

Transmission construction culminates decade of effort

Among those benefitting: Rochester, SMMPA members

by Steve Downer

Much work remains, but June 7 was a big day in the history of Rochester Public Utilities (RPU), with an official ground-breaking for the 345 kilovolt (kV) Hampton-Rochester-La Crosse transmission line.

The first segment of line under construction is the 16-mile 161 kV line between a new North Rochester Substation near Pine Island and the existing Northern Hills Substation in northwest Rochester. Work on this segment of line will be completed later this year and energized in early 2014.

The 'CapX2020' project will improve reliability for the Twin Cities, Rochester and La Crosse areas, as well as improve access to generation in southeast Minnesota. The transmission lines will also increase the ability of RPU to rely more on the market for capacity.

The Hampton Substation site will eventually be connected to South Dakota, while the 345 kV line from the North Rochester Substation will extend east into Wisconsin. Foundation work on



Among those attending the June 7 CapX2020 ground-breaking from RPU were, from left to right: Scott Nickels, Randy Atherton, Mark Kotschevar, Board President Jerry Williams, General Manager Larry Koshire and the retired Gerry Steffens.

CapX: see page 5 please

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Sleepy Eye weathers challenges and moves forward

by Steve Downer

After a few years of holding steady amid a nationwide economic downturn, Sleepy Eye is making progress.

That means another busy year for Sleepy Eye Public Utilities and Sleepy Eye Public Works Director Bob Elston.

The most visible sign of progress is on the east side of the city, where dirt is being moved in preparation of a mixed-use development. The city bought a 290-acre farm and is developing the area, including a commercial/industrial-zoned area on the south side of Hwy. 14 and an adjoining residential development. Municipal utilities will soon be installed.

Last year was also a big construction season, including a \$4.5 million street and utility project on the east end.

Elston is busy in any event. Along with serving as the public works director and answering to the city council, he manages the municipal electric and water utilities and answers to the five-person public utilities commission. The utility employs 11 people; city public works six.

Elston also recently



The Sleepy Eye Public Utilities headquarters is located at the northeast corner of the intersection of U.S. Hwy. 14 and Minn. Hwy. 4. This is a view from Hwy. 14.

completed six years as board president of the Central Minnesota Municipal Power Agency, which supplies the utility's wholesale power, along with the Western Area Power Administration.

He must be doing a good job. This April marked his 10th year in Sleepy Eye.

"We have a good commission and a good council," he said. "They work together well."

His utility commission includes people with business and electrical backgrounds: Paul Thiesen, Wade Schlie, Daniel Murphy, Steve Halla and Chairman Bob Weiss, who has served on the commission for over 20 years. Weiss knows the utility

business, having managed the local phone company (which is located across from the utility office) for many years.

Keeping up to date

Sleepy Eye Public Utilities has quietly provided utility services to its community since 1898. The city of Sleepy Eye has a population of 3,599 and the utility serves 1,894 customers. The utility has done a good job preserving various historical artifacts in its offices, but it has also marched steadily into the modern world.

A new \$4.7 million water treatment plant was built in 2010. The utility bonded for about half that amount,



A sense of history pervades the utility building which features, among other things, this WPA plaque.

received about \$950,000 in grants and paid for the rest from reserves.

The power plant, located at the corner of U.S. Hwy. 14 and Minn. Hwy. 4, was at one time a steam plant. Garage and office space is

Sleepy Eye: see page 6 please

Elk River joins MMPA

The Minnesota Municipal Power Agency (MMPA) announced June 20 that Elk River Municipal Utilities (ERMU) is becoming the 12th member of MMPA. MMPA is comprised of municipal utilities in Anoka, Arlington, Brownton, Buffalo, Chaska, East Grand Forks, Le Sueur, North St. Paul, Olivia, Shakopee, Winthrop and now Elk River.

MMPA's electrical power load increases by approximately 20 percent with the addition of ERMU. The agency will begin providing wholesale power to ERMU on October 1, 2018 under a Power Sales Agreement that runs through 2050.

Troy Adams, ERMU's General Manager, said choosing to partner with MMPA was a careful process. "We spent five years looking at our future

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APPA issues response to Pres. Obama's call for "carbon pollution" standards

Washington, D.C. - As the national service organization representing the interests of nearly 2,000 not-for-profit state- and locally-owned electric utilities serving nearly 47 million consumer-owners, the American Public Power Association (APPA) has a long history of working with its members to address climate change. Public power utilities' primary purpose is to provide reliable, efficient service to local customers at the lowest possible cost, consistent with good environmental stewardship. As such, APPA supports several aspects of President Obama's proposal to address climate change, including his plan to increase energy efficiency efforts, streamline hydropower and other renewable resource development, and increase our use of nuclear power. We also support the President's call for an "all of the above" strategy, including coal, when it comes to the fuels we use to produce electricity. At the same time, we have significant concerns with several other aspects of the President's proposal.

First, APPA is concerned about the potential or likely impacts of President Obama's directive to the Environmental Protection Agency (EPA) to expedite regulation of greenhouse gas (GHG) emissions from power plants by establishing New Source Performance Standards under the Clean Air Act. APPA is encouraged that the President has directed EPA to re-propose last year's flawed proposed rule for new power plants that effectively banned new coal-fired plants. However, we are concerned that the net effect of a re-proposed rule may be the same. Thus, we urge EPA to make substantial changes including provisions that differentiate between fuel types and set a standard for coal that can be achieved using current commercially available technology.

Of even greater concern is how EPA will address emissions from existing power plants. Under the relevant Clean Air Act authority, EPA is to set broad national guidelines, not numeric emissions requirements or limits, and allow the states to develop

specific programs to implement those guidelines. Since there is no commercially available technology to control GHG emissions from power plants, state programs will likely and appropriately vary depending on a number of factors. Thus, if done correctly, GHG emissions programs for existing coal plants would not necessarily prohibit their operation. APPA looks forward to working with EPA on these rulemakings.

APPA also wants to keep electricity affordable, but this becomes a challenge in the President's proposal. The shift from coal to natural gas for electric generation is already creating several cost and operational issues including fuel price volatility for utilities and their customers, the need for additional pipeline capacity and storage, lack of flexibility in pipeline rate schedules to accommodate the needs of electric generation, and misalignment of, and lack of intra-day flexibility within, the gas and electric days.

With respect to increased use of renewable energy sources - a

President Obama directs EPA to move on emissions reduction pledge

As part of a broader climate action plan, President Obama said June 25 he is directing the Environmental Protection Agency to work expeditiously to complete "carbon pollution" standards for both new and existing power plants. In a separate June 25 memorandum, the president directed EPA to re-propose by Sept. 20 its proposed New Source Performance Standard to limit greenhouse gas emissions from new power plants, and to propose standards, regulations, or guidelines, as appropriate, by June 1, 2014, for existing, reconstructed and modified plants. The memo directs EPA to issue final rules or guidelines for existing plants by June 1, 2015.

APPA supports several aspects of President Obama's proposal, but has concerns about other aspects of his plan (see accompanying statement).

The guidelines addressing existing power plants are to include a requirement that states submit to EPA Clean Air Act implementation plans by no later than June 30, 2016.

Obama directed EPA, to the extent possible, to:

- tailor the regulations and guidelines to reduce costs;
- allow the use of market-based instruments, performance standards, and other regulatory flexibilities;
- ensure that the standards enable continued reliance on a range of energy sources and technologies; and
- ensure that the standards are developed and implemented in a manner consistent with the continued provision of reliable and affordable electric power for consumers and businesses.

The president said he remains firmly committed to his 2009 pledge that by 2020, America would reduce its greenhouse gas emissions in the range of 17 percent below 2005 levels if all other major economies agreed to limit their emissions as well.

To meet a goal of doubling renewable electricity genera-

tion by 2020, the plan calls for the Interior Department to permit another 10 gigawatts of renewables on public lands by 2020, and calls for expanding and modernizing the grid as directed in a June 7 presidential memorandum. The plan sets a new goal for the federal government: to consume 20 percent of its electricity from renewable sources by 2020, more than double the current goal of 7.5 percent.

In coming weeks, the Department of Energy will issue a draft of a solicitation that would make up to \$8 billion in (self-pay) loan guarantee authority available for a wide array of advanced fossil energy projects.

The president's plan sets a new energy efficiency goal of reducing carbon pollution by at least three billion metric tons cumulatively by 2030 - equivalent to nearly one-half of the carbon pollution from the entire U.S. energy sector for one year - while continuing to cut families' energy bills."

"Through steady, responsible action to cut carbon pollution, we can protect our children's health and begin to slow the effects of climate change so that we leave behind a cleaner, more stable environment," the plan said. The effects of climate change already are being felt, the plan said, noting that last year was the warmest on record for the contiguous United States.

"Cutting carbon pollution will help spark business innovation to modernize our power plants, resulting in cleaner forms of American-made energy that will create good jobs and cut our dependence on foreign oil," according to the plan. "Combined with the administration's other actions to increase the efficiency of our cars and household appliances, the president's plan will reduce the amount of energy consumed by American families, cutting down on their gas and utility bills."

goal strongly supported by APPA and its members - it is not clear that the President's proposal includes a recognition that the predominant renewables, wind and solar, must be backed up on a one-for-one basis by another source of electricity, usually natural gas. This requirement substantially increases the overall costs.

Finally, the Administration's repeated proposals to severely limit the ability of state and local governments to issue tax exempt bonds is inconsistent with his call for increased investments by public power utilities, the hardening of public infrastructure against the effects of climate change, and lowering consumers' utility bills.



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Coming and going

Key energy and environmental officials change in Washington; policies likely to remain as is

by Robert Varela

Editor, *Public Power Weekly*

This spring, Washington saw some comings and goings of key energy and environmental officials.

Steven Chu and Lisa Jackson left the Department of Energy and Environmental Protection Agency, respectively, and Federal Energy Regulatory Commission Chairman Jon Wellinghoff tendered his resignation, effective once a replacement is sworn in (which means it could be some time before he departs).

Ernest Moniz has been sworn in as the new energy secretary while EPA Assistant Administrator for Air and Radiation Gina McCarthy is awaiting Senate confirmation for the top job at her agency as of this writing.

Don't look for major policy shifts at



either DOE or EPA; it remains the Obama administration. For example, President Obama said Moniz "shares my conviction that the United States must lead the world in developing more sustainable sources of energy that create new jobs and new industries, and in responding to the threat of global climate change." Citing the need to mitigate climate change risks, Moniz at his confirmation hearing said DOE "should continue to support a robust R&D portfolio of low-carbon options: efficiency, renewables, nuclear, carbon

capture and sequestration, energy storage. In addition, a 21st century electricity delivery system, including cybersecurity and a high degree of resilience to disruptions, is vital and deserves increased attention in the next years."

However, one area where policy could take a significant turn involves the federal power marketing administrations. APPA will be watching closely how DOE under Moniz handles former Secretary Chu's proposals for making drastic changes to the federal power marketing administrations, in particular the Western Area Power Administration's Access to Capital initiative. Moniz's comments at an April 9 confirmation hearing before the Senate Energy and Natural Resources Committee suggest he might rework Chu's proposals. At the hearing, Moniz said that the core

and primary responsibility of the federal power marketing administrations is to deliver power as inexpensively as possible to their customers. Asked by Sen. Mike Lee, R-Utah, if he would support changes to the PMAs that would mean significant price increases, Moniz said, "I think the PMAs and their customers would not, and therefore we would not."

Moniz's approach to the PMAs as expressed at his confirmation hearing appears to be having an effect. At a June 4 meeting with preference customers, WAPA Administrator Mark Gabriel said the Access to Power initiative has been pushed back a year, to fiscal 2016. APPA and WAPA customers will continue to work with the agency on the issue.

APPA member representatives approve three policy resolutions at National Conference

APPA members approved three new policy resolutions at the association's National Conference June 18, addressing the need for fuel diversity in energy efficiency legislation, the rights of hydro power customers at U.S. Army Corps of Engineers projects, and President Obama's budget proposal to evaluate or possibly sell the Tennessee Valley Authority. Association members also adopted 11 resolutions previously approved by APPA's Legislative and Resolutions Committee. One

of those resolutions, on cost allocation, was amended to reflect a recent court decision.

• APPA "supports energy efficiency legislation, standards, and initiatives that are fuel neutral, are technologically feasible, and are economically justified," the resolution on energy efficiency legislation states. Congress needs to examine the implications of policies that reduce fuel diversity, APPA said, noting that maintaining diverse generation portfolios is a crucial component of public

power utilities' risk management programs.

• Language on dam optimization in Section 2014 of the Water Resources Development Act (S. 601) passed by the Senate "could have a detrimental effect on hydro power production at Corps projects," the resolution on hydro customers' rights says. That language allowing the Corps to add new project "benefits" and change operations at projects could adversely affect APPA members who rely on the

Corps' hydro power resources to keep electric rates as low as possible, the resolution states. APPA supports language in the Water Resources Development Act "that provides the right balance between the interests of the new project beneficiaries and the longstanding purchasers of Corps hydro power."

• The president's budget proposal to reform and perhaps di-

vest TVA demonstrates a fundamental misunderstanding of TVA and also incorrectly gauges the ramifications of divesting TVA from the federal energy portfolio, APPA said. APPA opposes the divestiture of TVA, and urges the administration to re-evaluate the impact such a move would have on TVA customers and on the federal deficit, the resolution says.

Timber Industry cries foul over rapidly increasing electric prices

From the *Bagley Farmers Independent*

Editor's note: The following excerpt is from the March/April issue of the *Minnesota Timber Producers Association Bulletin*. It exposes more of the fallout that comes from our politicians meddling in the energy sector.

by Wayne Brandt

Energy costs have become a much bigger issue for our industry the last few years. I don't have to explain the impact of diesel

fuel prices on the bottom line for logging operations. What some may not know is the impact of energy costs, particularly electricity, on the industry overall.

Energy is 25 percent of the cost of producing a ton of paper on average. This is equivalent to the cost of wood and labor in producing paper.

Ten years ago Minnesota had a significant advantage over our competitors in electrical costs. This advantage has eroded due to

policy decisions by the state and rate decisions by the Public Utilities Commission (PUC). Industrial electrical rates in Minnesota have increased 55 percent in the last 10 years—amongst the highest increases in the nation.

The PUC has built a system that has industrial customers (primarily the forest products and mining industries) subsidizing residential rates for every customer. Helping the needy is one thing, but subsidizing residential rates for everyone while we make the mills that take our wood and provide the economic engine to our region jeopardizes jobs throughout our economy.

(Mr. Brandt is executive vice president of the Minnesota Timber Producers Association.)

California electric costs projected to soar

A California Municipal Utilities Association (CMUA) study projects statewide electricity costs to increase by several billion dollars by 2020, due to both "business as usual" and proposed mandates. The increase would be "the largest and fastest increase in electricity costs (and rates) in California in at least 30 years."

The study identified approximately 35 recent or potential mandates that affect electric utilities, including 20 recently approved state mandates and five recently approved federal or regional mandates.

Going from 20 percent renewables in 2010 to 33 percent in 2020

is projected to cost public power ratepayers in the state several billion dollars by 2020, and several times more than that by 2030.

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MMUA seeks your nominations for statewide award candidates

Doing an outstanding job locally is expected. So it often takes somebody from outside your community to recognize outstanding achievement.

At times, recognition of an individual is called for. These individuals can be utility employees, policymakers, or even a citizen. At other times, the utility as a whole should be recognized.

In addition, individuals outside of our cities and/or utilities often play significant roles in advancing the interests of public power. These people should also be recognized.

Those reasons, in part, are motivating factors behind the MMUA Awards and Recognition program.

The MMUA Nominations and Awards Committee and the MMUA Board of Directors have approved the following slate of awards.

While eligibility for the awards may vary somewhat, in general individuals and utilities must represent or be MMUA Regular Members. Individuals cannot receive the same award twice. Utilities can earn awards once every five years.

All nominations of MMUA's Awards and Recognition Program will be forwarded to the MMUA Nominations and Awards

Committee for their consideration. Awards will be presented at the MMUA Annual Summer Conference Aug. 19-21.

MMUA Honorary Lifetime Membership

This prestigious award symbolizes a long professional life dedicated not only to the advancement of municipal utilities locally, but also for the betterment of our industry on a statewide basis.

Eligibility: Individuals who have concluded or are about to conclude a long and distinguished career in the municipal utility industry.

Criteria: Nominees should have:

- a long professional life dedicated to the achievement of excellence in the municipal utility industry;
- a strong record of involvement in MMUA and efforts on behalf of the betterment of the industry on a statewide basis.

Public Service Award

This award is given to a local, state or federal elected or appointed official who has been a strong supporter of MMUA and its members.

Eligibility: Any publicly elected or appointed official at the local, national or state level whose activities have advanced

the objectives of public power.

Criteria: Nominees should have:

- made substantial contributions to made substantial contributions to municipal utilities or the municipal utility industry;
- made contributions with lasting impact.

Community Service Award

This award is given to an individual who has performed long and well in support of a municipal utility at the local level.

Eligibility: An individual who has a long record of service to an MMUA member utility.

Criteria: An individual who has performed long and well at the local level, but who may not have the level of involvement with MMUA to merit a lifetime membership.

Distinguished Service Award

This award is given to individuals who perform outstanding service in support of the association and its goals.

Eligibility: Individuals who demonstrate leadership on various issues.

Criteria: Performance of outstanding service in support of the association or its goals.

System Innovation Award

This award is given to a utility that has demonstrated leadership and innovation in customer service, energy efficiency or renewables, technology, or other areas.

Eligibility: The utility must be an MMUA Regular Member system.

Criteria: Nominees should have achievement or sustained performance that:

- was widely recognized in the public power field;
- served to enhance public power's prestige;
- improved service to their communities;
- represented an earnest, coordinated effort on the part of the system.

Nomination forms for each award are available in the Members' Only section of the MMUA web site.

Nominations are due to the MMUA office by July 25, 2013.

Please submit nomination forms to MMUA via e-mail at scoe@mmua.org, via fax at 763-551-0459, or via U.S. mail at 3025 Harbor Lane N., Suite 400 Plymouth, MN 55447.

Nominations and Awards Committee seeks nominations for board of directors

The MMUA Nominations and Awards Committee is now accepting nominations for the MMUA board of directors. Board members traditionally serve two three-year terms. Three current board members will have completed their service on the

board in August of this year; a fourth will be up for election to a first full term of office.

Dennis Rykken, Commission President at Sauk Centre Public Utilities, and Terry Leoni, General Manager of the Laurentian Energy Authority,

were both elected to the MMUA board in August 2007 and re-elected in August 2010. They will complete their six years of service at this year's MMUA Annual Summer Conference.

Mike Kumm, General Manager of Hutchinson Utilities, was originally elected to fill an unexpired board term in 2006, was elected to a full three-year term in 2007, and re-elected in 2010. He will also complete his service on the board at this year's Annual Summer Conference.

Chuck Heins, Utility Superintendent at Redwood Falls Public Utilities, was elected to fill

the remainder of an unexpired board term in 2011, and is now eligible for election to a full term on the board.

In selecting nominees, the MMUA Nominations and Awards Committee will consider the following: personal integrity, independence and knowledge of the industry, providing a broad geographic balance on the Board representing all sizes and types of utility operations; a commitment to the promotion of municipal ownership of utilities; willingness to commit the time and energy necessary to the organization and the office; and a demonstration

of interest in the affairs of the members and the Association through active participation and in furtherance of the goals and purposes of the Association.

Nominees must be designated representatives of member municipalities to be eligible for election. The Nominating Committee will not discriminate against age, race, sex, sexual preference or national origin in the nominating process.

The board seat currently held by Dennis Rykken is one of two seats on the MMUA board reserved for policymakers in the MMUA bylaws. This board seat must be filled by a local policymaker.

Forms for submitting nominations to the MMUA board are available in the Members' Only section of the MMUA web site.


If you have any questions, you may contact Mark Erickson, MMUA President-Elect and Nominations and Awards Committee chairperson, at 507-647-5306.

Nominations will be accepted through July 25, 2013.

Senate 'blank slate' may erase tax exemption

U.S. Senate Finance Committee leaders unveiled a "blank slate" tax reform proposal that has no deductions, credits, or exclusions, including the exclusion for municipal bond interest. Committee Chairman Max Baucus, D-Mont., and the committee's ranking minority member, Orrin Hatch, R-Utah, said they "both believe that some existing tax expenditures should be preserved in some form."

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CapX

continued from front page

the 45-mile, 345 kV segment between the North Rochester Substation and the Mississippi River is scheduled to start in August. Construction in Wisconsin will start in 2014 with an in-service date of 2015 for the entire project.

Participation by RPU and its principal wholesale power supplier, the Southern Minnesota Municipal Power Agency (SMMPA), “will ensure greater reliability and system redundancy necessary as Rochester and southeast Minnesota continue to grow,” said Tony Benson, RPU communications coordinator, and Dan Hayes, SMMPA manager of renewable energy programs and agency communications. “In addition, the added transmission infrastructure will provide a robust system for us to import and export energy as needed today and well into the future.”

No small matter

Getting to this point has been a long road.

In June 2002, RPU staff initiated a study to identify future transmission capacity necessary to reliably serve future Rochester-area electric needs. Several upgrades to the existing transmission system were completed as a

result of that study but long-term results showed the need for regional transmission upgrades.

RPU joined a 2006 study (with Xcel Energy, Dairyland Power Cooperative, SMMPA and Wisconsin Public Power Inc.). The study showed inadequate area transmission, and that the lack of firm transmission exposed these utilities to high energy costs. Study participants at this time decided to merge their efforts into the larger CapX2020 effort.

Work with the CapX2020 group culminated in the Hampton-North Rochester-LaCrosse 345 kV line and two associated 161 kV lines, to RPU’s Northern Hills and Chester substations.

Locally, the RPU board approved a resolution recommending city council approval of a number of agreements in regards to the electric service improvements. This was no small matter. RPU’s ownership share of the project, based on its load ratio share between the five utilities, came to nine percent of approximately \$551 million. The utility can invest more money but is not obligated to do so.

Among the agreements is one that sets up a Management Committee under which each owner has a representative. All decisions in respect to constructing, equipping, designing, operating, maintaining and administering



Construction of electric transmission lines has been a fairly common sight throughout Minnesota the past couple years. This was the scene June 7 north of Rochester, as a pole in a 161-kV line that will eventually connect to the Rochester Public Utilities system was set in place.

the project are made by the owners acting through this Committee. Voting levels vary depending on the issue but in no case can a single owner unilaterally exercise control.

CapX2020

CapX2020 began in 2004 as a joint initiative of transmission-owning utilities in Minnesota and the surrounding region, which

formed to expand the electric transmission grid to ensure electric reliability for years to come. About 800 miles of new transmission lines will be installed by 2017 when CapX projects are fully operational. This includes five separate projects over four states.

The CapX2020 utilities include investor-owned, cooperative and municipal utilities:

- Power Agency
- Dairyland Power Cooperative
- Great River Energy
- Minnesota Power
- Minnkota Power Cooperative
- Missouri River Energy Services
- Otter Tail Power Company
- Rochester Public Utilities
- Southern Minnesota Municipal Power Agency
- WPPI Energy
- Xcel Energy



Annual Summer Conference

Monday, August 19

MMUA Board of Directors Meeting
 Noon-6 Conference Registration — Town Hall
 Noon-1:00 Check-in for Golf Tournament
 12:00-12:30 Check-in for Bike Ride — Town Hall
 1:00 Golf “Best Ball Scramble” Tournament
 1:00 Paul Bunyan Trail Bike Ride — Nisswa
 4:30 Resort Check-In
 6:30-9:00 Welcome Reception & Outdoor BBQ

Tuesday, August 20

7:00-9:00 Breakfast served — dining room
 8:00-8:15 Welcome and Opening Remarks
 8:15-10:00 *21st Century Leadership - Are We Asking the Right Questions?*
 Steve Harmon, Continuum Education
 10:00-10:15 Refreshment Break
 10:15-11:00 *CapX — Yesterday, Today and Tomorrow*
 Terry Grove, Great River Energy

11:00-11:45 *The Washington Scene*
 Michael Nolan, MMUA Washington Rep.
 11:45 Luncheon — dining room
 1:00-2:30 *Affordable Care Act Implementation*
 David Flotten, Associated Financial
 2:30-3:00 Refreshment Break
 3:00-3:45 *Conservation Improvement Program*
 Jessica Burdette,
 Minnesota Div. of Energy Resources
 3:45-4:30 *Post-Recession Municipal Bond Market*
 Nick Skarich & Paul Donna,
 Northland Securities
 5:00-7:00 Tradeshow and Reception —
 Town Hall
 7:00 Banquet, Awards & Entertainment

Wednesday, August 21

7:00-9:00 Breakfast served — dining room

8:00-8:30 MMUA Business Meeting
 (Regular & Affiliate Members Only)
 8:30-9:00 *Friendly Competition Helps Four Municipal Utilities Reduce Energy*
 David Osterberg, Iowa Policy Project

9:00-9:45 *The Future of Conservation*
 Bridget McLaughlin, CEE

9:45-10:00 Refreshment Break

10:00-10:30 *APPA Rodeo*
 Mike Willetts, MMUA

10:30-11:15 *State Legislative Developments*
 MMUA Staff
 Greg Oxley and Bill Black with
 Dan Boyce, East Grand Forks Water & Light
 and Doug Carnival, McGrann Shea

11:15-12:00 *Issues Round-Up*
 MMUA Staff
 Jack Kegel, Robert Jagusch
 and Mike Willetts

August 19-21 *Madden’s Resort, Brainerd*

Sleepy Eye

continued from front page

also located at this site. The three coal- and natural gas-fired boilers and steam turbines are gone. The utility also operated a district steam heating system for many years, but it was closed down little more than a decade ago.

The power plant is kept in excellent repair, however, and now houses six Caterpillar electric generator sets with a generating capacity of 12.4 megawatts (MW). The city peak is approximately 13.5 MW, so on most days the utility can carry the city electric load. Today the plant operates on a standby basis.

The two newest engines were installed in 2008 and should be compliant with federal emissions regulations. The other four generators are not expected to be compliant. The utility has no plans to invest in upgraded emissions controls for the four older engines but will maintain them for limited use, particularly in emergency situations

The generators are called into service from time to time. An April 15 outage covered a large area, including Sleepy Eye and New Ulm. Sleepy Eye began generating power and began supplying power to local customers within 30 minutes. Once power started flowing over the transmission line serving the Sleepy Eye substation, the local generators were shut down.

Local customers depend on a steady flow of reasonably-priced power, some more than others. The utility's largest customers are located on the west side of the city.

Bic Advertising Promotional Products is the utility's largest customer in terms of kilowatt-hour sales. The Sleepy Eye facility produces promotional items including notebooks, journals, sticky notes and is reportedly the largest calendar manufacturer in the U.S. Bic APP is the biggest employer in Sleepy Eye. The local plant employs approximately 400 full time and another 200 seasonal people.



The Sleepy Eye 'main drag' boasts a number of classic two-story brick buildings, although businesses to fill them are hard to come by.



Bob Elston is the city public works director, but also manages the utility, where he keeps his office. He is pictured here with Janice Schueler, utility administrative assistant



Larry Braun has worked for the utility for 39 years. He started in the water department and after three years moved to the electric department. The far corner space (beyond the red line) used to contain a 1,500 kilowatt Cooper Bessemer diesel.

Del Monte is the utility's largest electric demand customer, with that peak coming during the pea and corn packing season. Del Monte has its own water wells.

Over the years, a number of commercial customers have moved to the east side of the city. The downtown retail properties have been hard-pressed but some

businesses have moved back downtown and other potential businesses have expressed interest in various properties.

Building permits issued annually are in the single digits generally, including one in 2010 and zero in 2011. Population increased 2.4 percent since 2000.

After holding off because



Grain elevators dominate the Sleepy Eye skyline. This one is located near the utility, north of and across the tracks from the museum.

of the recession, the utility increased rates last March. After zeroing out the power cost adjustment, the hike came to around 11 percent for most electric customers. It shouldn't have come as a surprise to anybody, since the commission regularly held public discussions about the need for an increase, and the local paper regularly reported on those discussions.

"Some customers remembered; most didn't," said Elston. "It was overdue."

Despite running lean for a number of years, the utility did not deplete its reserves.

While some public concern was expressed, the local paper did a good job explaining the utility's rationale for the rate increase. That helped with customer acceptance of the new rates.

Among the utility's upcoming challenges will be replacing a number of dedicated, long-time employees.



The historic plaque at left is affixed to the exterior of the utility office space. The building contains a number of other municipal offices, including the police department and, on the second floor, the municipal auditorium. Above: one of Sleepy Eye's six Caterpillar engine/generator sets stands at the ready.

Students at an elementary school in St. Joseph wore black to school May 16 as part of their participation in a 'blackout day,' designed to test various methods identified to save energy. All lights, except emergency lighting, were turned off and cold lunch was planned. All unnecessary electronics were turned off.

An unplanned electrical outage on the system serving the school occurred around the middle of the first lunch period. It reportedly went little noticed, under the circumstances.

Renewable Energy SD has reportedly filed for Chapter 7 bankruptcy. The Excelsior-based supplier of wind energy equipment has been sued for fraud by the state of Minnesota. The company had also been embroiled in a dispute with a number of electric cooperatives before the Minnesota Public Utilities Commission.

The attorney general's lawsuit alleges the company either failed to deliver wind turbines or those that it did deliver often failed to perform properly, if at all.

Xcel Energy has reportedly filed a lawsuit to terminate power

ERMU

continued from front page

power supplier partner. As a public power municipal utility, we sought competitive rates, and we wanted to be aligned with other like-minded utilities," he said.

Adams said other factors leading Elk River to select MMPA are the agency's modern facilities and innovative renewable energy program, as well as ERMU having a seat on the MMPA Board of Directors along with every other member utility. MMPA member cities have common interests and focus on value creation for the agency as a whole, which also fit with Elk River's long term vision.

Derick Dahlen, MMPA's Chief Executive Officer, said, "Elk River is a great fit for MMPA. It is a progressive and growing community. Like the other MMPA members, ERMU is committed to providing their community with competitively-priced electricity."

ERMU serves 9,300 metered electric customers in a 44 square mile area and has a peak demand of about 60 MW. Elk River's addition to MMPA follows the inclusion of Shakopee and East Grand Forks in 2004, plus Buffalo in 2005 to the original eight members that formed MMPA in 1992.

MMPA's long-time management partner, Avant Energy of Minneapolis, is responsible for all aspects of the Agency's strategic planning, day-to-day management and operations, and energy facility development.

BITS & PIECES

purchase agreements with an ill-fated wind project proposed for Goodhue County, near Zumbrota. The current owner of the proposed project, New Era, allegedly has failed to meet several deadlines.

The Iron Range Resources and Rehabilitation Board June 17 voted to give staff the go-ahead to restructure a \$9.15 million loan to Excelsior Energy. The company's proposed Mesaba Project was originally envisioned to use coal gasification to pro-

duce fuel for electric generation. Among other points, the restructuring would allow for an energy source other than coal, such as natural gas or biomass.

The *New York Times* reported that Daniel P. Schrag, a White House climate adviser and director of the Harvard University Center for the Environment, in discussing President Obama's June 26 address on climate change, said the president should begin the process of shutting down the conventional coal plants and that a "war on coal is exactly what's needed."

Coal exports from the United States in March 2013 totaled 13.6 million short tons, nearly 0.9 million short tons above the

previous monthly export peak in June 2012, according to the federal Energy Information Administration (EIA). Increased Asian demand for coal contributed to the record level of coal exports from the United States in March. The top five destinations of exported coal (in descending order) during March were China, Netherlands (a large transshipment point), United Kingdom, South Korea, and Brazil.

The Minnesota Pollution Control Agency June 26 released a study on 'Nitrogen in Surface Waters' which shows elevated nitrate levels, particularly in wells in southern Minnesota. The study said 70 percent of the nitrates come from cropland, and the rest for regulated and unregu-

lated sources, such as wastewater treatment plants, forests, the atmosphere, septic systems and urban runoff.

Treasury Under Secretary for Domestic Finance Mary John Miller June 26 defended the Obama Administration's proposal to tax municipal bonds, saying that the current tax exclusion for municipal bond interest is "perhaps not the most efficient way to help the issuers of the debt."

The administration is proposing taxing municipal bond interest. Some of the proceeds would be used to provide issuers a federal payment through Build America Bonds (or the equivalent) and some of the proceeds would be used to pay for other federal programs.



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Hal Becker and Chuck Tibbetts recently were honored with the American Public Power Association's Seven Hats Award.

This award recognizes utility managers who serve in the nation's smaller communities and whose variety of management responsibilities extends well beyond those of a manager in a larger system with a larger staff.

Nominees must possess skills in the following seven areas: planning and design; administration; public relations; field supervision; accounting; human resources; and community leadership.

Becker is the general manager of Delano Municipal Utilities. Tibbetts is recently retired from the general manager's position at Aitkin Public Utilities.

Joe Hensel has retired after 39 years of service with Rochester Public Utilities. He most recently was Director of Field Services for RPU, the state's largest municipal electric utility. He is being replaced in that position with long-time co-worker Bill Cook.

There is no apparent benefit to the **city of Willmar**, Willmar Municipal Utilities and Kandiyohi County sharing human resource duties, according to a consultant's report. Proponents of the idea have estimated a consolidated human resources (HR) program, shared by the three entities, would produce a savings to city and county taxpayers of approximately \$400,000.

In mid-May, the city council received and reviewed a preliminary draft that recommended a reorganizational option dealing primarily with services consistently delivered by city employees to most of Willmar's population, such as public works, wastewater treatment, police, fire, engineering and planning.

AROUND

THE STATE

For internal services, the consultant recommended the city establish a "3-department" model, which would involve creating a human resources department, eliminating the clerk-treasurer department, and making permanent the current information technology reporting structure with the IT department reporting directly to the city administrator.

June 21 storms resulted in an outage for two customers of **Willmar Municipal Utilities**, and between 7,000 and 7,500 served by Kandiyohi Power Cooperative.

Nine of 10 Kandiyohi substations were without power for approximately three and a half hours.

Suspected cause of the outage was a transmission line breaker. The lone substation that did not have service interrupted was connected to an Xcel Energy transmission line.

Olaf (Ole) Engebretson, who has been the manager of the Clearbrook municipal gas system the last four years and also spent the five years previous working as an installer and foreman of various construction crews, has been hired by the Minnesota Office of Pipeline Safety as an inspector. Engebretson will work out of the field office in Fosston after completing six weeks of orientation in St. Paul.

Wausau Paper has shut down its **Brainerd** plant and a local Task Force, which includes the City of Brainerd and Brainerd Public Utilities has formed to address issues regarding the



Gas distribution line was stacked and awaiting installation when this early June photo in the City of Brownnton was taken. The city is developing the gas distribution system following a successful spring referendum.



The City of Kenyon 'Boulevard of Roses' was in bloom when this photo was taken June 24. The roses grace Gunderson Boulevard, which doubles as Minn. Hwy. 60.

property and its future.

Among the issues around the property is a Mississippi River dam and hydroelectric plant. Wausau is responsible for those assets until they are sold.

Sauk Centre Public Utilities recently drew attention to the problem of disposable diaper wipes clogging the local wastewater system, through an article in the local newspaper. Among the messages in the article: flushing items down the toilet that shouldn't be increases the workload for the wastewater operators and leads to increased rates.

Shakopee Public Utilities now allows customers to pay electric and water bills online or over the phone with a credit card, debit card or electronic check. The utility charges a \$3.95 service fee (which goes to a third-party bill service) for handling and processing the payment.

The utility considered absorbing the fee, which is estimated to come to \$80,000 annually, but found that most of the utilities it contacted also passed the cost along to their customers.

The utility also has a new online feature that allows customers to view and receive their bill by email. Customers can also continue to enroll in automatic bill pay.

Xcel Energy recently informed the Minnesota Public Utilities Commission that it expected the **Sherco 3** power plant to be back online on or before Sept. 30, 2013, approximately two years after an accident that damaged the generator and steam turbine.

Xcel said an investigation blamed the accident on turbine blade failure.

In the meantime, work on the **Southern Minnesota Municipal Power Agency's Fairmont Energy Station** continues and the plant is scheduled to be ready for service in October. Four new gas-fired Caterpillar engines will join existing generators to give the plant a capacity of 37 MW. The agency said it hopes to run the generators about 1,500 hours annually. Along with running at peak times, the plant will be crucial for supporting wind generation.

Delegates to the mid-June **Minneapolis** DFL convention passed a resolution supporting an initiative to study whether the city should operate municipal electric and natural gas utilities. The proposal is most ardently supported by a group of green-energy proponents.

The city franchises with both utilities expire in 2014.

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UTILITY TRUCK SERVICES

Four municipal utilities involved in joint service area petitions

Editor's note: As electric service area issues can be an item of interest for a number of municipal utilities from time to time, a quick rundown of this year's filings with the Minnesota Public Utilities Commission may be of interest.

Four service area dockets opened with the MPUC thus far in 2013 include municipal utilities. These utilities include: Benson, Owatonna, Buffalo and Rochester.

Owatonna Public Utilities (OPU) and Interstate Power and Light Company signed an agreement of settlement and realignment of service territory on June 5 and filed it with the MPUC. The city on March 6 annexed 48.12 acres which contained no electric customers.

The agreement gives OPU interim service rights to the area. Payment to Interstate shall start with the first certificate of occupancy to the first customer in the acquired area, and end 10 years later. Payment shall be 16 mills (\$0.016) per kilowatt-hour sold. Payment will be based on actual meter readings.

The City of Buffalo and Xcel Energy filed a joint petition June 20 to transfer an Xcel area to the city.

The area was annexed in September 1993. The parties filed a transfer agreement with the MPUC in July 2005. In the current filing, the parties expressed their wish to formally transfer additional rights in the annexed area. The parties entered into a compensation and orderly transfer agreement on May 24 for the five customers. The city has been serving the customers and paying compensation for the acquisition since August 2007.

Under terms of the agreement, for 10 years, "the city shall pay Xcel annually a sum equal to \$0.012 (12 mills) the kWh consumed by the customers located at service locations within the service area receiving electric service from Xcel Energy as of August 2007."

The city will also pay for depreciated facilities.

Rochester Public Utilities and People's Energy Cooperative submitted joint filings in two dockets. The first docket involved 15 service-by-exception agreements. The agreements do not involve a permanent change in the service area boundaries, but reflect the written consent of the utility that holds the area to

allow the other utility to serve a customer by exception.

In three instances, People's authorizes RPU to serve by exception in People's assigned service area. In 12 instances, RPU authorizes People's to serve by exception in the municipal service area.

A permanent modification of territory boundaries was addressed in a May 1 filing by the parties. The modification included two areas: one of 2.68 acres and one of 3.73 acres. The parties did not file compensation details. The DOC said it understood compensation would be paid to People's and agreed that the establishment of payment, though not spelled out, was consistent with state law.

The Benson-Agralite filing is a joint request, dated June 6, to modify boundaries. The parties agreed to an exchange of territories. One customer currently exists in the area to be transferred from the city to the cooperative. The customer is served by the city and will be served by the city until either: the customer chooses to switch providers; the customer sells its property; service to the customer is abandoned; or the property is redeveloped making necessary "material modifications" to the electric service are necessary. Until the time of transfer, the customer will be denoted as an "exception customer" on the state's official service area map.

No customer currently exists in



Lake City makes generous Training Center donation

The City of Lake City has generously donated (for scrap metal price) two working high voltage regulators to the MMUA Training Center in Marshall. MMUA plans to use the regulators in its Training Center substation. The equipment will allow MMUA to train lineworkers on installation and various tasks relating to voltage regulators. Pictured above are, from left to right: MMUA Job Training and Safety Instructor Gary Greenwald, along with Pete Bartholome, Jim Schmidt, Travis Wetter, Tom Kuchinka, and Line Foreman Randy Dankers of the Lake City Utility Department.

the area to be transferred from the cooperative to the city.

No compensation will be paid to either party other than costs related to integration and salvage.

The Department of Commerce (DOC) made a number of information requests to the parties. One such request asked "if, when, and how customers . . . were notified that they could change their service provider . . ."

In this case, the city directly contacted its customer, in person, at the time the agreement was executed and explained the

agreement.

The agreement was filed by the Benson city attorney, who

also acts as general counsel of the cooperative.

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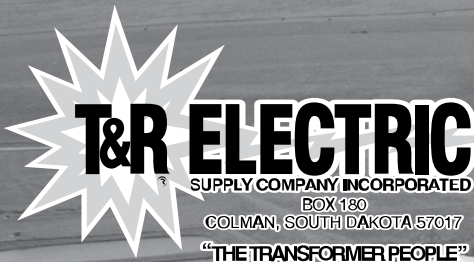
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Journey Lineworker
Elk River Municipal Utilities is accepting applications for a Journey Lineworker. This position performs construction, operation, and maintenance of underground and overhead electrical distribution systems. Qualifications include completion of an approved vocational training in a lineworker program, and completion of an approved apprenticeship program, with a minimum 5 years of experience. Must possess a MN Class A drivers' license. Salary is \$36.87 per hour. Excellent benefits. Resumes must be received by August 23, 2013. Please submit resume to: Elk River Municipal Utilities, Attn: General Manager, 13069 Orono Parkway, P.O. Box 430, Elk River, MN 55330-0430

Public Works Department
City of Heron Lake. Small town living with good schools and good neighbors. Position will consist of varied shifts, on call time and will be expected to learn & perform any & all public works duties as needed. Employment has the potential to be from up to full time general maintenance and up to & including Public Works Director with salary range of \$13.50 to \$25.00 per hour depending on qualifications. Applicant will need to have CDL & health card or be capable of obtaining one. Candidates will need to have the ability to respond in town within 15 minutes and have good computer skills. Please contact City Office, 312 10th Street, PO Box 315, Heron Lake, MN 56137. Phone: 507-793-2826, fax 507-793-2697.

Line Design Engineer
Power System Engineering has an opening in our Madison, WI office

continued on facing page


entry-level Line Design Engineer. The following are essential responsibilities of this position and do not include marginal functions that are incidental to the performance of the fundamental job duties. Develop electric power transmission and distribution line design standards. Route and design transmission and distribution lines. Perform structure loading analysis and calculations. Work with line design software including AutoCAD, PLS-CADD, Sag10, and in-house Excel spreadsheets. Develop design documentation including staking sheets, plan & profiles, and material specifications. Develop construction specifications and contracts, coordinate pre-bid meetings, evaluate bids and proposals, and provide contract award recommendations for transmission and distribution construction projects. Perform work order inspections on recently constructed transmission and distribution facilities to ensure compliance with RUS, NESC, IEEE, ANSI, and other applicable standards. Applicants must have a 4-year degree in Civil, Mechanical, or Structural Engineering and the ability to obtain Professional Engineer license within a 4-year period of hire date. This is an entry-level position and it is expected that the applicant will have 0-2 years of experience. Applicant must have working knowledge of computer software including AutoCAD, MS Excel, and MS Word. Knowledge of electric utility systems, line design, and surveying practices is a plus. Applicant must possess basic knowledge for structural calculations, computer applications, and technical writing. PSE offers attractive salaries and benefits and significant growth potential for those that can recognize and respond to client needs. To apply, email your cover letter and resume by July 26, 2013 to jutrzonkaa@powersystem.org.

Line Design Technician – Entry Level
Power System Engineering has an opening in our Madison, WI office for an entry-level Line Design Technician. This individual will use proven design standards and applicable codes to exceed client expectations while designing and field staking overhead and underground distribution and sub-transmission power lines. Projects may also include: easement negotiation and filing, tree-trimming negotiation and recording, railroad and highway permit filing, GPS data collection, ground line surveys, and any other duties that would be required to successfully fulfill requirements outlined by colleagues and clients. Lineworker experience and knowledge of electrical distribution systems is preferred. Working knowledge of computer software tools including MS Word and MS Excel is required. Ability to learn and adapt to line design staking software is required. Recent and upcoming graduates of lineworker training schools are highly encouraged to apply. Field work and overnight travel is required. Reimbursable expenses include meals, lodging, and mileage. Training is provided by PSE employees and/or by enrollment in seminars and continuing education courses. PSE is committed to providing successful applicant with the tools and skills to be successful. PSE offers attractive salaries and benefits and significant growth potential for those that can recognize and respond to client needs. To apply, email your

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Communications Tech
The Coon Rapids Municipal Utilities (CRMU) - Coon Rapids, Iowa, is a very progressive utility that provides telephone, catv and internet services over a 750 MHz HFC system. CRMU is migrating its network over to an all fiber based system. CRMU is currently accepting applications

for the position of Communications Technician. Primary responsibilities include underground network installations, maintenance and troubleshooting; establishing voice and data networks by running, pulling, terminating, and splicing cables; installing and configuring telecommunications equipment, routers, receivers, multiplexors, etc. Successful candidate should have prior telecommunications experience with superior customer service skills. Must possess the aptitude to learn new technologies quickly along with a strong computer background. On-call duty, pre-employment drug screen and residency requirements apply. CRMU offers a positive work environment, competitive salary and excellent benefits. Send or email resume and salary history to: General Manager, Coon Rapids Municipal Utilities, P.O. Box 207, 123 3rd Avenue S., Coon Rapids, IA 50058 Email: crmu@crmu.net EOE

City Administrator
The City of Volga, South Dakota (pop 1784) is seeking an energetic and creative professional manager to serve as City Administrator. Candidates for City Administrator position should possess a Bachelor's degree in public administration, business administration, accounting, financing, or an equivalent of experience. Must have a strong working knowledge of government finance and budgeting, economic development, planning and zoning, and human resources, and excellent and interpersonal communication skills. Candidates must demonstrate the ability to engage the City Council, staff and general public, to establish new direction and experience in developing annual budgets and long-range financial plans that reflect the city's vision. Salary range: \$55,000 to \$75,000 (doq) with competitive benefits package. To apply, submit a resume, salary history, and four work-related references to Mary Bjerke, Mayor, City of Volga. Electronic: mbjerke5@msn.com or

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in Sioux Falls, SD. P.O. Box 88920, Sioux Falls, SD 57109-8920 or via E-mail at hr@mrenergy.com

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Long-time, dedicated employees leaving City of Randall in good condition

Looming wave of retirements promises to be a real 'eye opener' for city council

by Steve Downer

As municipal utilities go, the City of Randall is on the small size, with 353 electric and 275 natural gas customers, but it seems to be doing quite well, thank you.

The city also operates water and wastewater utilities. It covers two square miles, on either side of Hwy. 10.

Jerry Peterschick has been the Randall city administrator for the past 20 years. He was a city councilor for 12 years before that.

The city has been growing some, thanks in part to its own efforts. From 1990 to 2000 the population went down from 570 to 530. In 2000, the city purchased a piece of land and put in sewer and water to develop 46 lots and a low-income elderly housing unit. That development is now complete and the population has grown to 650.

Also developed at this time was the Randall Lakes Area Clinic. Peterschick at the time sat on the board of a local health care provider, which put together a successful federal grant application package, which helped make a 13-unit, elderly housing project possible.

The city owned another 70 acres, and sold the property to a developer. The ensuing 16-home development ran afoul of the recession. The bad news, said Peterschick, is that the developer ran into trouble with homes originally selling for \$180,000, but the good news is that they are now selling for a little over \$100,000. All those homes are now occupied, except for one.

"There are some young families in there," Peterschick said, a situation that improves the outlook for any small city.

Peterschick also manages the municipal liquor store. In fact, city hall used to be a 12-by 20-foot room in the back of the liquor store. That situation invariably led to the some joking with the Minnesota Office of Pipeline Safety (MnOPS) natural gas system inspectors, who would make their regular regulatory visits. The city has since purchased a vacant main street building, which now houses administrative staff and police.

The Randall utility staff works closely with MMUA Natural Gas Circuit Rider Troy Dahlin, who takes the lead on working with the MnOPS on natural gas system audits.

"Troy is good, and so is our inspector," said Peterschick, who anticipates no problems with the audit.

City crews do much of the gas system work, including installations, maintenance and

trouble shooting. Randall had contracted with the Perham municipal crews for leak surveys, etc., but has taken on those duties.

The city does work with a consultant for natural gas buying. The same consultant also works for the nearby municipal systems in Eagle Bend and Clarissa.

"We get together and talk with (Eagle Bend and Clarissa) quite often," Peterschick said.

In another development, Greater Minnesota Gas is running a line from Randall to Swanville, which will soon be served by the investor-owned utility. The company agreed to make an annual payment to Randall to take service off of its pipeline tap, somewhat of a boon for the small city.

On the electric side, Randall buys its power wholesale from Minnesota Power (MP). The wholesale power contract runs through 2015.

The local electric rate was a source of concern a few years ago, when the Federal Energy Regulatory Commission approved an MP 'formulary rate' wholesale tariff that allowed the company to automatically pass through increased costs to wholesale customers. This resulted in increased rates.

Everybody's rate was going up, Peterschick said. Then the rate fluctuated, with a bad year of increased rates followed by a good year with rate refunds. That volatility has largely stabilized, Peterschick said, and the top municipal rate is now set at an attractive 8 cents per kilowatt-hour.

The electrical distribution system was updated shortly after the turn of the century and is in good condition.

The city owns a small boom truck and changes its own streetlight bulbs, re-sets tripped fuses, changes out meters, and other straightforward electric system work. The city trenches in the electric cable on new installations. MP charges time and materials to do the hook-ups and other line work, including emergency calls, working out of its Little Falls facility (10 miles to the southeast).

"It works well," Peterschick said.

The sewer and water funds are in the black. The city upgraded its wastewater treatment mechanical system in 1992. Upgrading was cheaper than building a pond system, but maintenance costs are significant. The plant discharges into the Little Elk River, which flows into the Mississippi.

Dan Thilquist, the water/wastewater superintendent is



The City of Randall has made significant strides in recent years, under the direction of City Administrator Gerald Peterschick. Peterschick has been city administrator for 20 years. He was a city councilor for 12 years before that.

retiring at the end of the year, after 23 years of service. Wendell Schultz, the maintenance supervisor, has worked with the city since 1986 and will also be retiring soon. Administrative

Assistant Angie Magee is leaving, after 10 years, to work at an ethanol plant. Peterschick is also eyeing retirement.

Replacing all those dedicated, experienced city staff people is

"going to be an eye opener" for the council, he said.

One thing those retiring city staff can feel good about: they appear to be leaving the City of Randall in good shape.

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