOCIATES	Vierb-Construction Refund/Vierb-Construction Refund
021088	CK	8/17/2011	219.69	438 NELSON BUILDING SERVICES	Nelson-Construction Refund
021089	CK	8/17/2011	4,756.28	451 FRONTIER FS COOPERATIVE	Frontier-Fuel/Frontier-Fuel/Frontier-Fuel
021090	CK	8/17/2011	1,750.00	463 GREAT-WEST	Great-West-Aug B Def Comp
021091	CK	8/17/2011	264.40	473 CITIBANK (SOUTH DAKOTA) N.A.	Citibank-Aug B Garnishment



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021092	CK	8/17/2011	2,350.00	519 BRADLEY HARNACK	B Harnack-WW Mowing/B Harnack-Water Tower mowing/B Harnack-Well 6 Mowing/B Harnack-East Sub Mowing/B Harnack-N Sub Mowing/B Harnack-S Sub mowing/B Harnack-Well 4 Mowing/B Harnack-Admin Mowing/B Harnack-Mccomb Rd Mowing/B Harnack-Well 5 Mowing/More...
021093	CK	8/17/2011	48.40	521 WESCO RECEIVABLES CORP.	Wesco-Inventory
021094	CK	8/17/2011	553.95	549 IBEW LOCAL 965	Ibew-Aug Union dues
021095	CK	8/17/2011	350.00	564 INSTRUMENTS & TECHNOLOGY INC	Inst-Voltage Recorder
021096	CK	8/17/2011	58.00	584 VINING SPARKS IBG, L.P.	Vining Sparks-Safekeeping
021097	CK	8/17/2011	2,248.89	591 AUXIANT	Auxiant-Medical Claims/Auxiant-Medical Claims/Auxiant-Medical Claims
021098	CK	8/17/2011	5,136.30	603 SEERA	Seera-Focus on energy
021099	CK	8/17/2011	3,489.16	691 ASPLUNDH TREE EXPERTS CO., INC.	Asplundh-Tree Trimming
021100	CK	8/17/2011	285.87	717 HACH COMPANY	Hach-Lab Supplies
021101	CK	8/17/2011	40.79	724 ALL SEASONS HOMES	All Season-Construction Refund
021102	CK	8/17/2011	150.00	731 NORTH SHORE BANK FSB	N Shore Bank-Aug B Def Comp
021103	CK	8/17/2011	401.02	748 THE SHERWIN-WILLIAMS CO.	Sherwin-Paint/Sherwin-Paint
021104	CK	8/17/2011	377.50	752 WISCONSIN PROFESSIONAL POLICE ASSOC.	WI Prof-August Union Dues
021105	CK	8/17/2011	5,256.51	852 INFOSEND, INC	Infosend-Bill Print & Mail/Infosend-Bill Print & Mail/Infosend-Bill Print & Mail
021106	CK	8/17/2011	252.00	889 PITNEY BOWES INC	Pitney Bowes-Postage Meter Ren/Pitney Bowes-Postage Meter Ren/Pitney Bowes-Postage Meter Ren
021107	CK	8/17/2011	11,811.00	995 MEUW	MEUW-Member Dues/MEUW-Member Dues/MEUW-Webinar
021108	CK	8/17/2011	1,998.00	130 D.W. NELSON INCORPORATED	DW Nelson-Curb & Gutter

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021109	CK	8/17/2011	569.94	846 CUMMINS NPOWER LLC	Cummins-Gen repair #2
021110	CK	8/24/2011	41.02	134 CRESCENT ELEC. SUPPLY CO.	Crescent Elec-Inventory/Crescent Elec-shipping
021111	CK	8/24/2011	738.35	143 DIGGERS HOTLINE, INC.	Diggers Hotline-Locates
021112	CK	8/24/2011	5.06	148 FASTENAL COMPANY	Fastenal-Elec Outlet
021113	CK	8/24/2011	599.70	184 CAPITAL CITY INT'L. , INC	Capital City-Trk 15 Maint
021114	CK	8/24/2011	356.90	335 LUBE E-Z LLC	Lube EZ-Compressor Oil
021115	CK	8/24/2011	585.00	550 FIRST SUPPLY LLC MADISON	First Supply-Inventory/First Supply-Inventory
021116	CK	8/24/2011	790.04	555 WOLF PAVING & EXCAVATING CO.	Wolf Paving-Cold Mix
021117	CK	8/24/2011	48.00	584 VINING SPARKS IBG, L.P.	Vining Sparks-Safekeeping
021118	CK	8/24/2011	5,617.30	591 AUXIANT	Auxiant-Medical Claims/Auxiant-Medical Claims/Auxiant-Medical Claims/Auxiant-Medical Claims/Auxiant-Medical Claims
021119	CK	8/24/2011	5,124.83	644 PAYMENT REMITTANCE CENTER	Pymt Rem Ctr-CDW/Pymt Rem Ctr-Meter Class/Pymt Rem Ctr-Staples/Pymt Rem Ctr-Staples/Pymt Rem Ctr-Payflow/Pymt Rem Ctr-Payflow/Pymt Rem Ctr-Payflow/Pymt Rem Ctr-Payflow/Pymt Rem Ctr-Payflow/Pymt Rem Ctr-Payflow/More...
021120	CK	8/24/2011	782.40	644 PAYMENT REMITTANCE CENTER	Pymt Rem Ctr-Protank supply/Pymt Rem Ctr-Wcc sea member/Pymt Rem Ctr-Meter school exp/Pymt Rem Ctr-Meter school exp/Pymt Rem Ctr-Tax credit hotel/Pymt Rem Ctr-Ups shipping/Pymt Rem Ctr-Ups shipping
021121	CK	8/24/2011	1,177.96	644 PAYMENT REMITTANCE CENTER	Pymt Rem Ctr-Lab Refrig/Pymt Rem Ctr-Digester lites/Pymt Rem Ctr-Misc supplies/Pymt Rem Ctr-Tax credit
021122	CK	8/24/2011	750.00	660 MCCANN'S UNDERGROUND, INC.	Mccanns-Sewer Inspection
021123	CK	8/24/2011	3,489.16	691 ASPLUNDH TREE EXPERTS CO., INC.	Asplundh-Tree Trimming

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021124	CK	8/24/2011	224.69	706 JOSEPH G. POLLARD CO., INC	J Pollard-Locator repairs
021125	CK	8/24/2011	301.48	718 CGC, INC.	CGC-Geotech consult costs/CGC-Geotech consult costs/CGC-Geotech consult costs/CGC-Geotech consult costs
021126	CK	8/24/2011	1,851.95	727 GLS UTILITY LLC	GLS Utility-July Locates
021127	CK	8/24/2011	12.68	906 ALLIANT ENERGY	Alliant-Water Tower
021128	CK	8/24/2011	326.27	108 ASLESON'S TRUE VALUE	Aslesons-Misc Hardware/Aslesons-Misc hardware/Aslesons-Misc hardware/Aslesons-Misc Hardware/Aslesons-Misc Hardware/Aslesons-Misc hardware/Aslesons-Misc Hardware
021129	CK	8/24/2011	159.78	108 ASLESON'S TRUE VALUE	Aslesons-Misc Hardware/Aslesons-Misc hardware/Aslesons-Misc Hardware/Aslesons-Misc Hardware/Aslesons-Misc Hardware/Aslesons-Misc Hardware/Aslesons-Misc Hardware
021130	CK	8/25/2011	17,267.44	479 MOVIN' OUT, INC.	Movin out-Construction Refund
021131	CK	8/31/2011	17,267.44	435 VIERBICHER ASSOCIATES	Vierb-Construction Refund
021132	CK	8/31/2011	291.29	123 US CELLULAR	Us Cell-Phones/Us Cell-Phones
021133	CK	8/31/2011	138.46	133 WISCONSIN SCTF	WI SCTF-Sept A Support
021134	CK	8/31/2011	455.24	183 MIDWEST SAFETY SUPPLY LLC	Midwest-Supplies/Midwest-Supplies
021135	CK	8/31/2011	268.56	312 STATE DISBURSEMENT UNIT	State Disb-Sept A Support
021136	CK	8/31/2011	250.00	322 SUN DANCE CLEANING SVCS LLC	Sun Dance-cleaning Services/Sun Dance-cleaning Services/Sun Dance-cleaning Services
021137	CK	8/31/2011	6,878.03	327 BORDER STATES ELECTRIC SUPPLY	Border States-Inventory/Border States-Inventory/Border States-Inventory/Border States-Inventory
021138	CK	8/31/2011	964.70	400 RESCO	Resco-Supplies/Resco-Inventory
021139	CK	8/31/2011	89.00	439 AMERICAN PUBLIC POWER ASSOC.	APPA-Webinar

Date: Wednesday, September 07, 2011  
 Time: 08:37AM  
 User: SGUNSOLUS

**Stoughton Utilities**  
**Check Register Summary - Standard**

Page: 8 of 9  
 Report: 03699W.rpt  
 Company: 7430

Period: - As of: 9/7/2011

Check Nbr	Type	Date	Amount Paid	Vendor ID / Name	Description
021140	CK	8/31/2011	18,159.27	448 STRAND ASSOCIATES INC.	Strand-General Engineering/Strand-B & G foods/Strand-East Main Project/Strand-Scada/Strand-Scada/Strand-East Main Project/Strand-assistance/Strand-Anaerobic Dig
021141	CK	8/31/2011	1,750.00	463 GREAT-WEST	Great-West-Sept A Def Comp
021142	CK	8/31/2011	50.00	467 MARTIN DAWSON	M Dawson-Pub Ben #15
021143	CK	8/31/2011	262.75	473 CITIBANK (SOUTH DAKOTA) N.A.	Citibank-Sept A Garnishment
021144	CK	8/31/2011	248.01	480 AMY WEDEKIND	A Wedekind-Construction Refund
021145	CK	8/31/2011	1,044.11	482 AT & T	AT & T-Office Pri Lines/AT & T-Field Analog Lines/AT & T-Field Analog Lines/AT & T-Office Pri Lines/AT & T-Field Analog Lines
021146	CK	8/31/2011	360.60	521 WESCO RECEIVABLES CORP.	Wesco-Supplies/Wesco-Supplies/Wesco-Inventory
021147	CK	8/31/2011	486.46	555 WOLF PAVING & EXCAVATING CO.	Wolf Paving-Black Top
021148	CK	8/31/2011	150.00	731 NORTH SHORE BANK FSB	N Shore Bank-Sept A Def comp
021149	CK	8/31/2011	97,636.54	812 MICHELS CORPORATION	Michels-Invoice 1
021150	CK	8/31/2011	25.00	921 DEPT. OF NATURAL RESOURCES	DNR-WW Exam
021151	CK	8/31/2011	180.00	995 MEUW	MEUW-Seminar/MEUW-Seminar/MEUW-Seminar
100505	CK	8/3/2011	1,877.50	009 WPPI	WPPI-Large Power/WPPI-Pub Ben #6/WPPI-Pub Ben #3/WPPI-Pub Ben #20
100506	CK	8/3/2011	639.95	678 RESTAT LLC ACCOUNT	Restat-Pharmacy claims/Restat-Pharmacy claims/Restat-Pharmacy claims
100507	CK	8/3/2011	29.22	856 GORDON FLESCH COMPANY, INC.	Gordon Flesch-copy Mach Maint/Gordon Flesch-copy Mach Maint/Gordon Flesch-copy Mach Maint
100508	CK	8/3/2011	220.00	974 NORTHERN LAKE SERVICE, INC.	Northern Lake-Lab Testing
100509	CK	8/17/2011	150.00	192 CRAIG WOOD	C Wood-11 Boots

Date: Wednesday, September 07, 2011  
Time: 08:37AM  
User: SGUNSOLUS

**Stoughton Utilities**  
**Check Register Summary - Standard**

Page: 9 of 9  
Report: 03699W.rpt  
Company: 7430

Period: - As of: 9/7/2011

Check Nbr	Type	Date	Amount Paid	Vendor ID / Name	Description
100510	CK	8/17/2011	309.33	571 USA BLUE BOOK	Usa-Locate materials
100511	CK	8/17/2011	130.42	830 NCL OF WISCONSIN, INC.	NCL-Lab Supplies
100512	CK	8/24/2011	32.99	153 HANSON ELECTRONICS	Hansons-Phone
100513	CK	8/24/2011	27.00	310 HANSON PEST MANAGEMENT	Hanson Pest-Pest Maint
100514	CK	8/24/2011	141.00	423 R. A. HEATING & A/C, INC.	R. A. Heat-Air cond repairs
100515	CK	8/24/2011	264.23	571 USA BLUE BOOK	Usa Blue Bk-Parts for pumps
100516	CK	8/31/2011	109.95	181 BRIAN HOOPS	B Hoops-Class Reimb/B Hoops-Class Reimb/B Hoops-Class Reimb
100517	CK	8/31/2011	1,900.97	830 NCL OF WISCONSIN, INC.	NCL-Incubator
100518	CK	8/31/2011	33.38	856 GORDON FLESCH COMPANY, INC.	Gordon Flesch-Copy Mach Maint/Gordon Flesch-Copy Mach Maint/Gordon Flesch-Copy Mach Maint
<b>Company Total</b>			<b>1,579,504.16</b>		

## **DRAFT STOUGHTON UTILITIES COMMITTEE MEETING MINUTES**

**Monday, August 15, 2011 – 5:08 p.m.**

**Stoughton Utilities East Electric Substation**

**1200 E. South Street**

**Edmund T. Malinowski Room**

**Stoughton Utilities Administration Office**

**600 S. Fourth St.**

**Stoughton, Wisconsin**

**Members Present:** Citizen Member David Erdman, Citizen Member Jonathan Hajny, Alderperson Eric Hohol, Alderperson Greg Jenson, Mayor Donna Olson, and Alderperson Larry Peterson.

**Excused:** Citizen Member Angie Halverson.

**Absent:** None.

**Others Present:** Stoughton Utilities Office and Information Systems Supervisor Brian Hoops, Stoughton Utilities Finance and Administrative Manager Kim Jennings, CPA and Stoughton Utilities Director Robert Kardasz, P.E.

**Tour Of The Stoughton East Electric Substation:** A tour of the Stoughton Utilities East Electric Substation was conducted. Participants included Citizen Member David Erdman, Citizen Member Jonathan Hajny, Alderperson Greg Jenson, Mayor Donna Olson, and Stoughton Utilities Director Robert Kardasz.

The Stoughton Utilities Committee Meeting moved to the Edmund T. Malinowski Board Room of the Stoughton Utilities Administration Office.

**Call To Order:** Mayor Donna Olson called the regular Stoughton Utilities Committee Meeting to order at 5:08 p.m.

**Stoughton Utilities Payments Due List:** Stoughton Utilities Director Robert Kardasz presented and discussed the Stoughton Utilities Payments Due List. Discussion followed. The Stoughton Utilities Payments Due List was placed on file as presented.

## **DRAFT STOUGHTON UTILITIES COMMITTEE MEETING MINUTES**

**Monday, August 15, 2011 – 5:08 p.m.**

**Page No. 2**

**Stoughton, WI**

**Stoughton Utilities Committee Consent Agenda:** Stoughton Utilities Director Robert Kardasz presented and discussed the Stoughton Utilities Committee Meeting Consent Agenda Items. Discussion Followed. Motion by Citizen Member Jonathan Hajny, motion seconded by Alderperson Greg Jenson, to approve the following consent agenda items as presented: Draft Minutes of the July 18, 2011 Regular Stoughton Utilities Committee Meeting, Stoughton Utilities June 2011 Financial Summary, June 2011 Statistical Information, Stoughton Utilities Communications, Stoughton Utilities Committee Annual Calendar, and Stoughton Utilities July 2011 Activities Report. The motion carried unanimously.

**Status Of The Stoughton Utilities Committee Recommendation(s) To The Stoughton Common Council:** Alderperson Eric Hohol reported that no recommendations received Stoughton Common Council action. Discussion followed.

Alderperson Larry Peterson arrived at the meeting at 5:20 p.m.

**Stoughton Utilities Proposed 2012 Budget:** Stoughton Utilities Finance and Administrative Manager Kim Jennings and Stoughton Utilities Director Robert Kardasz presented and discussed the proposed 2012 Stoughton Utilities Budget. Discussion followed. Motion by Citizen Member Jonathan Hajny, motion seconded by Alderperson Eric Hohol, to tentatively approve the proposed Stoughton Utilities 2012 Budget and direct staff to bring the proposed 2012 Stoughton Utilities Budget with market compensation adjustments for the employees not represented by the International Brotherhood of Electrical Workers to the Stoughton Utilities Committee on September 19, 2011 for recommendation to the Stoughton Common Council. The motion carried 4-2 with Alderperson Greg Jenson and Mayor Donna Olson voting no.

**Proposed Stoughton Utilities Non-Represented Employee Compensation Adjustment In 2012:** Stoughton Utilities Director Robert Kardasz presented and discussed the proposed Stoughton Utilities non-represented employee compensation adjustment for 2012. Discussion followed. Motion by Citizen Member David Erdman, motion seconded by Citizen Member Jonathan Hajny to table the proposed Stoughton Utilities non-represented employee compensation adjustments to the September 19, 2011 Stoughton Utilities Committee Meeting. The motion carried unanimously.

**DRAFT STOUGHTON UTILITIES COMMITTEE MEETING MINUTES  
MONDAY, AUGUST 15, 2011, 5:08 P.M.**

**PAGE NO. 3**

**STOUGHTON, WI**

**Wisconsin Retirement System – Unfunded Actuarial Accrued Liability (Prior Service Liability):** Stoughton Utilities Finance and Administrative Manager Kim Jennings and Stoughton Utilities Director Robert Kardasz presented and discussed the Wisconsin Retirement System – Unfunded Accrued Liability. Discussion followed. Discussion followed. Motion by Alderperson Eric Hohol, motion seconded by Alderperson Greg Jenson, to approve the Stoughton Utilities loan of \$555,134 to the City of Stoughton Unrestricted Reserve at an annual interest of 3% through 2024 and the \$185,045 Stoughton Utilities contribution to pay the total Wisconsin Retirement System – Unfunded Accrued Liability of \$740,179 in 2011, and recommend the loan to the Stoughton Finance Committee and the Stoughton Common Council. Discussion followed. Motion by Citizen Member David Erdman, motion seconded by Citizen Member Jonathan Hajny, to amend the original motion to approve the Stoughton Utilities loan of \$555,134 to the City of Stoughton Unrestricted Reserve at an annual interest rate of 3.5% through 2024 and the \$185,045 Stoughton Utilities contribution to pay the total Wisconsin Retirement System – Unfunded Accrued Liability of \$740,179 in 2011, and recommend the loan to the Stoughton Finance Committee and the Stoughton Common Council. The motion failed 2-4 with Alderperson Eric Hohol, Alderperson Greg Jenson, Mayor Donna Olson and Alderperson Larry Peterson voting no. Discussion followed. The original motion carried unanimously.

Alderperson Eric Hohol commended Stoughton Utilities Finance and Administrative Manager Kim Jennings on her proposal to resolve the Wisconsin Retirement System – Unfunded Actuarial Accrued Liability.

**Rural Development Loan And Grant Program (REDLG) Status Report No. 6:** Stoughton Utilities Finance and Administrative Manager Kim Jennings and Stoughton Utilities Director Robert Kardasz presented and discussed the REDLG Status Report No. 6. Discussion followed.

**WPPI Energy Thirty-First Annual Meeting:** Stoughton Utilities Director Robert Kardasz presented and discussed the WPPI Energy Thirty-first Annual Meeting and requested the Stoughton Utilities Committee members to participate. Discussion followed.



## **DRAFT STOUGHTON UTILITIES COMMITTEE MEETING MINUTES**

**Monday, August 15, 2011 – 5:08 p.m.**

**Page No. 4**

**Stoughton, WI**

**Stoughton Utilities Employees State Of Wisconsin Certifications:** Stoughton Utilities Director Robert Kardasz presented and discussed the 17 Stoughton Utilities employees that hold State of Wisconsin certifications. Discussion followed.

**Stoughton Utilities Committee Agenda Items Requiring Post-Committee Action:** Stoughton Utilities Director Robert Kardasz presented and discussed Stoughton Utilities Committee Agenda Items requiring post-committee action. Discussion followed. Alderperson Eric Hohol requested that this item be placed on the September 19, 2011 Stoughton Utilities Committee Meeting as an action item.

### **Stoughton Utilities Committee Future Agenda Items:**

- Stoughton Utilities Proposed 2012 Budget action on September 19, 2011.
- Stoughton Utilities Committee action regarding agenda items requiring Stoughton Common Council approval on September 19, 2011.
- Rural Development Loan and Grant Program Status Report No. 7 on September 19, 2011.
- Stoughton Utilities Collections Status Report on September 19, 2011.
- Status Report of the Stoughton Utilities Goals on January 17, 2012
- Stoughton Utilities wastewater financial objectives report.
- Stoughton Utilities Investment Policy.
- WPPI Energy Presentation to the Stoughton Common Council.

**Adjournment:** Motion by Citizen Member Jonathan Hajny, motion seconded by Citizen Member David Erdman, to adjourn the Regular Stoughton Utilities Committee Meeting at 6:28 p.m. The motion carried unanimously.

Respectfully submitted,  
Robert P. Kardasz, P.E.  
Stoughton Utilities Director

# Stoughton Utilities

## Financial Summary

### July 2011-YTD

#### Highlights-Comparison to prior month

*I have no concerns with the utility's financial status. The following items are meant to illustrate significant changes in the financial summary from prior periods.*

Financial results are as expected through July 2011.

Staff are closely reviewing water utility sales, cash flow, and cash position to confirm rates are adequate for the remainder of 2011.

With Council approval on 9/27/11, utility staff will make full payment to the Wisconsin Retirement System to satisfy the Unfunded Actuarial Accrued Liability. An interfund loan at 3% annual interest will be paid back by the General Fund over 13 years.

A wastewater cost of service analysis is in progress. Staff does not anticipate an increase in overall revenue required. Staff recommendations for changes to fixed and volume charges (if any) will be presented at the October Utilities Committee meeting.

Submitted by:  
Kim M. Jennings, CPA

## Stoughton Utilities

### Income Statement

July 2011-YTD

	<b>Electric</b>	<b>Water</b>	<b>Wastewater</b>	<b>Total</b>
Operating Revenue:				
Sales	\$ 8,809,214	\$ 995,371	\$ 1,160,230	\$ 10,964,815
Other	112,391	29,190	48,708	190,289
<b>Total Operating Revenue:</b>	<b>\$ 8,921,605</b>	<b>\$ 1,024,561</b>	<b>\$ 1,208,938</b>	<b>\$ 11,155,105</b>
Operating Expense:				
Purchased Power	\$ 6,839,133	\$ -	\$ -	\$ 6,839,133
Expenses	775,911	402,353	451,800	1,630,064
Taxes (PILOT)	232,631	163,331	-	395,962
Depreciation	525,000	204,169	385,000	1,114,169
<b>Total Operating Expense:</b>	<b>\$ 8,372,676</b>	<b>\$ 769,853</b>	<b>\$ 836,800</b>	<b>\$ 9,979,328</b>
<b>Operating Income</b>	<b>\$ 548,930</b>	<b>\$ 254,708</b>	<b>\$ 372,139</b>	<b>\$ 1,175,776</b>
Non-Operating Income	72,074	30,808	20,915	123,797
Non-Operating Expense	(192,507)	(69,330)	(72,338)	(334,175)
<b>Net Income</b>	<b>\$ 428,496</b>	<b>\$ 216,186</b>	<b>\$ 320,715</b>	<b>\$ 965,398</b>

## Stoughton Utilities

Rate of Return

July 2011-YTD

	<b>Electric</b>	<b>Water</b>
<b>Operating Income (Regulatory)</b>	\$ 548,930	\$ 254,708
Average Utility Plant in Service	21,646,623	10,566,604
Average Accumulated Depreciation	(9,068,831)	(3,294,172)
Average Materials and Supplies	156,110	27,194
Average Regulatory Liability	(299,164)	(462,082)
Average Net Rate Base	\$ 12,434,738	\$ 6,837,544
<b>Actual Rate of Return</b>	<b>4.41%</b>	<b>3.73%</b>
<b>Authorized Rate of Return</b>	<b>6.50%</b>	<b>6.50%</b>

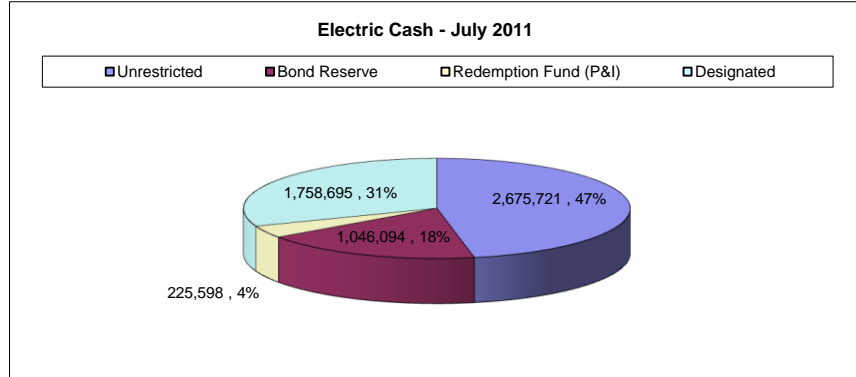
**Stoughton Utilities**

Cash & Investments

**Electric**

**Jul-11**

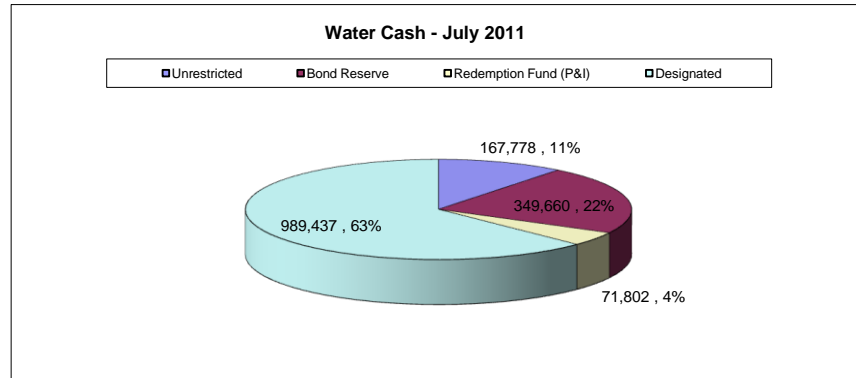
Unrestricted	2,675,721
Bond Reserve	1,046,094
Redemption Fund (P&I)	225,598
Designated	1,758,695
<b>Total</b>	<b>5,706,108</b>



**Water**

**Jul-11**

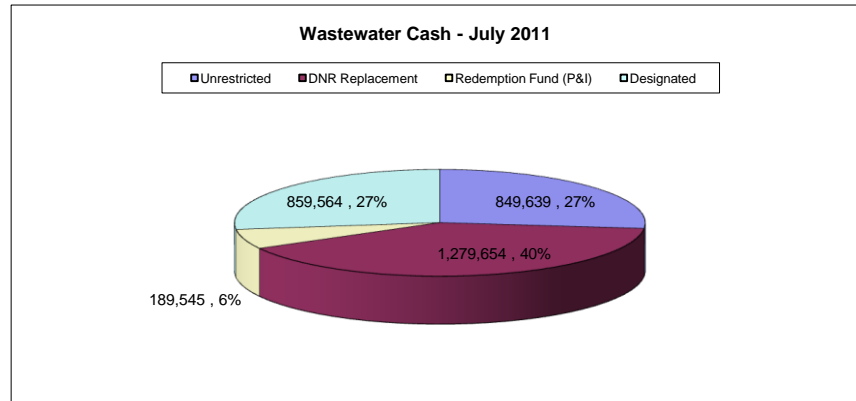
Unrestricted	167,778
Bond Reserve	349,660
Redemption Fund (P&I)	71,802
Designated	989,437
<b>Total</b>	<b>1,578,677</b>



**Wastewater**

**Jul-11**

Unrestricted	849,639
DNR Replacement	1,279,654
Redemption Fund (P&I)	189,545
Designated	859,564
<b>Total</b>	<b>3,178,402</b>



## Stoughton Utilities

Balance Sheet

July 2011-YTD

<b>Assets</b>	<b>Electric</b>	<b>Water</b>	<b>WW</b>	<b>Total</b>
Cash & Investments	\$ 5,706,108	\$ 1,578,677	\$ 3,178,402	\$ 10,463,187
Customer A/R	241,580	38,660	53,100	333,339
Other A/R	68,209	4,457	1,546	74,212
Other Current Assets	351,003	132,364	16,243	499,610
Plant in Service	21,839,235	10,620,811	21,835,357	54,295,403
Accumulated Depreciation	(9,344,845)	(3,399,406)	(7,631,797)	(20,376,049)
Plant in Service - CIAC	2,550,821	6,019,856	-	8,570,676
Accumulated Depreciation-CIAC	(602,381)	(1,362,918)	-	(1,965,299)
Construction Work in Progress	525,750	297,985	188,641	1,012,376
<b>Total Assets</b>	<b>\$ 21,335,479</b>	<b>\$ 13,930,485</b>	<b>\$ 17,641,491</b>	<b>\$ 52,907,455</b>
<b>Liabilities + Net Assets</b>				
A/P	\$ 68,709	\$ (1,727)	\$ 18	\$ 67,000
Taxes Accrued	180,831	163,331	-	344,163
Interest Accrued	96,372	23,689	26,852	146,913
Other Current Liabilities	338,503	125,590	113,964	578,056
Long-Term Debt	6,443,637	2,527,077	4,183,666	13,154,380
Net Assets	14,207,427	11,092,524	13,316,991	38,616,942
<b>Total Liabilities + Net Assets</b>	<b>\$ 21,335,479</b>	<b>\$ 13,930,485</b>	<b>\$ 17,641,491</b>	<b>\$ 52,907,455</b>

**STOUGHTON UTILITIES**  
**2011 Statistical Worksheet**

<b>Electric</b>	<b>Total Sales 2010 KwH</b>	<b>Total KwH Purchased 2010</b>	<b>Total Sales 2011 KwH</b>	<b>Total KwH Purchased 2011</b>	<b>Demand Peak 2010</b>	<b>Demand Peak 2011</b>
January	11,313,409	12,490,465	12,142,244	12,980,864	22,951	22,711
February	10,605,387	10,853,221	11,071,774	11,329,334	21,538	22,957
March	11,051,543	10,924,733	11,549,390	11,753,295	19,872	21,040
April	9,537,605	9,718,010	10,440,710	10,408,181	18,418	19,667
May	10,423,798	11,065,367	10,444,336	10,873,333	29,494	23,293
June	11,996,858	12,234,744	12,180,851	12,457,887	28,518	33,178
July	14,795,628	14,736,565	15,362,701	15,685,441	31,542	35,997
August						
September						
October						
November						
December						
<b>TOTAL</b>	<b>79,724,228</b>	<b>82,023,105</b>	<b>83,192,006</b>	<b>85,488,335</b>		

<b>Water</b>	<b>Total Sales 2010 Gallons</b>	<b>Total Gallons Pumped 2010</b>	<b>Total Sales 2011 Gallons</b>	<b>Total Gallons Pumped 2011</b>	<b>Max Daily High 2010</b>	<b>Max Daily Highs 2011</b>
January	33,859,000	39,294,000	36,810,000	40,710,000	1,577,000	1,611,000
February	33,256,000	35,907,000	36,303,000	42,108,000	1,405,000	2,139,000
March	39,191,000	41,037,000	40,841,000	46,582,000	1,572,000	1,659,000
April	34,331,000	37,386,000	37,922,000	39,856,000	1,502,000	1,540,000
May	36,955,000	42,138,000	41,271,000	46,171,000	1,588,000	1,754,000
June	39,246,000	42,591,000	44,400,000	49,574,000	1,918,000	2,208,000
July	41,633,000	43,468,000	47,109,000	49,533,000	1,812,000	2,051,000
August						
September						
October						
November						
December						
<b>TOTAL</b>	<b>258,471,000</b>	<b>281,821,000</b>	<b>284,656,000</b>	<b>314,534,000</b>		

<b>Wastewater</b>	<b>Total Sales 2010 Gallons</b>	<b>Total Treated Gallons 2010</b>	<b>Total Sales 2011 Gallons</b>	<b>Total Treated Gallons 2011</b>	<b>Precipitation 2010</b>	<b>Precipitation 2011</b>
January	26,338,000	39,334,000	25,817,000	32,619,000	0.84	0.90
February	25,768,000	33,586,000	23,941,000	30,597,000	0.74	1.79
March	29,115,000	41,700,000	26,266,000	38,223,000	1.39	3.05
April	25,835,000	41,032,000	26,089,000	35,708,000	5.26	3.52
May	26,896,000	41,485,000	26,880,000	34,908,000	3.84	2.26
June	26,507,000	38,734,000	28,340,000	32,297,000	6.73	3.15
July	28,765,000	44,831,000	31,352,000	32,239,000	8.91	4.40
August						
September						
October						
November						
December						
<b>TOTAL</b>	<b>189,224,000</b>	<b>280,702,000</b>	<b>188,685,000</b>	<b>236,591,000</b>	<b>27.71</b>	<b>19.07</b>



**Stoughton Utilities**

600 South Fourth Street  
P.O. Box 383  
Stoughton, WI 53589-0383

*Serving Electric, Water & Wastewater Since 1886*

**Date:** September 13, 2011  
**To:** Stoughton Utilities Committee  
**From:** Robert P. Kardasz, P.E.  
Stoughton Utilities Director  
**Subject:** Stoughton Utilities Communications.

- 2011 WPPI Energy Second Quarter Highlights.
- August 10, 2011 e-mail regarding our response to a weather-related power interruption.
- August 17, 2011 correspondence from the Wisconsin Department of Natural Resources regarding our wastewater treatment facility laboratory certification.
- September 6, 2011 thank you note regarding our response to a weather-related event.
- September 7, 2011 Washington Post newspaper article regarding power usage.
- September 2011 Customers First Coalition newsletter "The Wire".
- Fall 2011 WPPI Energy residential newsletter "Local Circuit".
- Fall 2011 WPPI Energy commercial newsletter "Local Circuit".

Encl.

cc: Sean O Grady  
Stoughton Utilities Operations Superintendent





1425 Corporate Center Drive  
Sun Prairie, WI 53590-9109  
Phone: (608) 834-4500  
Fax: (608) 837-0274  
www.wppienergy.org

## FISCAL YEAR 2011 SECOND QUARTER HIGHLIGHTS

### Financial Highlights

Energy sales to members were 1,224,255 megawatt-hours (MWh) in the second quarter of 2011. This is 10,078 MWh or (0.8%) less than the same period a year ago.

Total operating revenues for the second quarter of 2011 were \$107,236,809 which was 6.6% more than the same period a year ago. Total operating expenses for the second quarter of 2011 were \$101,686,420 or 4.5% more than the same period a year ago. The increase was primarily a result of higher expenses associated with both of the Elm Road Units being in service during the second quarter of 2011, including increased fuel, depreciation and tax expenses.

### Power Supply Update

In the second quarter of 2011, WPPI Energy's 20% share of Boswell 4 generated a total of 193,496 MWh at an average capacity factor of 75.7%. Unit 4 was offline for seven days in June to replace failed insulators in the generator iso-phase bus duct between the generator and the generator step-up transformer. This compares to generation of 176,477 MWh and an average capacity factor of 75.5% in the second quarter of 2010.

In the second quarter of 2011, WPPI Energy's 8.33% share of the Elm Road Units produced 102,443 MWh at an average capacity factor of 45.8%. Unit 1 was out of service for two weeks during the quarter due to problems with a steam bypass isolation valve. Unit 2 was out of service for four weeks during the quarter for a planned absorber inspection outage.

### News Highlights

Under an agreement reached in May with a subsidiary of NextEra Energy Resources, LLC (NextEra), WPPI Energy will purchase approximately 162 megawatts (MW) of electric power output from the Point Beach Nuclear Power Plant for the remaining term of the plant's operating license, or approximately 20 years. The Point Beach facility, located along Lake Michigan near the WPPI Energy member community of Two Rivers, Wis., is a two-unit nuclear plant that originally had a total capacity of approximately 1,023 MW. Earlier this year, NextEra received approval from the Nuclear Regulatory Commission to increase, or "uprate" the plant's output by approximately 162 MW. Upon completion of the uprate for each unit, WPPI Energy will purchase all of the resulting increase in output. The Unit 2 uprate was completed in June. The Unit 1 uprate is expected to be completed in December. WPPI Energy recently finalized a power purchase agreement with Missouri River Energy Services (MRES), under which MRES will receive 20 percent of the capacity and energy that WPPI Energy purchases from Point Beach for the entire term of the power purchase agreement with NextEra.

If you would prefer to receive the Quarterly Financial Highlights by e-mail, simply send your request to [sdvorak@wppienergy.org](mailto:sdvorak@wppienergy.org). Include your name, organization and mail address and you will be added to the electronic distribution list.

### Company Profile

WPPI Energy is a regional power company serving 51 customer-owned electric utilities. Through WPPI Energy, these public power utilities share resources and own generation facilities to provide reliable, affordable electricity to more than 195,000 homes and businesses in Wisconsin, Upper Michigan and Iowa.

This report and other information about WPPI Energy can be found at [www.wppienergy.org](http://www.wppienergy.org).

## FINANCIAL STATEMENTS

### Statements of Net Assets (Unaudited)

June 30	2011	2010
<b>ASSETS</b>		
Current assets	\$ 119,636,074	\$ 132,597,639
Non-current assets	197,679,036	180,194,878
Deferred costs	29,256,332	30,611,584
Electric plant, equipment and land, net	354,859,197	240,439,505
Construction work in progress	3,178,486	109,624,158
<b>Total assets</b>	<b>\$ 704,609,125</b>	<b>\$ 693,467,764</b>
<b>LIABILITIES AND NET ASSETS</b>		
Current liabilities	\$ 58,839,924	\$ 53,109,725
Deferred credits and other liabilities:		
Operating reserves and accrued liabilities	23,818,384	17,696,099
Rate stabilization	43,023,088	43,023,088
Total deferred credits and other liabilities	66,841,472	60,719,187
Long-term debt, net	397,103,757	407,363,585
Net assets	181,823,972	172,275,267
<b>Total liabilities and net assets</b>	<b>\$ 704,609,125</b>	<b>\$ 693,467,764</b>

### Statements of Revenues, Expenses, and Changes in Net Assets (Unaudited)

Quarter Ended June 30	FISCAL-TO-DATE			
	2011	2010	2011	2010
Operating revenues	\$ 107,236,809	\$ 100,586,213	\$ 216,357,936	\$ 201,043,387
Operating expenses:				
Purchased power	83,953,849	83,987,682	169,987,823	168,699,799
Fuel expense	7,017,195	4,290,259	14,096,963	8,324,805
Other power production	2,205,095	1,707,388	4,177,091	2,979,477
Administration and general	4,001,990	4,105,085	7,745,295	7,841,065
Depreciation and amortization	2,850,196	2,075,986	5,671,328	4,020,217
Taxes	1,658,095	1,171,644	3,306,855	2,175,306
Total operating expenses	101,686,420	97,338,044	204,985,355	194,040,669
<b>Operating income</b>	<b>5,550,389</b>	<b>3,248,169</b>	<b>11,372,581</b>	<b>7,002,718</b>
Investment income	2,875,473	3,097,388	5,547,098	6,279,876
Interest expense	(5,188,101)	(3,727,550)	(10,382,378)	(7,496,153)
Other non-operating revenues (expenses), net	(513,868)	(291,651)	(1,026,897)	(1,423,344)
<b>Change in net assets</b>	<b>\$ 2,723,893</b>	<b>\$ 2,326,356</b>	<b>\$ 5,510,404</b>	<b>\$ 4,363,097</b>

WPPI Energy is the power supplier for the following customer-owned utilities:

Wisconsin: Algoma • Black River Falls • Boscobel • Brodhead • Cedarburg • Columbus • Cuba City • Eagle River • Evansville • Florence  
Hartford • Hustisford • Jefferson • Juneau • Kaukauna • Lake Mills • Lodi • Menasha • Mount Horeb • Muscoda • New Glarus • New Holstein  
New London • New Richmond • Oconomowoc • Oconto Falls • Plymouth • Prairie du Sac • Reedsburg • Richland Center • River Falls • Slinger  
Stoughton • Sturgeon Bay • Sun Prairie • Two Rivers • Waterloo • Waunakee • Waupun • Westby • Whitehall • Michigan: Alger Delta CEA  
Baraga • Crystal Falls • Gladstone • L'Anse • Negaunee • Norway • Iowa: Independence • Maquoketa • Preston.

## Robert Kardasz

---

**From:** Enecia Sabroff  
**Sent:** Wednesday, August 10, 2011 8:58 AM  
**To:** Robert Kardasz  
**Subject:** FW: Submitted: We would like to sign up for the Budget Plan...

Just thought I would forward the kind words about the electric crew we received from a customer. The email was part of a correspondence with them this morning to set up budget billing for their account.

---

**From:** Julie Johnson [<mailto:hawkeyesjulie@gmail.com>]  
**Sent:** Wednesday, August 10, 2011 8:28 AM  
**To:** SU Customer Service  
**Subject:** Re: Submitted: We would like to sign up for the Budget Plan...

Hi!!

▶ Thanks so much and please enroll us asap!! Thanks for the information and for setting us up....and thank for the hard work and going out in storms and yucky weather to restore our power all over town!! You are awesome!!!

Julie & Alan Foss

On Wed, Aug 10, 2011 at 7:59 AM, SU Customer Service <[CustomerService@stoughtonutilities.com](mailto:CustomerService@stoughtonutilities.com)> wrote:

Dear Mr. & Mrs. Foss

We will be happy to enroll you in the budget billing program. Currently your budget amount would be \$96.00 per month. This is the average of your monthly billing for the 12 previous months.

When you participate in the budget program you may notice on your monthly statement that some months your actual billed total is higher or lower than your budget amount. You will still need to pay the predetermined budget amount. Over time you may notice that your account is building up a debit balance. If this is the case, you may want to make an additional payment to offset that amount. This can help eliminate the need to increase your budget amount when accounts are reviewed in November and April.

All budget program payments must be received on or before the due date each month (the 28<sup>th</sup> or following business day if that is a weekend or holiday). Failure of payment being received on time for two consecutive months will result in removal from the budget program.

If these terms are agreeable to you, please let us know and we will enroll you immediately.

Sincerely

**State of Wisconsin**

DEPARTMENT OF NATURAL RESOURCES

101 S Webster St

PO Box 7921

Madison, WI 53707-7921

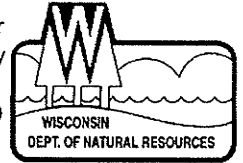
Scott Walker, Governor

Cathy Stepp, Secretary

Telephone 608-266-2621

Fax 608-267-3579

TTY Access via relay - 711



August 17, 2011

FID: 113003550

MR. BRIAN ERICKSON  
STOUGHTON WASTEWATER TREATMENT PLANT  
700 MANDT PARKWAY  
STOUGHTON, WI 53589

Dear Mr. Brian Erickson:

Enclosed is your new Laboratory Certification or Registration certificate. This certificate supersedes all previous certificates.

YOUR CERTIFICATE IS AN IMPORTANT DOCUMENT. PLEASE REVIEW IT CAREFULLY FOR ERRORS AND COMPARE IT TO YOUR PREVIOUS YEAR'S CERTIFICATE. MAKE SURE THAT THIS CERTIFICATE REFLECTS THE TESTS FOR WHICH YOU APPLIED TO BE CERTIFIED. If you believe your certificate contains errors, contact the Laboratory Certification and Registration Program immediately at (608) 267-7633 or by e-mail at [LabCert@dnr.state.wi.us](mailto:LabCert@dnr.state.wi.us).

Sincerely,

A handwritten signature in cursive script that reads 'Camille Turcotte'.

Camille Turcotte, Chief  
Environmental Science Services

State of Wisconsin  
Department of Natural Resources



recognizes

Wisconsin Registration under NR 149  
of  
Stoughton Wastewater Treatment Plant

Laboratory Id: **113003550**

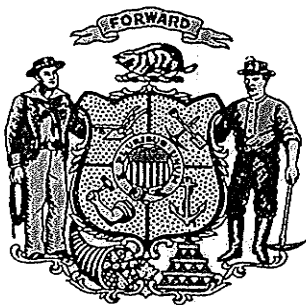
as a laboratory licensed to perform environmental sample analysis in support  
of covered environmental programs (ch. NR149.02 Note) for the  
parameter(s) specified in the attached Scope of Accreditation.

**August 31, 2012**

Expiration Date

**August 17, 2011**

Issued on



*Camille Turcotte*

Camille Turcotte, Chief  
Environmental Science Services

*Cathy Stepp*

Cathy Stepp, Secretary  
Department of Natural Resources

This certificate does not guarantee validity of data generated, but indicates the methodology, equipment, quality control practices, records, and proficiency of the laboratory have been reviewed and found to satisfy the requirements of ch. NR 149, Wis. Adm. Code.

STOUGHTON UTILITIES

SEP 06 2011

RECEIVED  
STOUGHTON, WI

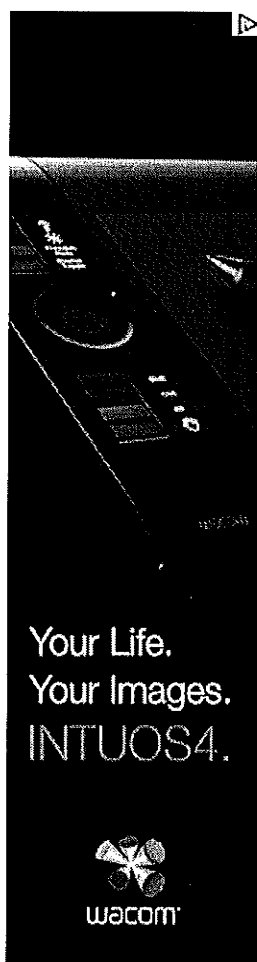
# thanks

Hi,

This is a short note to thank the SU crew who worked so hard & so carefully to remove the willow branches off of the power lines. I realize that this was rather tricky since the tree is on a hill. My neighbors and myself are very grateful for how quick you restored the power. Regards  
Kathy Jaglin

[Back to previous page](#)

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## Despite the proliferation of electronic gadgets, US homeowners are using less power

By Associated Press, Published: September 7

NEW YORK — American homes are more cluttered than ever with devices, and they all need power: Cellphones and iPads that have to be charged, DVRs that run all hours, TVs that light up in high definition.

But something shocking is happening to demand for electricity in the Age of the Gadget: It's leveling off.

Over the next decade, experts expect residential power use to fall, reversing an upward trend that has been almost uninterrupted since Thomas Edison invented the modern light bulb.

In part it's because Edison's light bulb is being replaced by more efficient types of lighting, and electric devices of all kinds are getting much more efficient. But there are other factors.

New homes are being built to use less juice, and government subsidies for home energy savings programs are helping older homes use less power. In the short term, the tough economy and a weak housing market are prompting people to cut their usage.

As a result, many families can expect their monthly bills to remain in check, even if power prices rise. For utility executives, who can no longer bank on ever-growing demand, a major shift is under way: They're finding ways to profit when people use less power.

"It's already having an impact and we may just be in the early innings of this," says Michael Lapedes, a utilities analyst at Goldman Sachs.

From 1980 to 2000, residential power demand grew by about 2.5 percent a year. From 2000 to 2010, the growth rate slowed to 2 percent. Over the next 10 years, demand is expected to decline by about 0.5 percent a year, according to the Electric Power Research Institute, a nonprofit group funded by the utility industry.

Overall demand, including from factories and businesses, is still expected to grow, but at only a 0.7 percent annual rate through 2035, the government says. That's well below the average of 2.5 percent a year the past four decades.

Utility executives have been aware that the rate of demand growth is slowing, but a more dramatic shift than they expected may be under way. Executives were particularly surprised by a dip during the first three months of this year, the most recent national quarterly numbers available. Adjusted for the effects of weather, residential power demand fell 1.3 percent nationwide, an unusually sharp drop.

Executives and analysts are perplexed because residential demand doesn't usually track economic ups and downs very closely. Even when the economy is stagnant, people still watch TV and keep their ice cream cold.

"No one knows if it's customer concern about the economy or a structural change," says Bill Johnson, CEO of Progress Energy, which serves Florida and the Carolinas.

For now, meters are spinning more slowly due to a mix of long-term and short-term factors:

— Lighting, which accounts for 10 to 15 percent of a typical family's power use, is much more efficient than it used to be. Americans are installing compact fluorescent bulbs and light emitting diodes, which are up to 80 percent more efficient than incandescent bulbs. Traditional incandescent bulbs will start disappearing from store shelves next year because they waste too much energy to meet federal standards crafted in 2007.

— Federal and state efficiency programs have expanded rapidly. Twenty-eight states have passed laws that force utilities to help customers use less power. The federal stimulus program allocated \$11 billion to local efficiency programs, including subsidies for home weatherization and the purchase of energy-efficient appliances.

— With the U.S. economy in the doldrums and gas prices high, families are trying to save money. It's easier to turn off the air conditioner than shorten your commute, says John Caldwell, director of economics at the Edison Electric Institute, a trade group.

— The weak housing market has kept people from moving into bigger homes. And high unemployment is forcing college graduates and other family members to live together.

When Stephen Botelho, a software designer in Westwood, Mass., moved his family into a 2,000-square foot, 80-year-old ranch, he knew his electric bill would rise. There was an electric dryer in the basement. The insulation was poor. And the kitchen was lit with 15 high-watt incandescent light bulbs.

"You could get a suntan if you turned all the lights on," he says. "I could practically hear the meter spinning outside."

He requested an energy audit from his utility, Nstar, to help cut his power use. Nstar installed what Botelho estimates to be \$200 worth of compact fluorescent bulbs. He replaced his electric dryer with a gas-powered one. And with the help of rebates from the state, he had insulation blown into his attic. Next up: replacing a 14-year-old electric water heater with a gas model, which he expects will cut his \$950 annual water-heating bill in half.

National Grid, a gas and electric utility whose territory includes Massachusetts, New Hampshire, New York and Rhode Island, is seeing the effects of such behavior.

"Over the last six years we have seen decreased or flat growth, especially on the residential side," says Ed White, the company's vice president of customer and business strategy.

Suddenly faced with shrinking sales, some utilities are asking for regulatory changes so they can charge higher rates per kilowatt hour in exchange for helping customers further reduce consumption, reducing power demand and customers' electric bills at the same time.



In California, where utilities pioneered this approach in the early 1980s, residential power demand has grown at half the nationwide pace over the last 30 years, even though the state's population grew at a faster rate than the nation's.

In general, it is now cheaper for utilities to help customers cut back than to build a power plant. In past decades, the reverse was true. That's because the cost of materials and labor have risen faster than the price of power. There will continue to be a need for new plants, however, as existing facilities age.

Residential power use has fallen even as the number of electronic devices has exploded because the devices themselves have gotten more efficient. In the 1970s, for example, refrigerators used 2,000 kilowatt-hours per year. Today, they use 500.

iPads are everywhere and everyone seems to have a smartphone, but engineers have designed them to sip power because battery life is a major selling point. Also, these devices, as well as ever more powerful laptops, are cutting into the use of less efficient desktop computers.

The first flat screen TVs used twice as much power as their widebodied ancestors, but they have been getting dramatically more efficient in recent years, according to Tom Reddoch, executive director of energy efficiency at EPRI. "The flat panel community heard they were energy hogs and they did something about it," he says.

Appliances are expected to get even more efficient over the next two decades. An EPRI analysis predicts refrigeration will get 29 percent more efficient, space heating will get 24 percent more efficient and TVs and computers will get 22 percent more efficient. Energy needed for lighting will decline by half.

Experts caution that home electricity demand could begin to grow again if power-hungry devices that have yet to be imagined catch on, or if a device already imagined — the electric car — goes mainstream.

In the meantime, though, Americans are expected to watch their favorite TV shows on more efficient TVs. Or at least turn them off when they leave the room.

"Some do it for green reasons, some for money," says White, of National Grid. "We don't care why they are doing it, as long as they are doing it."

---

Jonathan Fahey can be reached at <http://www.facebook.com/Fahey.Jonathan>

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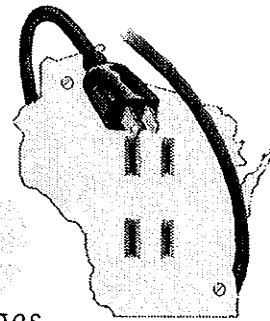
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A Coalition  
to preserve  
Wisconsin's  
Reliable and  
Affordable  
Electricity

# Customers First! the Wire



Plugging you in to electric industry changes

608/286-0784 • P.O. Box 54 • Madison, WI 53701 • www.customersfirst.org • SEPTEMBER 2011 • Vol. 16, No. 9

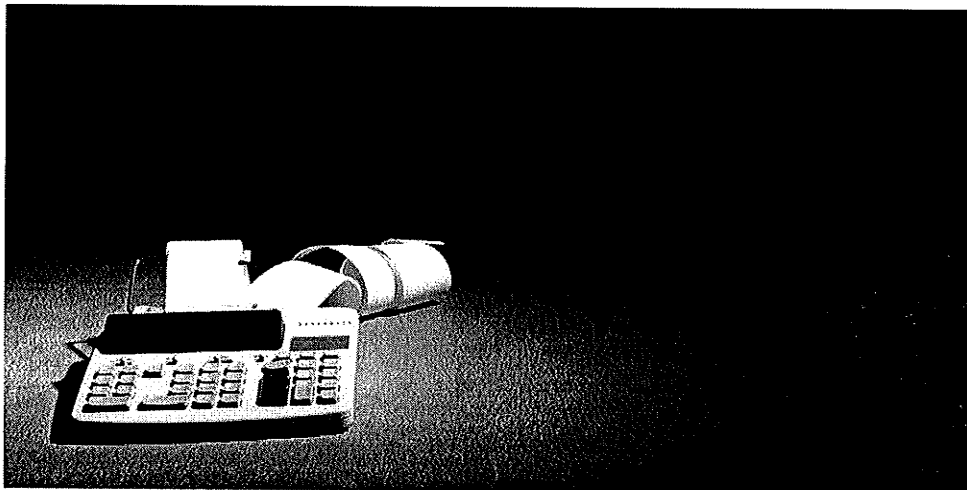
## In the dark

The laws of physics are just part of the problem in making retail electric competition work. There's also the matter of market transparency so consumers can make informed choices. But a Pennsylvania political scientist and fan of free markets says the way things are now, consumers are too often kept in the dark.

Penn State professor Matthew Woessner says he was hopeful when Pennsylvania restructured its electric utilities back in the 1990s, but a lack of market transparency has hampered the ability of consumers to look out for their own best interests.

In an op-ed article last month for the *Harrisburg Patriot-News*, Woessner confessed to a "renewed appreciation for the virtues of regulatory oversight," acquired when his discount electricity provider charged him "more than twice the going rate" on his bill for the month of June.

Woessner blames "lax disclosure require-



ments" for alternative power suppliers that offer variable rates, saying they can "raise electricity prices practically at will." And unlike variable-rate mortgages, which he says tend to change gradually, "Swings in variable-rate utility prices can be sudden and dramatic."

The professor faults state regulators for allowing companies to post prices that bear little relation to the highest prices they have charged in recent months and being less than strict in requiring up-to-date information.

"As it stands now, variable-rate customers are playing a kind of Russian roulette, as they consume electrical power with little or no idea of how the energy will be billed at the end of the month," Woessner wrote.

He maintains the belief that a restructured market with deregulated retail prices can work but "only when electric consumers are provided with clear and consistent information." Woessner listed a number of reasons why those conditions don't exist in Pennsylvania today. 💡

## Longtime CFC board member Ceel retires

*Customers First!* wishes a long and happy retirement for Forrest Ceel, IBEW leader and CFC board member through the entire history of the organization in its present form.

Ceel has worked in the electric and gas utility industry since 1976. He became president of Local 2150 of the International Brotherhood of Electrical Workers in 1997, served as its business representative since 1998, and was elected its business manager in 2009. The local is the largest in Wisconsin representing energy and utility workers; its 4,700 members are employed by investor-owned, municipal, cooperative, and contractor energy providers.

In addition to his service as a director

of *Customers First!*, Ceel has served on the Governor's Task Force on Energy Efficiency & Renewables; participated in a Legislative Council study of utility Public Benefits; represented Local 2150 since 1998 in legislative and regulatory proceedings aimed at improving the state's generation, transmission, and distribution systems; and served on the Governor's Task Force on Global Warming.

His idea of recreation is hiking to and camping at the bottom of the Grand Canyon, something he's done five times, and watching the Packers beat the Bears.

"Forrest's participation in the *Customers First!* Coalition will be greatly missed," said

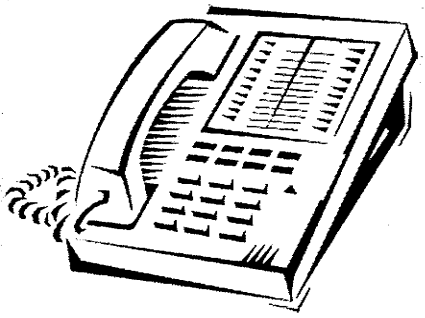
CFC Executive Director Matt Bromley. "Utility workers are essential to ensuring safe, reliable, and affordable electricity for Wisconsin's electric consumers. We look forward to building upon the legacy of collaboration with IBEW that Forrest has so effectively forged." 💡



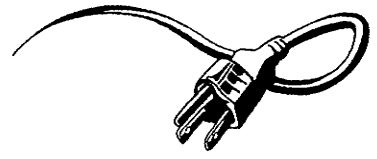
Forrest Ceel

THE WIRE is a monthly publication of the *Customers First!* Coalition—a broad-based alliance of local governments, small businesses and farmers, environmental groups, labor and consumer groups, retirees and low-income families, municipal electric utilities, rural electric cooperatives, wholesale suppliers, and an investor-owned utility. *Customers First!* is a coalition dedicated to preserving Wisconsin's reliable and affordable electricity.

If you have questions or comments about THE WIRE or the *Customers First!* Coalition, please call 608/286-0784.



# KEEPING CURRENT



With CFC Executive Director Matt Bromley

U.S. government support for energy-related programs may plunge as Congress and President Obama follow through on the debt-reduction deal struck last month. Under the Budget Control Act of 2011, the Congressional Budget Office estimates that spending cuts would total at least \$2.1 trillion over the next 10 years. To reach this mark, the Act caps discretionary funding to generate more than \$900 billion in savings and creates a 12-member panel to identify and recommend to the president and Congress an additional \$1.2 trillion in program cuts or tax revenues.



Bromley

Some of the federally supported programs that could take a hit include energy assistance for low-income families and incentives for the development of renewable energy. Cuts to these programs could be substantial, especially when compared with the level of funding they received in recent years and from the economic stimulus bill enacted in 2009.

Even before the debt-reduction deal was reached, efforts were underway to scale back the amount of funding for the Low Income Home Energy Assistance Program (LIHEAP), a federally funded block grant for states to help low-income households pay for home energy costs. In his FY 2012 budget request to Congress, President Obama proposed slashing LIHEAP funding nearly in half from \$5.1 billion to \$2.75 billion. Under the president's budget, the average benefit for Wisconsin recipients would fall from \$455 in 2011 to \$202 in 2012. This amount, though,

may be further reduced if the 12-member deficit-reduction panel recommends deeper cuts to LIHEAP than the president proposed.

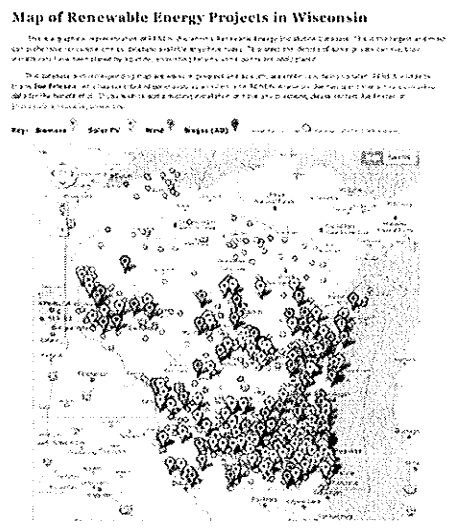
Uncertainty in government support is nothing new to the renewable energy sector. The wind-power industry has often had to ask Congress to extend the production tax credit (PTC—a per-kilo-watt-hour tax credit for electricity generated from wind and other qualified resources). Enacted as part of the Energy Policy Act of 1992, the credit has gone through several cycles of expiration and renewal. The PTC is set to expire in 2012 and its fate beyond then could be decided in the debt reduction negotiations. Expect wind energy supporters to point to the positive impact on jobs as justification to renew the tax incentive.

The PTC may survive the debt reduction axe, but other programs are more vulnerable. The 2009 stimulus bill provided \$65 billion for clean energy, including loan guarantees for solar and wind power, funding for state programs to weatherize homes and make them more energy-efficient, research into battery-powered cars and trucks, and systems to capture carbon dioxide from power-plant emissions. By mid-2012, all the money should be spent. And, with the current fiscal mood in Washington, don't hold out much hope for more money to come. 💡

## Website tracks renewables

The Wire frequently reports on renewable energy developments in Wisconsin and elsewhere. Now, thanks to RENEW Wisconsin, it's possible to see where development activity has been taking place across the state at one, convenient website.

Go to <http://www.renewwisconsin.org/data/projectswimap.html> for a look at the interactive feature showing where all the renewable installations are on a map of Wisconsin. 💡



# More delays for carbon-capture projects

A series of public hearings early in June was supposed to pave the way for a long-awaited carbon capture and sequestration project in Illinois, but the U.S. Department of Energy (DOE) says it will conduct a second round of hearings next spring before deciding its next moves.

The DOE has committed to underwrite \$1 billion of the \$1.3 billion FutureGen project, in cooperation with an international consortium of coal companies called the FutureGen Alliance.

The Alliance would need to build a pipeline of approximately 30 miles to carry pressurized carbon dioxide from a modified power plant to its chosen underground disposal site near Jacksonville, Illinois. But the DOE's latest word is that a siting decision won't come before the fall of 2012.

The most recent slowdown for FutureGen—a project that over the past decade has been delayed, cancelled outright at one point, and revived—became known shortly before American Electric Power's (AEP) mid-July decision to bail out of a \$668 million carbon capture plan it launched in 2009.

The Columbus, Ohio-based utility cited high costs in the decision to terminate the experiment at its Mountaineer Plant in West Virginia just after completing its first phase. AEP had been working on that initial phase, to capture and store CO<sub>2</sub> emissions from 20 megawatts of generation, since 2003.

The project became operational in 2009 and AEP announced plans to go ahead with the larger, second phase, but according to a report

in *The Columbus Dispatch*, the company concluded that using existing carbon capture systems would consume a third of the plant's electricity output and double the cost of production compared with a plant fired by natural gas.

A DOE grant was expected to finance about half the cost of the cancelled second phase, which aimed at burying about 1.5 million tons of CO<sub>2</sub> annually beginning in 2015.

## Restructured Texas utilities come up short in the heat

The claims fly back and forth about the restructured Texas electricity market working just fine for consumers or taking them for a ride, depending on who's talking. One thing that's not a matter of opinion: Texas utilities were unable to manage the July heat wave without curtailing service, and rolling blackouts were barely avoided.

*The Wall Street Journal* reported, "The emergency shines a light on the vulnerabilities of Texas' deregulated market." Among other things, the Journal noted, "State officials have few tools to stimulate construction of new power plants."

In the three-fourths of the state where utilities have been restructured, regulators lack authority to order new generation built. And while generation operators typically schedule

The difficulty of broadly applying the technology on a commercial utility scale was summed up in a remark to *Platts Energy Week* by Joan MacNaughton, a senior executive with global utility equipment manufacturer Alstom.

MacNaughton told a *Platts* interviewer companies and investors won't move ahead with the technology unless it's mandated by governments. 💡

maintenance outages for spring or fall, when weather is milder and demand is less, as much as 5,000 megawatts of Texas generation capacity was off-line at times last month.

Another 1,000 megawatts unavailable on August 4 would have forced rolling blackouts, the *Journal* noted.

*The Wire* hasn't had time to search out data that might indicate a difference in performance between the restructured and non-restructured parts of Texas. It's an intriguing question and we aren't sure what to expect: It was hot everywhere.

But we do know the summer brought a widespread heat wave across the U.S. and peak demand records were falling on a daily and hourly basis for utilities all over the country. We know that happened in Wisconsin, where state policymakers decided early in the previous decade not to restructure our utilities—and where the big heat wave brought no reductions of service except through voluntary conservation programs. 💡

## Generation up, coal down, EIA finds

Overall electricity generation in the United States was up slightly—a bit less than 1 percent—in the first quarter of 2011, but the share of total output produced from coal was down, dropping to its lowest first-quarter percentage in more than three decades.

Those findings come from data released this summer by the federal government's Energy Information Administration (EIA). Coal-fired generation during the first quarter accounted for 46 percent of total generation nationwide, down from 49 percent in the same period last year and from 52 percent in the first quarter of 2008.

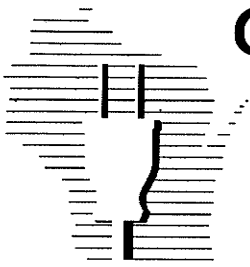
The gradual move away from coal, observed nationwide, was attributed not to a shift toward alternative energy sources but rather to natural gas, with gas prices having remained stable while the price of coal has climbed steadily for almost two years, the EIA noted.

Even in the Midwest, historically more dependent on coal than any other region, the trend is pronounced. EIA data show coal's share of generation in the region slipping from a percentage in the low 70s four years ago to just below 67 percent in the first quarter of this year.

Generation from natural gas in the Midwest gained two percentage points compared with the first quarter of 2010, the EIA said. 💡

### Energy saver tip

Your refrigerator might be working overtime if you haven't recently cleaned the coils that dissipate excess heat. And it's easy! Especially if you have pets in the house, a careful vacuuming of external coils and underneath every few months will ensure ease of ventilation and more efficient operation, even cutting down routine wear and tear so your appliance may last longer. 💡

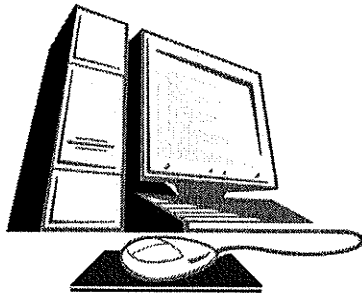


# Customers First!

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Wisconsin's  
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## Quotable Quotes

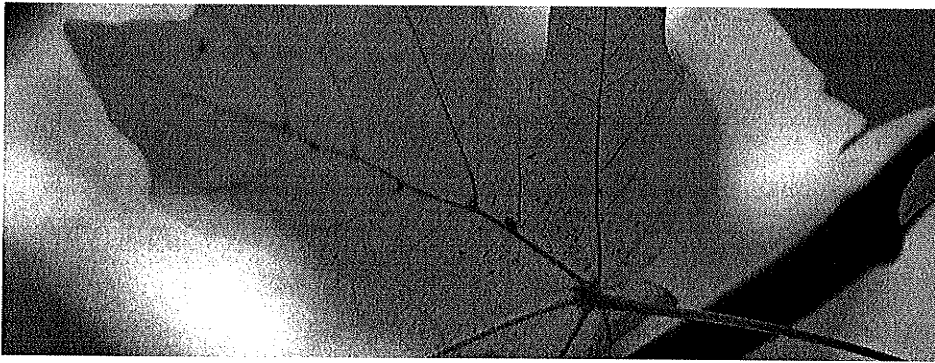
*"While the consumer is perfectly capable of looking out for his or her own best interest, regulatory agencies can play an important role in forcing companies to disclose the true cost of their products and services."*

—Penn State professor Matthew Woessner, on his exasperation at the amount charged on his variable-rate electric bill, and quoted in the *Harrisburg Patriot-News*, August 14, 2011

Help us share our messages with others. If you know of businesses or organizations that would like to learn more about protecting Wisconsin's reliable and affordable electricity, please feel free to copy and share with them all or part of this newsletter, or you can call 608/286-0784 to arrange an informational meeting.

**Customers First!**  
Plugging Wisconsin In





# LOCAL CIRCUIT

FALL 2011

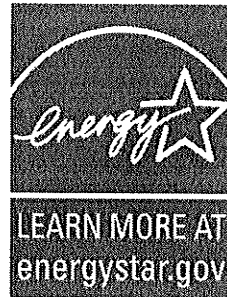
## Celebrate Energy Awareness Month this October

With winter just around the corner, Energy Awareness Month is a good time to learn more about how you use energy and how to make energy-efficient choices every day.

Here are just a few ideas to help get you started.

- Insulate and air seal to help keep heat inside the house.
- Turn out lights and shut off computers and TVs when not in use.
- Switch to ENERGY STAR® qualified compact fluorescent bulbs (CFLs).

- Purchase ENERGY STAR qualified appliances and electronics.



- Invest a few dollars in our renewable energy program every month.

Every little bit counts. And, if we all do just a few simple things every day to use less energy in our own lives, it can add up to big savings for our community and our world.

## Parts of a whole

If you've got your eye on a super-efficient heating system or weather-resistant new windows, it's a good idea to get your house ready for them before you buy.

Even the most efficient equipment won't save energy if you install it in a house with bad ducts, air leaks in the attic or faulty insulation.

In other words, an energy-efficient furnace can't solve your high energy bills on its own.

Combine the purchase with an inspection of your home's air ducts, windows, walls, insulation and attic, and upgrade those areas at the same time.

## Public power lights up the community

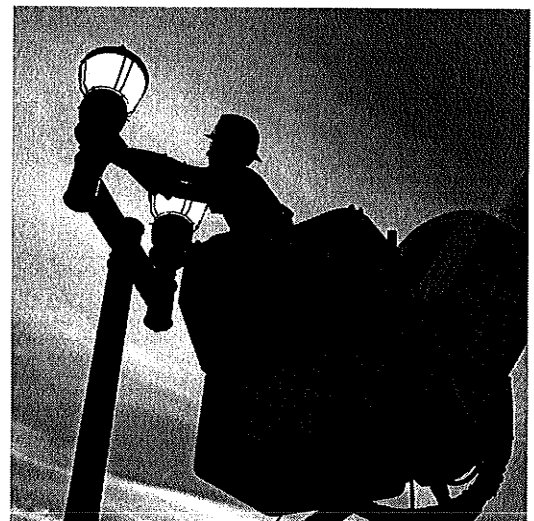
Did you know that your electric utility is a not-for-profit business that was formed by the community to serve the community? It's one of more than 2,000 electric utilities across the nation that are known as "public power utilities." They're locally owned and operated by the people they serve.

Public power utilities are unique because they don't have to give profits to investors. Instead, their goal is to serve the community by keeping the money local and making payments to the city government.

As its name suggests, public power works in the public interest to 'turn on' communities.

Their not-for-profit status holds down electricity rates, which are often times lower than those of neighboring investor-owned utilities and co-ops.

While low rates are great for families, they're also good for businesses. Low electricity costs attract and keep businesses in the community, which is good for everyone.



## Stoughton Utilities

600 S. Fourth Street • PO Box 383

Stoughton, WI 53589-0383

(608) 873-3379

[www.stoughtonutilities.com](http://www.stoughtonutilities.com)

PRSR STD  
U.S. POSTAGE  
PAID  
PERMIT NO. 1121  
MADISON, WI

## A simple improvement you can see

Lighting accounts for about 20% of annual household electricity bills, or approximately \$200 per year. Switching from standard light bulbs to ENERGY STAR® qualified CFLs is an affordable step you can take to lower your utility bills. CFLs are available in a range of sizes and shapes to fit almost any fixture in your home. They provide high-quality light, use less energy and last longer than standard incandescent bulbs. Make the switch today and save!

This fall, in partnership with Focus on Energy, select ENERGY STAR qualified CFLs will be on sale at participating retailers, while supplies last. Visit [focusonenergy.com](http://focusonenergy.com) to find a retailer near you.

## Offset your usage with renewable energy

Did you know that 2.8 tons of CO<sub>2</sub> avoided by purchasing one block of renewable energy (300 kWh) every month for one year would be equivalent to:

- The emissions from burning 1.6 tons of coal
- The emissions from driving your car for six months
- The amount of CO<sub>2</sub> absorbed by 0.6 acre of forest

The average home in our region uses approximately 8,800 kWh each year (2009 U.S. Department of Energy's Energy Information Administration data). Purchasing 2 – 3 blocks of renewable energy each month would offset an average homeowner's usage for a year.

To learn more about our Renewable Energy Program, contact us at 873-3379 or visit [www.stoughtonutilities.com](http://www.stoughtonutilities.com).

## Calculate your home energy savings

Understanding how to save energy at home just got easier.

For Stoughton residents who have ever wondered just how much energy could be saved through measures such as adjusting the thermostat or adding storm windows, answers are now just a few mouse clicks away. Our HomeEnergySuite is available at [www.stoughtonutilities.com](http://www.stoughtonutilities.com). The online resource provides customers with 24/7 access to the energy answers they seek and provides one-stop-shopping for the residential customer's energy information needs.

The HomeEnergySuite gives customers the opportunity to conduct a self analysis on their home and review scenarios that will help them save energy and money. The online calculator asks users questions about their home and provides an estimate of the home's monthly and annual energy use.

Website visitors can use the calculator to consider making a change, like reducing their home's water heater temperature, and learn ways to save energy. Other changes include adjusting heating settings down or cooling settings up; reducing air leaks in the home; adding insulation; installing storm windows; or changing out a heating system.

The HomeEnergySuite also provides a big-picture look at overall home energy usage. Clicking the "Chart" button provides a pie chart with the percentage break-down of total annual energy use by appliance or system type. Other features of this online tool include a library of energy information, energy savings tips, and the option to receive an e-mail report including next steps for taking action to save energy in the home.

Check it out at [www.stoughtonutilities.com](http://www.stoughtonutilities.com).

# We're committed to keeping our community strong

## October is Energy Awareness Month

With winter just around the corner, Energy Awareness Month is a good time to learn how to use energy in your workplace more efficiently. Saving energy in the workplace results in saving money and can also help improve worker comfort.

Here are just a few ideas to help get you started.

- Have your building evaluated to help identify opportunities for energy and cost savings.
- Turn out lights and shut off computers when not in use.
- Upgrade to efficient lighting systems that outperform standard systems, last longer and offer better light quality.
- Purchase ENERGY STAR® qualified heating and cooling and office equipment.
- Invest a few dollars in our renewable energy program every month.

Every little bit counts. And, if we all do just a few simple things every day to use less energy at work, it can add up to big savings for our community and our world.

Our utility contributes to the economic well-being of the community by providing local, hometown service and innovative energy services to meet the needs of businesses large and small. As a public power community, we are in the business of meeting customers' needs and providing a higher level of service.

Together with our nonprofit power supplier, WPPI Energy, we've built a strong team of energy experts and account management professionals to serve your business by providing the following and more:

- Operating cost estimates and energy rate comparisons
- New construction technical assistance
- Energy efficiency incentives
- Green power for business promotion
- Partnerships with local economic development organizations

We are committed to keeping our community and its businesses strong. Contact us to learn more about how our programs for business and industry can be customized to meet your unique needs.

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## Need a speaker?

The ever-changing electric power industry is both complex and interesting in nature. Our power supplier, WPPI Energy, serves as a resource for information on subjects that may be of interest to your community group or organization. The Speakers Bureau is comprised of individuals with expertise in power supply, operations, technology, and much more!

Below are a few subjects that your local business or community organization may be interested in hearing more about:

- Value of public power: how ownership of a municipal utility benefits the community
- WPPI Energy power supply planning and resources
- Generation: Strategy for ownership
- Energy efficiency and conservation
- Energy legislation and effects on public power customers
- WPPI Energy renewable resources and distributed generation
- Customer programs: large customer programs, mass market energy efficiency
- Rate issues: understanding rates, rate study presentations

If you're interested in hosting a speaker, please contact your energy services representative. We will work with your organization or group to select a speaker that will suit your needs.



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## Smarter lighting options save energy & money

Energy efficient lighting options and control devices like task lighting, compact fluorescent lights (CFLs), occupancy sensor controls, high-performance T8 lamps and ballasts, and more reduce lighting costs without affecting productivity.

CFLs are highly efficient and emit much less heat than traditional lights, reducing the need for air conditioning. As a result, CFLs reduce the load on the cooling system and the air conditioning runs less frequently to keep a facility cool.

Your business can also take advantage of lighting control systems to make operations more efficient. For example, turn off lights and equipment when not needed, investigate daylighting controls, install occupancy sensors and timers, and more. Such lighting control technologies reduce energy consumption and optimize lighting levels. For more information on smarter, more efficient lighting solutions, contact us today.

## Energy-saving projects benefit businesses

Efficiency programs help control energy costs by providing cost-effective conservation resources and financial incentives to help overcome some of the initial costs associated with implementing energy-saving measures while also reducing maintenance costs, enhancing efficiency and improving productivity.

Through Stoughton Utilities and our power supplier, WPPI Energy, several energy conservation and efficiency programs exist to benefit your business. Such resources and incentives include, but are not limited to:

- Design assistance for new construction of commercial facilities;
- Financial incentives and financing opportunities to help your business carry out energy efficiency projects;
- Support services and financial assistance to improve energy management in existing and planned school facilities.

Contact us for more information on how you can make wise and worthwhile business investments and earn money for energy-saving projects.

## Creating a better energy future

Saving energy in our schools is an important way to help control costs and protect the environment. The Energy Management for Schools Program provides support services and financial assistance to improve energy management in existing and planned school facilities.

The program helps schools in Stoughton benchmark energy use and encourages a coordinated approach to school energy management, helping the community save both energy and money. In addition, the program creates the opportunity to integrate energy education into classroom curriculum, educating the next generation for a better energy future.

Since the inception of the Schools Program in 2008:

- 248 school buildings are being served
- 186 schools have completed ENERGY STAR® benchmarks
- 124 efficiency projects have been completed
- More than \$144,000 has been awarded in program incentive grants for projects.

Contact us to learn more about the Schools Program.



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*Serving Electric, Water & Wastewater Since 1886*

**Date:** September 13, 2011  
**To:** Stoughton Utilities Committee  
**From:** Robert P. Kardasz, P.E.  
Stoughton Utilities Director  
**Subject:** Stoughton Utilities Committee Annual Calendar.

The following calendar is provided for information and discussion.

September 15-16, 2011	WPPI Energy (WPPI) Annual Conference in Madison
September 19, 2011	Regular Meeting – 2012 Proposed Stoughton Utilities Budget - Customer Collections Status Report
October 5, 2011	WPPI Energy Orientation Meeting in Sun Prairie
October 20, 2011	Municipal Electric Utilities of Wisconsin (MEUW) District Dinner Meeting
October 24, 2011	Special Meeting - Conduct hearings for the 2010 Tax Roll Nomination
October 24, 2011	Regular Meeting
October 26-28, 2011	Wisconsin Wastewater Operators Association (WWOA) Annual Conference in Wisconsin Dells
November 14, 2011	Regular Meeting - Tour Well No. 7 - WPPI Energy Presentation
December 8, 2011	Stoughton Utilities Holiday Open House

December 19, 2011	Regular Meeting - Stoughton Utilities RoundUp Donation
January 17, 2012	Regular Meeting – Goals Status Report
February 20, 2012	Regular Meeting
March 11-14, 2012	American Public Power Association Legislative Rally in Washington, D.C.
March 19, 2012	Regular Meeting - Agricultural Land Rental recommendation to the Common Council - Declaration(s) of Official Intent - Customer Collections Status Report - Review Drinking Water Consumer Confidence Report (CCR)
March 27, 2012	Common Council Meeting - Approve Agricultural Land Rental
April 16, 2012	Regular Meeting
May 6-12, 2012	Drinking Water Week
May 8, 2012	WPPI Energy Orientation Meeting in Sun Prairie
May 14, 2012	Regular Meeting - First Regular Meeting after the Common Council Reorganization Meeting - Elect Committee Chair and Vice Chair – Elect Liaison and Alternate Liaison - Establish Meeting Time and Monthly Meeting Date - Stoughton Utilities 2010 Annual Audit and Management Letter presentation discussion, approval and recommendation to the Common Council - Stoughton Utilities Tax Stabilization Dividends discussion, approval, and recommendation to the Common Council - Customer Collections Status Report - Review Wisconsin Public Service Commission Annual Electric and Water Reports - Discuss Stoughton Utilities 2011 Accomplishments - Tour Stoughton Utilities Building

May 22, 2012	Common Council - Stoughton Utilities 2010 Audit and Management Letter Presentation and Approval - Accept Stoughton Utilities Tax Stabilization Dividends Recommendation
June 8-10, 2012	Municipal Electric Utilities of Wisconsin (MEUW) Annual Conference in Green Bay
June 19-22, 2012	American Public Power Association (APPA) Annual Conference
June 19-25, 2012	National Public Power Week
June 18, 2012	Regular Meeting - Annual Meeting at the wastewater treatment facility - Approve and recommend the Wastewater Compliance Maintenance Annual Report (CMAR) and Resolution to the Common Council - Approve Stoughton Utilities Ten Year (2013-2022) Capital Projects Program and recommend it to the Stoughton Common Council - Stoughton Utilities RoundUp Donation - Annual Stoughton Utilities Studies Discussion
June 21, 2012	Stoughton Utilities Public Power Walk
June 26, 2012	Common Council - Approve the recommended Compliance Maintenance Annual Report (CMAR) and adopt the corresponding Resolution
July 16, 2012	Regular Meeting - Annual Stoughton Utilities Goals Discussion and Approval
August 15, 2012	Regular Meeting - Tour East Electric Substation - Approve the Stoughton Utilities 2012 Budget and recommend to the Stoughton Common Council - Approve the Stoughton Utilities Non-Represented employees wage adjustments and recommend to the Stoughton Personnel Committee and the Stoughton Common Council
August 19, 2012	MEUW Lineman's Rodeo in Oconomowoc

September 14-16, 2012

American Water Works Association Annual  
Conference in Wisconsin Dells

cc: Sean O Grady  
Stoughton Utilities Operations Superintendent



# Stoughton Utilities Activities Reports

## August 2011

### ADMINISTRATION – Utilities Director Robert P. Kardasz, P.E.

Seasonal activities including sanitary sewer collection system televising and cleaning, and water valve rehabilitation continued. The CTH N South Electric Distribution System Reconstruction Project and the East Main Street Project are proceeding on schedule. The South Electric Substation Transruptor Project was completed and record drawings are being finalized. Historically, August is a significant construction month for rehabilitation and new infrastructure work. Office staff continues to work with customers fulfilling their financial obligations. The Capital Improvements Plan and the Proposed 2012 Budget have received support from the Stoughton Utilities Committee. significant staff commitment.

### ACCOUNTING – Utilities Accounting and Administrative Manager Kim M. Jennings, CPA

#### **Accomplishments:**

- Wage comparables – 15 utility employees.
- Adjust 2012 budget and prepare options for Utilities Committee.
- Oversee payroll adjustments as a result of Act 10 and parity payments.
- WGFOA government accounting training.
- A/P, payroll and treasury management approvals.
- Investment sales/purchases and income tracking.
- Monthly account reconciliation, reporting and billing statistics for July 2011.

#### **In Progress:**

- WI Act 10 and Act 32 review – reporting requirements and changes effective January 1, 2012.
- Wastewater rate review – rate design stage.
- Budgeting for outcomes process.
- Prepare USDA Loan Program application.
- Wells Fargo Purchase Card Program – prepare for reconciler training Sept. 28.
- Monthly account reconciliation and reporting for August 2011.

**CUSTOMER SERVICES AND INFORMATION TECHNOLOGIES DIVISION – Utilities**  
**Office and Information Systems Supervisor Brian R. Hoops**

**Activities & Accomplishments:**

- Staff processed 8,057 payments totaling \$1,631,215, including 4,784 checks, 398 credit cards, 689 online E-Pay payments, 1,861 automated bank withdrawals, 500 bank payments, and nearly \$21,100 in cash. Nearly 45% of payments are currently made by methods other than the traditional “check in the mail”, and SU staff continues to work with our customers to increase that amount.
- Staff mailed over 1,200 notices of pending disconnection for customers with delinquent utility accounts having a past-due balance or deposit of \$100 or greater. This is a very significant increase over the past several months, due in part to the higher than average bills resulting from July’s heat as well as the reduced dollar threshold. I anticipate the number of notices to remain high in October as we approach the winter moratorium.
- Staff disconnected 12 accounts for non-payment. All have been reconnected after addressing their delinquent balances.
- Staff processed utility billing and collections, accounts payable, payroll, and daily cash deposits throughout the month.
- No customer inquiries/complaints were lodged with the Wisconsin Public Service Commission during the month of August. Throughout 2011, only five customers have opened inquiries or complaints with the PSC. In my opinion, this is a sign that our front office staff is doing a great job of working with our customers to establish satisfactory payment arrangements prior to disconnection.
- Office & Information Systems Supervisor Brian Hoops attended a five-day training on “Planning, deploying and managing Microsoft System Center Configuration Manager 2007” in Madison. The course was very useful and will help in streamlining our I.T. operations in the future.
- Brian Hoops completed the vCARE setup with Teleworks which allows SU to have an “E-Pay by Phone” system. vCARE will allow our customers to make credit card payments over the phone via an automated system, 24x7. The required changes were made to our phone system to allow customers to ‘press 1’ and access the system, and our greetings were rerecorded to inform customers of the new option.

An issue with our phone carrier originally prevented our ability to transfer customers to the toll-free number that processes the payments. Brian Hoops contracted with CDW in Fitchburg, the company that originally configured and installed our phone system, to diagnose and repair this problem.

All problems have since been resolved, and the system is now ‘live’ and processing customer payments.

- Brian Hoops worked with Itron to troubleshoot and repair issues related to the meter setup and configuration software. Two trouble tickets were opened for two unrelated issues that arose within the month. Both issues have since been resolved, allowing the new laptop to be returned to use and the old laptop to be re-retired.
- Utilities Billing Technician Erin Bothum completed the monthly utility billing as well as issued 195 final billing statements for customers who have moved from their prior addresses.
- Erin Bothum worked with SU's supervisors to prepare materials for our RP3 application. Erin Bothum also prepared and distributed information related to the Utilities Committee meeting.
- Brian Hoops and Erin Bothum continued to work on the Budgeting For Outcomes results teams, including completing the group rankings and participating in a presentation of our results to the City Leadership Team.
- Utilities Accounts Receivable Technician Enecia Sabroff continues to follow up with deferred payment arrangements created by customers for outstanding deposits and/or balances. As agreements are broken, notices of disconnection are mailed, and we attempt to work with customers to create a new agreement or obtain payment.
- Utilities Consumer Services Specialist Lisa Halverson continues to review our budget-billing participant's payments and usage. Due to the record-setting heat and humidity and the higher than average bills mailed on August 8, numerous households with high usage were contacted to provide advanced notice of possible payment increases in November.
- Lisa Halverson registered all 55 of SU's landline and cellular phone numbers with the National Do Not Call Registry in an effort to reduce the number of unwanted phone solicitations received.
- Utilities Account Specialist Shannon Gunsolus made the necessary modifications to our payroll system to accommodate the employee benefits changes legislated under Wisconsin's Act 10 as well as the City's parity agreement.

## **ELECTRIC DIVISION AND PLANNING DIVISION – Utilities Operations** **Superintendent Sean O Grady**

**American Public Power Association:** Staff is currently working on our application for our RP3 designation. This process will ultimately rank our utility against other comparable utilities throughout the Nation with regards to reliability, safety, and system improvements. Our nation has more than 2,000 public power utilities. Our application for this certification will be filed in September.

**Hybrid Trucks:** Dueco was on site recording exhaust temperatures on our two hybrid bucket trucks. The information collected will be provided to USEPA to show that hybrid units will not negatively impact the performance of a standard diesel exhaust systems and emission to the atmosphere.



**North and South Substation Record Drawings:** Staff has completed the required record drawing updates for the recently installed transrupters at our North and South Substations. This project will be officially closed in September.

**County Highway N Reconstruction Project:** Phase Nos. 1 & 2 has been completed. Crews are now setting poles in phases 3 & 4 with intentions on being completed this fall.

**Johnson Street Reconstruction Project:** Located between Roby Road and West Street, our underground contractor has installed a conduit and underground cables where we had clearance issues between our facilities and 4 swimming pools. The overhead facilities will be re-routed to the underground system over the next month.

**Dunn Township:** A crew is installing lighting protection and performing system maintenance on the existing distribution lines. This section of line is notorious for lightning strikes.

**Metering Division:** We have been working with our vendor on setting up programs that will allow us to offer the time of use rates we currently have in our rate file for general service three-phase customers. Our first customer to take advantage of this rate is Christ Lutheran Church.

**Training:** Bryce Sime and Jamie Sieren participated in their second week of the Indentured Metering Apprentice Program.

**Wastewater and Water Supervisory Control and Data Acquisition (SCADA) Systems:** Shop drawings have been reviewed and approved. Installation of hardware is schedule to begin at the Wastewater Treatment Plant in mid-September.

**Wastewater Treatment Plant:** Staff has been working with our ESR and consultant on HVAC improvements at the plant. We hope to have the identified work completed this calendar year.

**East Main Street Project:** This project is scheduled to be substantially completed by September 9<sup>th</sup>, one week later than originally scheduled.

**Jefferson Street Storm Water Project:** Staff participated in a preconstruction meeting at City Hall.

**Cooperative Advertisements:** Stoughton Utilities along with WPPI Energy will be advertising on the interior wall of the Mandt Community Center. This project was funded by WPPI Energy and is intended to reach out to our customers and show the support and partnership WPPI Energy has for its member communities.

## **WASTEWATER DIVISION – Utilities Wastewater System Supervisor Brian G. Erickson**

**Sanitary Sewer Collection System:** Staff continues to clean the collection system throughout the City.

We will be receiving proposals for miscellaneous HVAC projects at the plant. The project will consist of replacing equipment that has failed or for equipment that is not working properly.

Screw pump painting project: The contractor will be onsite in September to start painting our two influent screw pumps. I anticipate this project to be completed by the end of September.

Staff has been assisting Water and Electric Divisions with miscellaneous projects

Staff has been adjusting manhole castings for the Street Department paving projects on the north side of town.

Scott Gunsolus and Brian Hoops attend a one day WWOA meeting in Sun Prairie. We also toured the new wastewater treatment plant.

The precipitation for the month was 2.05 inches. The year to date precipitation total is 21.12 inches.

The wastewater treatment facility processed an average flow of 1.016 million gallons per day with a monthly total of 31 million gallons.

### **WATER DIVISION – Utilities Water System Supervisor Roger M. Thorson**

Again this month, the Water Division had a busy month working on system maintenance. We repaired two water main breaks, replaced several damaged water main valve boxes on various streets throughout the city, along with updating our water system maps.

The contractor on the East Main St. project has completed all the underground work. The contractor has indicated they expect to have the project complete and opened for traffic during the week on September 12<sup>th</sup>.

Total water pumped during the month of August was 49,357,000

### **ENERGY SERVICES SECTION OF THE PLANNING DIVISION – Stoughton Utilities/WPPI Energy Energy Services Representative Alicia VandenOever** **Customer Account Activities**

#### **Customer Account Activities**

**City of Stoughton:** Rodney Scheel is working to obtain bids for lighting upgrades at City Hall, the Senior Center and the Public Works building. Funding for the projects would come from Focus on Energy, WPPI Energy, and Stoughton Utilities.

**Wastewater Treatment Plant and Production Wells:** Focus on Energy rejected the custom incentive application for well pump VFD monitors and controls because the payback based on energy savings was outside the incentive program limits. The project is still eligible for funding from WPPI Energy and Stoughton Utilities. Focus on Energy provided incentive estimates for several HVAC upgrade projects at the wastewater plant.

**Christ Lutheran Church:** Conducted a walk-through energy assessment with the facility manager and provided a report with observations and findings.

**American Legion:** Conducted a walk-through energy assessment of the building and provided a report with observations and findings.

**Cummins:** WPPI Energy's meter department and the customer to put two of Cummins' services on WPPI's retail metering and billing service. This will allow the customer to access interval energy use data online.

**Universal:** Universal's Shared Savings application for a lighting upgrade project was approved by WPPI Energy.

**Diebel Engineering:** Spoke with the owner of Diebel Engineering's building about the usage after receiving an inquiry from the customer.

**The Quality Inn** received a grant offer from Focus on Energy for a laundry equipment upgrade project.

**Pack R Place:** Met with the manager of the bar and conducted a walk-through energy assessment to identify energy reduction opportunities.

### **Energy Services Administration**

**Focus on Energy:** Received a mid-year report from Focus on Energy for projects in Stoughton funded through Focus in the first half of 2011.

**Local Circuit:** The fall Local Circuit brochure will be mailed in September.

**Power Report:** WPPI Energy mailed the summer edition of the Power Report to customers in August.

**Tree Power:** Confirmed tree planting and location for Tree Power incentive applications.

**Dates at Stoughton Utilities in August: 4, 11, 18**

**SAFETY COMPLIANCE SECTION OF THE PLANNING DIVISION – Stoughton Utilities/Municipal Electric Utilities of Wisconsin Southeastern Regional Safety Coordinator Christopher Belz**

## **Accomplishments**

### *Training*

- Prepare for Fall Protection Training
- Prepare for Excavation/Trenching Training

### *Audits/Inspections*

- Inspected Garage Area
- Field inspection for Electric Crew
- Completed a Forklift compliance inspection
- Audited Trenching/Excavation Logs

### *Compliance/Risk Management*

- Continued construction of the RP3 Application
- Completed Hazard Communications Written Program Review
- Contacted Ear/Nose/Throat Specialist for an Employee review
- Started Respiratory Protection Program audit
- Set up LO/TO periodic inspections on Energy Control Procedures
- Filed Continuing Education Credits
- Updated MSDS book and Hazardous Inventories
- Assigned and Filed Paperwork for Employee Respirator Physicals
- Scheduled Respirator Physicals with Dean Clinic

## **Goals & Objectives**

### *Training*

- Complete Fall Protection Training
- Complete Excavation Training
- Complete Control of Hazardous Energy (LO/TO) training

### *Audits/Inspections*

- Inspect Crews for proper Work Zone set ups and Personal Protective Equipment
- Perform facility inspections in all Stoughton Utilities facilities

### *Compliance/Risk Management*

- Finish Reviewing General Safety Rules

**Scheduled dates MEUW SCRSC Safety Coordinator, Chris Belz, was at Stoughton Utilities: August 3, 15 and 29**

**Please visit us on our website at [www.stoughtonutilities.com](http://www.stoughtonutilities.com) to view current events, follow project schedules, view meeting notices and minutes, review our energy conservation programs, pay your utilities bill via the internet, or to learn more about your Stoughton Utilities Electric, Wastewater and Water services.**



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**Date:** September 13, 2011

**To:** Stoughton Utilities Committee

**From:** Robert P. Kardasz, P.E.  
Stoughton Utilities Director

**Subject:** Status Of The Stoughton Utilities Committee Recommendation(s) To The Stoughton Common Council.

Either Liaison to the Stoughton Common Council Alderperson Eric Hohol or Alternate Liaison Alderperson Greg Jenson is scheduled to provide a verbal report regarding any Stoughton Utilities Committee recommendation(s) to the Stoughton Common Council in lieu of a written report prepared for the meeting packet.

There were no recommendations for Stoughton Common Council action from the August 15, 2011 Stoughton Utilities Committee Meeting.

cc: Sean O Grady  
Stoughton Utilities Operations Superintendent



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**Date:** September 13, 2011

**To:** Stoughton Utilities Committee

**From:** Robert P. Kardasz, P.E.  
Stoughton Utilities Director

**Subject:** Stoughton Utilities Compensation Analysis

In response to a request from the Stoughton Utilities Committee on August 15, 2011, utilities staff analyzed market wages for 6 non-represented employees and 9 employees represented by a contract that expires on December 31, 2011 and developed the attached proposed compensation schedule. The proposed compensation schedule is based on staff's review and calculation of 2011 average wages from a total of 14 comparable municipal utilities in Wisconsin.

Overall, current Stoughton Utilities wages range from 3.70% to 15.50% below the average of these municipal utilities with similar operations and position descriptions in Wisconsin. Although staff did not evaluate complete benefit packages of comparable municipal utilities, we know that there is minimal disparity in benefits such as health insurance and retirement. Furthermore, all municipal utilities are subject to the requirements of Act 10 and 32 which leads staff to the assumption that there will continue to be minimal disparity in employee benefits over the next few years.

It is apparent to me that market adjustments are necessary in order to maintain competitive positions at Stoughton Utilities. The attached proposed compensation schedule includes either a two or three-step annual market adjustment (including a 2% cost-of-living adjustment) for each of the 15 positions analyzed by staff. Proposed market adjustments vary based on each position and the level of disparity between the current wage and the average wage of the comparable municipal utilities. The intent of the proposed compensation schedule is for Stoughton Utilities to match the average wage of comparable utilities by 2014.

In total, the proposed adjustments through 2014 are less than 1.0% (0.857%) of the total 2012 operating and maintenance expense budget. In 2012, the first year of the proposed adjustments, the increased labor expense is nearly identical to the savings realized as a result of Act 10 requirements. Stoughton Utilities will save an estimated \$51,334 in retirement contributions as compared to \$56,050 in added labor and benefits expense.

I am requesting approval of the proposed compensation schedule for the 15 utility employees not represented by IBEW and a recommendation to the Stoughton Personnel Committee and the Stoughton Common Council, for implementation effective January 1, 2012.

Encl.

## Stoughton Utilities

	Current	2% COLA In Budget	2012 Proposed Market + COLA	2013 Proposed Market + COLA	2014 Proposed Market + COLA
Utilities Director	\$ 52.99	\$ 1.06	\$ 2.65	\$ 1.50	\$ 1.14
Operations Superintendent	\$ 39.66	\$ 0.79	\$ 1.98	\$ 2.08	\$ 0.96
Finance and Administrative Manager	\$ 38.68	\$ 0.77	\$ 1.93	\$ 2.00	\$ 0.85
Office and Information Systems Supervisor	\$ 28.34	\$ 0.57	\$ 1.42	\$ 1.49	\$ 1.32
Engineering Technician	\$ 21.85	\$ 0.44	\$ 1.09	\$ 1.15	\$ 1.26
Water System Supervisor	\$ 29.10	\$ 0.58	\$ 1.46	\$ 1.49	\$ 0.64
Water Operator	\$ 21.79	\$ 0.44	\$ 1.53	\$ 1.63	\$ 1.86
Water Operator	\$ 21.79	\$ 0.44	\$ 1.53	\$ 1.63	\$ 1.86
Wastewater System Supervisor	\$ 31.27	\$ 0.63	\$ 1.56	\$ 1.43	\$ 0.69
Wastewater Lab Tech/Operator	\$ 21.85	\$ 0.44	\$ 1.53	\$ 1.64	\$ 1.11
Wastewater Lab Tech/Operator	\$ 21.79	\$ 0.44	\$ 1.53	\$ 1.63	\$ 1.11
Wastewater Lab Tech/Operator	\$ 20.67	\$ 0.41	\$ 1.45	\$ 1.55	\$ 1.05
Account Specialist	\$ 18.54	\$ 0.37	\$ 0.93	\$ 0.97	\$ 0.73
Billing or Accounts Receivable Technician	\$ 16.73	\$ 0.33	\$ 1.17	\$ 1.25	\$ 1.31
Billing or Accounts Receivable Technician	\$ 16.32	\$ 0.33	\$ 1.14	\$ 1.22	\$ 1.28
Customer Service Specialist	\$ 16.88	\$ 0.34	\$ 0.84	\$ 0.89	\$ 0.47
	\$ 418.25	\$ 8.37	\$ 23.73	\$ 23.55	\$ 17.64
		Proposed Market Adj.	\$ 23.73	\$ 23.55	\$ 17.64
		Wages	\$ 49,361.10	\$ 48,984.88	\$ 36,690.89
		Wages plus FICA + WRS	\$ 56,049.53	\$ 55,622.33	\$ 41,662.50
		% of Utilities Proposed Budget (Total Operating Expense) 17,900,028	0.857%		





**Stoughton Utilities**

600 South Fourth Street  
P.O. Box 383  
Stoughton, WI 53589-0383

*Serving Electric, Water & Wastewater Since 1886*

**Date:** September 13, 2011

**To:** Stoughton Utilities Committee

**From:** Robert P. Kardasz, P.E.  
Stoughton Utilities Director

**Subject:** Stoughton Utilities Revised 2012 Proposed Budget

In response to a request from the Stoughton Utilities Committee on August 15, 2011, utilities staff analyzed market wages for 6 non-represented employees and 9 employees represented by a contract that expires on December 31, 2011 and developed the attached 2012 Revised Proposed Budget. The 2012 Revised Budget is based on staff's review and calculation of 2011 average wages from a total of 14 comparable municipal utilities in Wisconsin and includes a \$36,292 total market adjustment in 2012 as a part of a three-year market compensation adjustment plan.

I am requesting approval of the 2012 Revised Proposed Budget and a recommendation to the Stoughton Personnel Committee and the Stoughton Common Council.

Encl.



**Stoughton Utilities**  
**2012 Proposed Budget Summary - Revised for Market Wages**

accounting shared/budget/

	<u>Electric</u>	<u>Water</u>	<u>Wastewater</u>	<u>Total</u>
<b>OPERATING REVENUES</b>	\$ 15,751,784	\$ 1,693,648	\$ 2,095,262	\$ 19,540,694
<b>OPERATING EXPENSES</b>				
Operation & Maintenance Expense	\$ 13,664,824	\$ 727,123	\$ 911,373	\$ 15,303,320
Taxes (PILOT)	\$ 330,000	\$ 305,500	\$ -	\$ 635,500
Depreciation	\$ 925,500	\$ 368,500	\$ 703,500	\$ 1,997,500
Total Operating Expenses	\$ 14,920,324	\$ 1,401,123	\$ 1,614,873	\$ 17,936,320
Operating Income	\$ 831,460	\$ 292,525	\$ 480,389	\$ 1,604,374
Non-operating Revenues (Expenses):				
Investment Income	\$ 140,000	\$ 35,000	\$ 62,000	\$ 237,000
Interest Expenses	\$ (278,243)	\$ (94,742)	\$ (108,148)	\$ (481,133)
Capital Contributions	\$ 71,000	\$ -	\$ -	\$ 71,000
Miscellaneous Revenues (Expenses)	\$ (35,000)	\$ (11,300)	\$ -	\$ (46,300)
Total Non-operating Revenues (Expenses)	\$ (102,243)	\$ (71,042)	\$ (46,148)	\$ (219,433)
<b>Net Income</b>	\$ 729,217	\$ 221,483	\$ 434,241	\$ 1,384,941



**Stoughton Utilities**

600 South Fourth Street  
P.O. Box 383  
Stoughton, WI 53589-0383

*Serving Electric, Water & Wastewater Since 1886*

**Date:** September 13, 2011

**To:** Stoughton Utilities Committee

**From:** Kim M. Jennings, CPA  
Stoughton Utilities Finance and Administrative Manager

Robert P. Kardasz, P.E.  
Stoughton Utilities Director

**Subject:** Stoughton Utilities Proposed 2012 Budget From The August 15, 2011 Stoughton Utilities Committee Meeting.

We have completed efforts utilizing system plans, projections and engineering studies, and 2012 financial forecasts to develop our Proposed 2012 Budget. The Stoughton Utilities Committee approved the Ten Year (2012-2021) Capital Projects Program on June 20, 2011. This proposed 2012 Stoughton Utilities Budget was tentatively approved by the Stoughton Utilities Committee on August 15, 2012 with a request to analyze compensation for the 15 Stoughton Utilities employees not represented by the IBEW.

Encl.

cc: Sean O Grady  
Stoughton Utilities Operations Superintendent

Brian G. Erickson  
Stoughton Utilities Wastewater System Supervisor

Roger M. Thorson  
Stoughton Utilities Water System Supervisor

Brian R. Hoops  
Stoughton Utilities Office and Information Systems System Supervisor



**STOUGHTON UTILITIES**  
Proposed Annual Budget for the Year  
2012

**FOR THE FISCAL YEAR  
JANUARY 1, 2012 THROUGH  
December 31, 2012  
Kim Jennings, CPA**



**Stoughton Utilities  
2012 Proposed Budget Summary**

accounting shared/budget/

	<u>Electric</u>	<u>Water</u>	<u>Wastewater</u>	<u>Total</u>
<b>OPERATING REVENUES</b>	\$ 15,751,784	\$ 1,693,648	\$ 2,095,262	\$ 19,540,694
<b>OPERATING EXPENSES</b>				
Operation & Maintenance Expense	\$ 13,653,527	\$ 716,370	\$ 897,131	\$ 15,267,028
Taxes (PILOT)	\$ 330,000	\$ 305,500	\$ -	\$ 635,500
Depreciation	\$ 925,500	\$ 368,500	\$ 703,500	\$ 1,997,500
Total Operating Expenses	\$ 14,909,027	\$ 1,390,370	\$ 1,600,631	\$ 17,900,028
Operating Income	\$ 842,757	\$ 303,278	\$ 494,631	\$ 1,640,666
<b>Non-operating Revenues (Expenses):</b>				
Investment Income	\$ 140,000	\$ 35,000	\$ 62,000	\$ 237,000
Interest Expenses	\$ (278,243)	\$ (94,742)	\$ (108,148)	\$ (481,133)
Capital Contributions	\$ 71,000	\$ -	\$ -	\$ 71,000
Miscellaneous Revenues (Expenses)	\$ (35,000)	\$ (11,300)	\$ -	\$ (46,300)
Total Non-operating Revenues (Expenses)	\$ (102,243)	\$ (71,042)	\$ (46,148)	\$ (219,433)
<b>Net Income</b>	\$ 740,514	\$ 232,236	\$ 448,483	\$ 1,421,233

STOUGHTON WASTEWATER UTILITY  
 OPERATING REVENUES AND EXPENSES  
 FORECASTED FOR THE YEAR 2012

8/1/2011 11:24

OPERATING REVENUES	Proposed 2012	% Change 2011/2010	Estimated 2011	Actual 2010	Actual 2009	Actual 2008
<b>Sales</b>						
Residential	\$ 1,432,677	0.50%	\$ 1,425,550	\$ 1,415,649	\$ 1,428,000	\$ 1,468,172
Commercial	\$ 434,553	0.50%	\$ 432,391	\$ 429,388	\$ 409,200	\$ 434,356
Industrial	\$ 128,877	0.50%	\$ 128,236	\$ 127,345	\$ 117,925	\$ 215,670
Public Authority (City Buildings)	\$ 22,555	0.50%	\$ 22,443	\$ 22,287	\$ 34,450	\$ 29,677
<b>Total Sales</b>	<b>\$ 2,018,662</b>		<b>\$ 2,008,619</b>	<b>\$ 1,994,669</b>	<b>\$ 1,989,575</b>	<b>\$ 2,147,875</b>
<b>Other Operating Revenues</b>						
Forfeited Discounts (Penalties, NSF, Reconnect)	\$ 6,600	1.54%	\$ 6,500	\$ 6,491	\$ 9,900	\$ 10,136
Other (BOD/Suspendid Solids Surcharge)	\$ 70,000	0.00%	\$ 70,000	\$ 69,560	\$ 44,000	\$ 25,322
<b>Total Operating Revenues</b>	<b>\$ 2,095,262</b>		<b>\$ 2,085,119</b>	<b>\$ 2,070,720</b>	<b>\$ 2,043,475</b>	<b>\$ 2,183,333</b>
<b>OPERATING EXPENSES</b>						
Plant (General WWTP Plant Maintenance)	\$ 425,105	2.0%	\$ 416,958	\$ 399,012	\$ 363,197	\$ 433,154
Customer Accounting and Collection	\$ 124,707	1.8%	\$ 122,469	\$ 135,558	\$ 86,500	\$ 105,752
Administrative and General (Salaries, Benefits, Insurance)	\$ 347,319	-3.9%	\$ 361,538	\$ 368,072	\$ 415,500	\$ 324,386
Depreciation	\$ 703,500	4.2%	\$ 675,000	\$ 649,400	\$ 525,000	\$ 562,817
<b>Total Operating Expenses</b>	<b>\$ 1,600,631</b>		<b>\$ 1,575,965</b>	<b>\$ 1,552,042</b>	<b>\$ 1,390,197</b>	<b>\$ 1,426,109</b>
<b>OPERATING INCOME</b>	<b>\$ 494,631</b>		<b>\$ 509,154</b>	<b>\$ 518,678</b>	<b>\$ 653,278</b>	<b>\$ 757,224</b>
<b>NON-OPERATING REVENUES (EXPENSES)</b>						
Investment Income	\$ 62,000	31.9%	\$ 47,000	\$ 60,772	\$ 34,900	\$ 63,611
Interest Expense	\$ (108,148)	-14.9%	\$ (127,122)	\$ (142,512)	\$ (187,500)	\$ (176,460)
Capital Contributions (Developer/Customer Contributions)	\$ -		\$ -	\$ -	\$ -	\$ 63,644
Miscellaneous Income (Expense)	\$ -		\$ -	\$ -	\$ -	\$ 76,470
<b>Total Non-Operating Revenues (Expenses)</b>	<b>\$ (46,148)</b>		<b>\$ (80,122)</b>	<b>\$ (81,740)</b>	<b>\$ (152,600)</b>	<b>\$ 27,265</b>
<b>NET INCOME</b>	<b>\$ 448,483</b>		<b>\$ 429,032</b>	<b>\$ 436,938</b>	<b>\$ 500,678</b>	<b>\$ 784,489</b>

Notes: Revenues - Based on historical trend analysis and current rates, effective July 5, 2007.  
 Depreciation and Taxes - Increase due to increased plant in service including the collection system slip-lining projects and improvements to the WWTP.  
 Administration and General Expense - Decrease due to savings from employee share of Wisconsin Retirement System contributions.

STOUGHTON WATER UTILITY  
OPERATING REVENUES AND EXPENSES  
FORECASTED FOR THE YEAR 2012

8/1/2011 11:24

OPERATING REVENUES						
Sales	Proposed 2012	% Change 2011/2010	Estimated 2011	Actual 2010	Actual 2009	Actual 2008
Unmetered Sales	\$ -		\$ -	\$ -	\$ 2,700	\$ -
Residential	\$ 808,680	0.5%	\$ 804,656	\$ 756,725	\$ 725,000	\$ 623,952
Commercial	\$ 190,917	0.5%	\$ 189,967	\$ 178,491	\$ 148,500	\$ 145,172
Industrial	\$ 216,665	0.5%	\$ 215,587	\$ 199,210	\$ 138,000	\$ 130,601
Public Authority (City Buildings)	\$ 16,769	0.5%	\$ 16,685	\$ 15,828	\$ 16,500	\$ 14,312
Private Fire Protection	\$ 15,786	0.5%	\$ 15,708	\$ 20,999	\$ 18,700	\$ 18,630
Public Fire Protection	\$ 420,831	0.5%	\$ 418,737	\$ 364,006	\$ 340,000	\$ 335,256
Total Sales	\$ 1,669,648		\$ 1,661,340	\$ 1,535,259	\$ 1,389,400	\$ 1,267,923
<b>Other Operating Revenues</b>						
Forfeited Discounts (Penalties, NSF, Reconnect)	\$ 5,000	0.0%	\$ 5,000	\$ 4,607	\$ 7,400	\$ 4,428
Other (Joint Metering Allocation, Permits)	\$ 19,000	0.0%	\$ 19,000	\$ 18,975	\$ 19,500	\$ 17,585
Total Other Operating Revenues	\$ 24,000		\$ 24,000	\$ 23,582	\$ 26,900	\$ 22,013
Total Operating Revenues	\$ 1,693,648		\$ 1,685,340	\$ 1,558,841	\$ 1,416,300	\$ 1,289,936
<b>OPERATING EXPENSES</b>						
Source of Supply (Maintenance of Wells)	\$ 9,926	1.5%	\$ 9,776	\$ 1,240	\$ 600	\$ 23,111
Pumping (Well Pumps and Fuel)	\$ 138,691	1.6%	\$ 136,570	\$ 141,086	\$ 108,000	\$ 122,545
Water Treatment (Chemicals)	\$ 26,864	1.7%	\$ 26,419	\$ 26,475	\$ 25,000	\$ 28,483
Transmission/Distribution (Mains, Towers, Services, Hydrants, Meters)	\$ 165,277	-20.5%	\$ 207,830	\$ 178,867	\$ 157,500	\$ 178,243
Customer Accounting and Collection	\$ 69,664	1.7%	\$ 68,480	\$ 67,640	\$ 69,500	\$ 43,572
Administrative and General (Salaries, Benefits, Insurance)	\$ 305,948	-3.3%	\$ 316,536	\$ 310,622	\$ 270,000	\$ 341,926
Depreciation	\$ 368,500	3.9%	\$ 354,500	\$ 327,160	\$ 295,000	\$ 309,071
Taxes	\$ 305,500	5.9%	\$ 288,500	\$ 259,162	\$ 190,000	\$ 211,710
Total Operating Expenses	\$ 1,390,370		\$ 1,408,611	\$ 1,312,252	\$ 1,115,600	\$ 1,258,661
<b>OPERATING INCOME</b>	\$ 303,278		\$ 276,729	\$ 246,589	\$ 300,700	\$ 31,275
<b>NON-OPERATING REVENUES (EXPENSES)</b>						
Investment Income	\$ 35,000	-12.5%	\$ 40,000	\$ 68,129	\$ -	\$ 50,641
Interest Expense	\$ (94,742)	-7.0%	\$ (101,856)	\$ (98,444)	\$ (55,799)	\$ (128,124)
Capital Contributions (Developer/Customer Contributions)	\$ -		\$ -	\$ 612,176	\$ -	\$ 148,584
Miscellaneous Income (Expense)	\$ (11,300)	7.6%	\$ (10,500)	\$ (10,328)	\$ (3,132)	\$ (241,710)
Total Non-Operating Revenues (Expenses)	\$ (71,042)		\$ (72,356)	\$ 571,533	\$ (58,931)	\$ (170,609)
<b>NET INCOME</b>	\$ 232,236		\$ 204,373	\$ 818,122	\$ 241,769	\$ (139,334)

Notes: Revenues - Based on historical trend analysis and current rates, Phase I effective October 1, 2009 and Phase II effective September 1, 2010.  
 Depreciation and Taxes - Increase due to increased plant in service including the East Tower with connecting water main and the Main St. reconstruction project.  
 Transmission/Distribution Expense - Decrease due to a significant reduction in the third year of a water tower maintenance contract (2011 cost was elevated for painting).  
 Administration and General Expense - Decrease due to savings from employee share of Wisconsin Retirement System contributions.

STOUGHTON ELECTRIC UTILITY  
 OPERATING REVENUES AND EXPENSES  
 FORECASTED FOR THE YEAR 2012

8/1/2011 11:24

OPERATING REVENUES	Proposed 2012	% Change 2011/2010	Estimated 2011	Actual 2010	Actual 2009	Actual 2008
<b>Sales</b>						
Residential	\$ 8,109,864	1.6%	\$ 7,981,022	\$ 7,250,472	\$ 6,130,461	\$ 6,435,923
General Service	\$ 2,083,462	1.7%	\$ 2,048,286	\$ 1,853,386	\$ 1,530,950	\$ 1,606,318
Small Power CP1 Customers	\$ 1,473,449	1.8%	\$ 1,447,582	\$ 1,313,188	\$ 1,123,354	\$ 1,148,553
Large Power CP2 Customers	\$ 978,420	1.8%	\$ 960,807	\$ 907,490	\$ 850,022	\$ 897,857
Industrial Power CP3 Customers	\$ 2,828,538	1.9%	\$ 2,775,960	\$ 2,555,924	\$ 2,203,272	\$ 2,234,590
Street Lighting	\$ 145,151	1.1%	\$ 143,571	\$ 132,009	\$ 124,960	\$ 197,147
<b>Total Sales</b>	<b>\$ 15,618,884</b>		<b>\$ 15,357,228</b>	<b>\$ 14,012,469</b>	<b>\$ 11,963,019</b>	<b>\$ 12,520,388</b>
<b>Other Operating Revenues</b>						
Forfeited Discounts (Penalties, NSF, Reconnect)	\$ 46,900	2.0%	\$ 46,000	\$ 43,067	\$ 52,218	\$ 42,340
Other (Permits, ATC Common Facilities, etc.)	\$ 86,000	0.0%	\$ 86,000	\$ 85,137	\$ 7,700	\$ 102,074
<b>Total Other Operating Revenues</b>	<b>\$ 132,900</b>		<b>\$ 132,000</b>	<b>\$ 128,204</b>	<b>\$ 59,918</b>	<b>\$ 144,414</b>
<b>Total Operating Revenues</b>	<b>\$ 15,751,784</b>		<b>\$ 15,489,228</b>	<b>\$ 14,140,673</b>	<b>\$ 12,022,937</b>	<b>\$ 12,664,802</b>
<b>OPERATING EXPENSES</b>						
Power Production Expenses (WPPI-Wholesale Power)	\$ 12,111,966	2.1%	\$ 11,863,986	\$ 10,952,336	\$ 9,063,691	\$ 9,523,448
Transmission/Distribution (Substations, Poles, Lines, etc.)	\$ 529,042	1.8%	\$ 519,878	\$ 519,091	\$ 419,926	\$ 511,976
Customer Accounting and Collection	\$ 211,884	1.7%	\$ 208,336	\$ 206,356	\$ 201,739	\$ 152,483
Administrative and General (Salaries, Benefits, Insurance)	\$ 800,635	-3.4%	\$ 828,673	\$ 798,999	\$ 645,099	\$ 818,402
Depreciation	\$ 925,500	2.5%	\$ 903,000	\$ 865,950	\$ 700,000	\$ 772,081
Taxes	\$ 330,000	8.2%	\$ 305,000	\$ 291,922	\$ 182,000	\$ 237,414
<b>Total Operating Expenses</b>	<b>\$ 14,909,027</b>		<b>\$ 14,628,873</b>	<b>\$ 13,634,654</b>	<b>\$ 11,212,455</b>	<b>\$ 12,015,804</b>
<b>OPERATING INCOME (LOSS)</b>	<b>\$ 842,757</b>		<b>\$ 860,355</b>	<b>\$ 506,019</b>	<b>\$ 810,482</b>	<b>\$ 648,998</b>
<b>NON-OPERATING REVENUES (EXPENSES)</b>						
Investment Income	\$ 140,000	1.4%	\$ 138,000	\$ 208,297	\$ -	\$ 286,012
Capital Contributions (Developer/Customer Contributions)	\$ 71,000	2.2%	\$ 69,500	\$ 267,667	\$ -	\$ 93,363
Interest Expense	\$ (278,243)	-4.7%	\$ (291,993)	\$ (303,054)	\$ (301,405)	\$ (384,996)
Miscellaneous Income (Expense)	\$ (35,000)		\$ (37,000)	\$ (26,007)	\$ (7,070)	\$ (326,974)
<b>Total Non-Operating Revenues (Expenses)</b>	<b>\$ (102,243)</b>		<b>\$ (121,493)</b>	<b>\$ 146,903</b>	<b>\$ (308,475)</b>	<b>\$ (332,595)</b>
<b>NET INCOME</b>	<b>\$ 740,514</b>		<b>\$ 738,862</b>	<b>\$ 652,922</b>	<b>\$ 502,007</b>	<b>\$ 316,403</b>

Notes: Revenues - Based from historical sales trend, WPPI purchased power/wholesale rate projections, and current retail rates effective on 1/1/2011.  
 Power Production Expense - Reflects projected changes in kWh consumption and projected wholesale power cost increase.  
 Depreciation and Taxes - Increase due to increased plant in service including substation and line projects.  
 Administration and General Expense - Decrease due to savings from employee share of Wisconsin Retirement System contributions.





**Stoughton Utilities**

600 South Fourth Street  
P.O. Box 383  
Stoughton, WI 53589-0383

*Serving Electric, Water & Wastewater Since 1886*

**Date:** September 13, 2011

**To:** Stoughton Utilities Committee

**From:** Robert P. Kardasz, P.E.  
Stoughton Utilities Director

**Subject:** Request To Participate In The WPPI Energy/Stoughton Utilities Shared Savings Program From Universal Acoustic & Emission Technologies, Inc. (Universal). Located At 1925 USH 51 West.

The Shared Savings Program provides for Stoughton Utilities to offer an advance payment for energy cost savings related to an energy efficiency project to eligible retail customers. The advance payment is based on energy savings achieved over a 60 month period.

The referenced project consists of the installation of 90 fixtures of HPT8 lighting upgraded fixtures. The project cost is \$36,516, minus a \$4,691 Focus and Energy Rebate; yielding an advance payment of \$31,825. The customer will repay the advance payment in installments on the customer's retail electric bill over 60 months at a 2% annual interest rate. WPPI Energy and Stoughton Utilities will equally share the risk, and if the customer defaults, Stoughton Utilities' risk would be up to \$15,912.50.

It is requested that the Stoughton Utilities Committee approve the \$31,825 advance payment from Stoughton Utilities for the Universal energy efficiency project.

cc: Sean O Grady  
Stoughton Utilities Operations Superintendent

Brian R. Hoops  
Stoughton Utilities Office and Information Systems Supervisor

Kim M. Jennings, CPA  
Stoughton Utilities Finance and Administrative Manager

Alicia Vanden Oever  
Stoughton Utilities and WPPI Energy Services Representative



**Stoughton Utilities**

600 South Fourth Street  
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*Serving Electric, Water & Wastewater Since 1886*

**Date:** September 13, 2011

**To:** Stoughton Utilities Committee

**From:** Robert P. Kardasz, P.E.  
Stoughton Utilities Director

**Subject:** Stoughton Utilities Committee Agenda Items Requiring Post-Committee Action.

At the April 18, 2011 Stoughton Utilities Committee Meeting, I was requested to prepare a list of agenda items requiring Post-Committee Action. At the May 16, 2011 Stoughton Utilities Committee Meeting, I was requested to indicate which agenda items would require an ordinance change for the Stoughton Utilities Committee to assume the responsibility. At the June 20, 2011 and July 18, 2011 Stoughton Utilities Committee Meetings, this item was set for discussion at the July 18, 2011 and August 15, 2011 Meetings respectively.

Along with ordinance changes, a Memorandum of Understanding could be developed to clearly denote broad responsibilities delegated by the Common Council to the Utilities Committee by State Statutes. The following list, with those agenda items requiring an ordinance change underlined, is provided for Stoughton Utilities Committee discussion and possible action:

**RECOMMENDED CONTINUED POST COMMITTEE - COMMON COUNCIL ACTION**

- Approve land acquisitions and sales. (The City owns Stoughton Utilities properties.)
- Approve new debt actions. (Such actions require a Common Council Resolution. Stoughton Utilities Mortgage Revenue Debt pledges the value of the utilities to bond holders. General Revenue Debt pledges the value of the City and counts against the City's indebtedness.)
- Approve appropriate Wisconsin Administrative Codes by reference. (Such actions require a Common Council Resolution to create an ordinance.)
- Set Special assessments. (This requires a Common Council Resolution.)
- Accept Annual Audit Report and Management Letter. (The audit report and letter are directed to the Committee for consideration and action.)

**RECOMMENDED UTILITIES COMMITTEE ACTION**

- Approve the Wastewater Compliance Maintenance Annual Report. (The Wisconsin Department of Natural Resources requires a Governing Body Resolution.)

- Approve Stoughton Utilities (SU) rates. **The Common Council approves rates under 74-6(a).** (As the governing body GOVERNING BODY solely representing utilities customers, the Committee can assume this role.)
- Approve tax role assessments. (The Committee assumes this past practice responsibility.)
- Govern all Stoughton SU efforts that are not the responsibility of the Common Council. (As the entity solely representing utilities customers, the Committee assumes this past practice responsibility.)
- Establish and monitor SU Goals. (As the entity solely representing utilities customers, the Committee assumes this past practice responsibility.)
- Approve Declaration(s) of Official Intent. (Past practice not requiring Common Council Action.)
- Select Committee Chairperson and Vice Chairperson. (Permitted by Ordinance and conducted by past practice.)
- Select Liaison and Alternate Liaison to the Common Council. (Permitted by Ordinance and conducted by past practice.)
- Designate monthly meeting dates and times. (Permitted by Ordinance and conducted by past practice.)
- Approve the SU Annual Budget. (As the entity solely representing utilities customers, the Committee assumes this past practice responsibility. The Common Council has also approved it on occasion)
- Approve the SU Annual CIP. (As the entity solely representing utilities customers, the Committee assumes this past practice and responsibility. The Common Council has also approved it on occasion.)
- Approve SU Position Descriptions. **Position Descriptions are created by the Personnel Committee under 2-66(c)(5).** (As the entity solely representing utilities customers, the Committee could assume this responsibility.)
- Hire the Utilities Director and establish the compensation package. **This may be done by the Common Council and the position supervised by the Common Council under 74-3(b). The Utilities Committee directly supervises the position under 2-287.** (As the entity solely representing utilities customers, the Committee could assume this responsibility.)
- Conduct negotiations, authorize SU hiring's, and establish the SU employee compensation package(s). **Negotiations and hiring's authorization are performed by the Personnel Committee under 2-66(c)(5). The filling of positions is temporarily authorized by Common**

**Council Policy.** (As the entity solely representing utilities customers, the Committee could assume this responsibility.)

- Initiate SU rate reviews. **The Common Council approves rates under 74-6(a) but has not authorized rate reviews.** (Rate reviews are initiated due to bond covenants, annual audit management letters, and financial forecasts. As the entity solely representing utilities customers, the Committee could assume this responsibility.)
- Review SU Payments Due List. (As the entity solely representing utilities customers, the Committee conducts this past practice.)
- Declare Electric and Water Tax Stabilization Dividends. (As the entity solely representing utilities customers, the Committee conducts this past practice.)
- Approve SU Studies. (As the entity solely representing utilities customers, the Committee conducts this past practice.)
- Approve SU policies. **The Common Council approves rules and regulations under 74-6(a).** (As the entity solely representing utilities customers, the Committee conducts this past practice.)
- Approve SU Shared Savings Program participants. (As the entity solely representing utilities customers, the Committee conducts this past practice.)
- Approve SU USDA Loan Program participants. (As the entity solely representing utilities customers, the Committee may conduct this action as the need arises.)

cc: Sean O Grady  
Stoughton Utilities Operations Superintendent



**Stoughton Utilities**

600 South Fourth Street  
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Stoughton, WI 53589-0383

*Serving Electric, Water & Wastewater Since 1886*

**Date:** September 13, 2011

**To:** Stoughton Utilities Committee

**From:** Kim M. Jennings, CPA  
Stoughton Utilities Finance and Administrative Manager

Robert P. Kardasz, P.E.  
Stoughton Utilities Director

**Subject:** Wisconsin Retirement System – Unfunded Actuarial Accrued Liability (Prior Service Liability) - Update

On August 23, 2011, the Stoughton Finance Committee approved and recommended to the Stoughton City Council that the Utilities unrestricted fund balance/reserve be used to pay the WRS liability in full and that the City General Fund will repay an estimated \$555,134 plus 3% annual interest to Utilities over a period of 13 years as presented in the attached schedule.

Enc.

cc: Sean O Grady - Stoughton Utilities Operations Superintendent  
Laurie Sullivan - City of Stoughton Finance Director  
Brian R. Hoops - Stoughton Utilities Office and Information Systems Supervisor

# City of Stoughton

Electric Division to General Fund Loan

Full Payment of WRS Projected Unfunded Actuarial Accrued Liability - General Fund Portion

Year	Beginning Balance	Payments	Interest	Ending Balance	
2012	555,134	30,448	15,282	524,687	3.00% Interest Rate
2013	524,687	32,303	14,341	492,384	2.00% Wage Increase Rate
2014	492,384	34,233	13,344	458,151	
2015	458,151	36,240	12,289	421,911	
2016	421,911	38,327	11,172	383,584	
2017	383,584	40,496	9,993	343,087	
2018	343,087	42,751	8,748	300,336	
2019	300,336	45,095	7,434	255,241	
2020	255,241	47,530	6,050	207,711	
2021	207,711	50,060	4,592	157,651	
2022	157,651	52,687	3,057	104,964	
2023	104,964	55,416	1,443	49,548	
2024	49,548	49,548	0	0	
		<b>\$ 555,134</b>	<b>\$ 107,745</b>		



**Stoughton Utilities**

600 South Fourth Street  
P.O. Box 383  
Stoughton, WI 53589-0383

*Serving Electric, Water & Wastewater Since 1886*

**Date:** September 13, 2011

**To:** Stoughton Utilities Committee

**From:** Kim M. Jennings, CPA  
Stoughton Utilities Finance and Administrative Manager

Robert P. Kardasz, P.E.  
Stoughton Utilities Director

**Subject:** Rural Development Loan and Grant Program (REDLG) Status Update #7

Utility staff is prepared to file an application to USDA once eligible project details such as cost, timeline, employment and financial projections, credit evaluation, supplemental financing and a general business plan are provided by a potential recipient of REDLG funds. These details must be provided in order to complete the application package.

Utility staff also met with Mr. Keith Saeger, Vice-President of the Public Funds Division at Associated Bank to discuss a partnership for evaluating credit of potential REDLG loan recipients. Mr. Saeger gave a verbal commitment that Associated Bank will work with Stoughton Utilities and essentially underwrite REDLG loans passed through to ultimate recipients. Once a REDLG application is filed, Mr. Sager is willing to attend a Utilities Committee meeting to present and discuss services that Associated Bank can provide.

cc: Sean O Grady - Stoughton Utilities Operations Superintendent  
Brian R. Hoops – Stoughton Utilities Office and Information Systems Supervisor  
Laurie Sullivan - City of Stoughton Finance Director





**Stoughton Utilities**

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 P.O. Box 383  
 Stoughton, WI 53589-0383

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**Date:** September 9, 2011  
**To:** Stoughton Utilities Committee  
**From:** Brian R. Hoops - Stoughton Utilities Office and Information Systems Supervisor  
 Robert P. Kardasz, P.E. - Stoughton Utilities Director  
**Subject:** Stoughton Utilities Customer Collections Status Report

As of September 1, 2011, amounts owed on outstanding utility account balances (active and closed) are as follows:

Days Past Due	Amount Outstanding	When compared to prior reports:		
		May, 2011	March, 2011	September, 2010
30-60	\$ 41,283	Down 20%	Down 44%	Up 42%
61-90	\$ 11,879	Down 54%	Down 135%	Up 53%
90+	\$ 65,479	Up 2%	Down 45%	Down 40%

Our collection efforts throughout the spring and summer months have positioned us well for the approaching winter disconnection moratorium. Due in part to the very large August bills due to July's record heat, we are currently carrying a higher dollar amount of delinquent balances, however the total number of households that are past-due is identical to this time last year. We recently mailed notices of pending disconnection to 1,208 households, roughly 14% of our total customers, for unpaid balances through August 30.

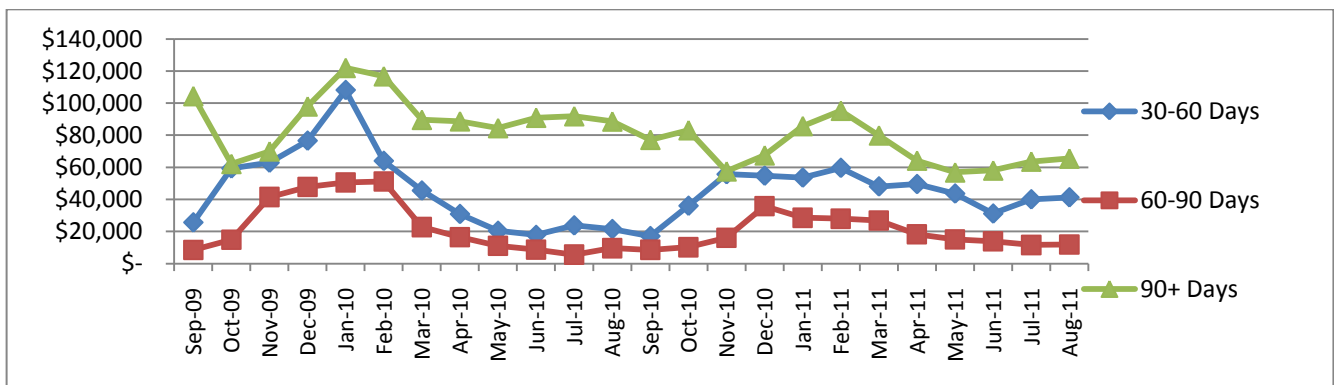


Figure 1- Historical Delinquent Balances

Stoughton Utilities has active deferred payment arrangements with 36 customers. The total amount deferred is \$7,510. Under the terms of the arrangements, the customer pays one-third of the past-due balance up-front and then agrees to pay their current bill plus a portion of their past due balance each month in order to bring their account current within 90 days of the start of the agreement. If the customer misses a scheduled payment, they have the opportunity to create a second agreement with 50% due up-front. If the customer defaults on their second agreement, their account will be scheduled for disconnection unless the past-due balance is paid in full. All deferred payment arrangements must be completed prior to the start of the winter disconnection moratorium on November 1.

There are currently five accounts holding balances totaling \$1,890 that are uncollectable due to the customer filing for bankruptcy. These customers did not have deposits on their accounts, and their balances cannot be collected from the customer or through the property tax roll. These balances will be written off at a later date.

There are 35 accounts that remain disconnected for unpaid balances or at the owner's request, holding balances totaling \$4,447. We will continue to monitor these accounts and will make all possible attempts to collect these balances. If the balances remain unpaid, the delinquent balances may be collected through the property tax-roll. There are 13 disconnected properties that are 'occupant unknown' (no one has submitted a service application and the properties are assumed vacant).

Stoughton Utilities is currently holding customer deposits totaling \$123,261 for 172 accounts that have had a past history of unreliable payments. Customer deposits are held until the customer has either made prompt payment for 12 consecutive months or they cease being a customer. Delinquent balances are only paid from a customer's deposit upon closure of their account.

Stoughton Utilities has 170 former customers that have been submitted to our contracted collections agencies with balances totaling \$60,184. These customers all have closed their accounts and moved outside of our service territory. If our collection agency is unsuccessful, the balances accrued within the City limits will be placed on the property tax-roll after a reasonable amount of time has passed to attempt collection (based upon the assumption that this will still be an option this year). Our collection agency pursues payment through mail and phone contact, the tax refund intercept program (TRIP), and/or small claims court.

In summary, Stoughton Utilities' efforts in working with our customers to meet their financial obligations continue to be successful. Decreases in delinquent balances can be seen compared to two months ago as well as this time in past years. Due diligence in soliciting initial customer information, strong collection perseverance, active partnerships with landlords where applicable, and working with financial assistance agencies all support this success.



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**Date:** September 13, 2011

**To:** Stoughton Utilities Committee

**From:** Robert P. Kardasz, P.E.  
Stoughton Utilities Director

**Subject:** WPPI Energy (WPPI) Orientation Meeting.

WPPI Energy's next orientation meeting is scheduled for Wednesday, October 5, 2011 at the WPPI Corporate Headquarters, 1425 Corporate Center Drive in Sun Prairie, WI. Please let Sean Grady or me know by Friday, September 23, 2011 if you are interested in participating in this meeting. Transportation will be provided. If it is more convenient for you to drive your vehicle, your mileage will be reimbursed.

cc: Sean O Grady  
Stoughton Utilities Operations Superintendent



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**Date:** September 13, 2011

**To:** Stoughton Utilities Committee

**From:** Robert P. Kardasz, P.E.  
Stoughton Utilities Director

**Subject:** Stoughton Utilities Committee Future Agenda Item(s).

This item appears on all agendas of Committees of the City of Stoughton.

cc: Sean O Grady  
Stoughton Utilities Operations Superintendent