



PRINCETON PUBLIC UTILITIES

Electricity — Water

907 FIRST STREET / PRINCETON, MN 55371-1559
TEL: 763-389-2252 / FAX: 763-389-2273

PRINCETON PUBLIC UTILITIES COMMISSION REGULAR MEETING AGENDA

Mille Lacs Historical Society Amdall Room
101 10th Avenue South
Princeton, MN 55371
March 26, 2025 at 1:00 PM

*A video of the proceedings will be available the next business day at
www.PrincetonUtilities.com/public-utilities-commission.*

1. **Call to Order / Roll Call**
2. **Approval of Agenda** *(No item of business shall be considered unless it appears on the agenda for the meeting. Commission members may add items prior to adoption of the agenda.)*
3. **Public Comment** *(Individuals may address the Commission about any item not contained on the regular agenda. A maximum of three (3) minutes is allotted per person. If multiple people wish to speak on the same topic, they are to designate a spokesperson to speak on all their behalf. The Commission will take no official action on items discussed at the forum and will not speak to legal matters or issues that impact individual privacy rights. The Commission may refer to staff for a future report.)*
4. **Consent Agenda** *(Those items listed under Consent Agenda are considered to be routine by the Commission and will be acted upon by one motion. There will be no separate discussion of these items, unless a Commission Member so requests, in which event, the item will be removed from the consent agenda and considered immediately after the adoption of the consent agenda.)*
 - a. Public Utilities Commission Regular Meeting Minutes – February 26, 2025
 - b. Certification of Accounts Payable
 - c. Resolutions and Orders
 - i. Memo 25-12: 2024 Reliability Report – Corrected
 - ii. Resolution 25-05: Reimbursement Bond Regulations
5. **Reports**
 - a. General Manager Report
 - i. Office Manager Report
 - ii. Water/Power Plant Superintendent Report
 - iii. Electric Superintendent Report
 - b. Financial Reports – Income Statement, Balance Sheet, Trial Balance, and Cash Reserves
 - c. Other Reports
 - i. SMMPA and EV Chargers
6. **Regular Agenda**
 - a. SMMPA Presentation (Geschwind)
 - b. Water Rate Study (Butcher)
 - i. Memo 25-13: Water Rate Study
 - ii. NSI Agreement

Agenda packets, minutes, and videos for this and past Commission meetings are available online at www.PrincetonUtilities.com/public-utilities-commission.



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- c. Service Rules (Butcher)
 - i. Memo 25-14: Service Rules Revisions
 - ii. 2025 Service Rules 03 - Proposed

7. Adjournment

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PUBLIC UTILITIES COMMISSION

REGULAR MEETING

FEBRUARY 26, 2025, 1:00 P.M.

Pursuant to due call and notice thereof, the Regular Meeting of the Public Utilities Commission, City of Princeton, was held at the Mille Lacs County Historical Society Depot Museum in the Amdall Room, 202 10th Avenue South, on February 26, 2025, at 1:00 p.m.

Meeting was called to order by Chair Edmonds at 1:00 p.m.

1. CALL TO ORDER / ROLL CALL

Commissioners: Jack Edmonds, Nick Nowak and Tom Jackson
Absent: None

PPU Staff: General Manager Keith Butcher, Electric Superintendent Jeremy Linden, Water/Power Plant Superintendent Scott Schmit, and Secretary/Treasurer Kathy Ohman

Others: City of Princeton Administrator Michele McPherson, Ed Yost and George Eilertson (Northland Securities).

2. APPROVAL OF AGENDA

Mr. Edmonds called for additions or deletions to the agenda. General Manager Keith Butcher requested an addition to the agenda:

- 6. Regular Agenda:
 - g. Cable Winder Purchase

Mr. Nowak made a motion to approve the agenda of the February 26, 2025 Regular PUC Meeting with additions. Mr. Jackson seconded. Motion carried.

3. PUBLIC COMMENTS:

There were no Public Comments.

4. CONSENT AGENDA:

- a. Public Utilities Commission Regular Meeting Minutes – January 22, 2025
- b. Certification of Accounts Payable
- c. Resolutions and Orders
 - i. Bolton & Menk Master Agreement
 - ii. Pay Voucher #3: Galvanized Water Service Line Replacement Project

Mr. Jackson made a motion to approve the Consent Agenda of the February 26, 2025 Regular PUC Meeting. Mr. Jackson seconded. Motion carried.

5. REPORTS:

- a. General Manager Report
 - i. Office Manager Report
 - ii. Water/Power Plant Superintendent Report
 - iii. Electric Superintendent Report
- b. Financial Reports – Income Statement, Balance Sheet, Trial Balance, and Cash Reserves
- c. Other Reports
 - i. SMMPA and EV Reports

6. REGULAR AGENDA

a. **UPCOMING BONDING ACTIVITY**

i. **North Water Tower Reconditioning**

George Eilertson from Northland Securities presented financing information regarding the North Water Tower Reconditioning

Discussion.

ii. **Electric Capital Improvement Plan (Phase II)**

General Manager Keith Butcher presented the Electric Department 10-Year CAP expense summary. George Eilertson from Northland Securities presented bonding information on Phase II of the CAP Plan. Also presented for approval was an engagement letter between Princeton Public Utilities and Northland Securities.

Discussion

Mr. Nowak made a motion to accept Engagement of Northland Securities as Underwriter for Princeton Public Utilities. Mr. Jackson seconded. Motion carried.

b. **GALVANIZED SERVICE LINE REPLACEMENT PROJECT**

General Manager Keith Butcher presented *Memo 25-09: Galvanized Service Line Fee Adjustment Request* which addresses WSB's request for a fee adjustment for their work on the galvanized service line replacement project.

Discussion.

Mr. Jackson made a motion to approve WSB's request to increase the total contract fee to \$137,119.00. Mr. Nowak seconded. Motion carried.

c. **2024 YEAR IN REVIEW**

General Manager Keith Butcher presented Princeton Public Utilities "2024 Year In Review".

Discussion.

d. EMPLOYEE HANDBOOK

General Manager Keith Butcher presented *Memo 25-10: Employee Handbook Review Proposal* which grants staff the ability to have HR WoRx conduct a thorough compliance review of the PPU Employee Handbook.

Discussion

Mr. Jackson made a motion to approve HR WoRx's proposal in the amount of \$2,000.00. Mr. Nowak seconded. Motion carried.

e. GENERATION AND SPACE FEASIBILITY DISCUSSION

General Manager Keith Butcher spoke regarding the generation feasibility study and the adding additional generators. Discussion included space feasibility.

Discussion

City of Princeton Administrator Michele McPherson left the meeting.
George Eilertson from Northland Securities left the meeting.

f. 2025 JOINT COMMISSION / CITY COUNCIL MEETING

General Manager Keith Butcher proposed a Joint Meeting with Princeton City Council on Tuesday, June 3, 2025 at 4:30 PM. Due to scheduling conflicts, an alternative date will be presented at the March 26, 2025 Regular PUC Meeting.

g. CABLE WINDER PURCHASE

Electric Superintendent Jeremy Linden presented *Memo 25-11: Cable Winder*. A cable winder would wind old retired overhead conductors onto wooden reels or bundles for recycling.

Discussion

Mr. Nowak made a motion to approve the purchase of a cable winder with a budget not to exceed \$12,000.00. Mr. Jackson seconded. Motion carried.

There being no further business, Mr. Jackson made a motion to adjourn the meeting at 2:39 p.m. Mr. Nowak seconded. Motion carried.

Chair

Secretary/Treasurer

PRINCETON PUBLIC UTILITIES**Accounts Payable Listing**

For 2/1/2025 to 2/28/2025

	Vendor	Description	Amount
1	American Mailing Machines	Ink Cartridge	254.54
2	API Garage Door, Inc.	Repair Gate Opener	310.00
3	AT&T Mobility	Monthly Cell Phones & Tablets	377.32
4	Bolton & Menk, Inc.	Engineer Fees	1,869.00
5	Keith Butcher	Mileage & Internet Reimbursement	555.37
6	Card Services (Coborns)	Supplies	215.08
7	ECM Publishers, Inc.	Advertising	75.00
8	Fairview Health Services	Random Drug & Alcohol Testing	45.00
11	Finken Water Solutions	Bottled Water	43.90
12	Gopher State One Call	Monthly Locates	64.85
13	Great America Financial Services	Postage Meter Rental	164.95
14	Great River Office Products	Supplies	750.68
15	Instrumental Research, Inc.	Monthly Water Testing	87.76
16	Jim's Mille Lacs Disposal	Monthly Trash Service	241.37
17	League of MN Cities	2025 Work Comp Insurance	13,129.00
18	League of MN Cities	2025 Property & Liability Insurance	81,661.00
19	Marv's True Value	Thermostat, Clock, Foil Tape	85.46
20	Midcontinent Communications	Monthly Internet & Telephone	270.14
21	MN Municipal Utilities	Safety Programs	3,260.00
22	Online Information Services	Monthly Online Credit & ID Checks	123.96
23	Postmaster	Postage for Monthly Billing	1,009.70
24	Princeton Public Utilities	Mileage, Postage	114.17
25	Spencer Fane LLP	Legal Fees	396.00
26	Stinson, LLP	Legal Fees	700.00
27	Stuart C. Irby Co.	Dbf. Lugs, Testing of Gloves & Sleeves	940.94
28	USA Blue Book	Water Testing Supplies, Pump Repair Kit	489.91
29	Verizon Wireless	Monthly Remote Internet & Data	415.31
30	Vestis	Cleaning Supplies & Services	562.20
31	Voyant Communications, LLC	Monthly Telephone	423.17
32	Wex Bank	Monthly Vehicle Fuel	453.04
33	SMMPA	January Purchased Power	421,408.00
34	Cannon Technologies, Inc.	Inventory	10,050.30
35	Cardmember Service (Mastercard)	Software, Furnace Control Board	314.89
36	Centerpoint Energy	Monthly Natural Gas	5,363.55
37	City of Princeton	January Sewer Billing & Late Charges	139,400.85
38	Connexus Energy	Monthly Utilities	2,200.82
39	Culvers of Princeton	Commercial Rebate	18,229.00
40	DGR Engineering	Engineer Fees	3,057.50
41	DW Companies, LLC	Constr. Charges LSL Replacement	34,561.12
42	Fairview Northland Medical Center	Commercial Rebate	1,756.50
43	Hawkins	Water Treatment Chemicals	3,179.70
44	HealthPartners	March Health Insurance	24,011.92
45	Menards	Contactors	14.88
46	MN Rural Water Association	Conference	1,050.00
47	NCPERS Group Life Insurance	February Life Insurance	64.00
48	Princeton Rental, Inc.	Propane Cylinders	50.30
49	Princeton Public Utilities	Monthly Utilities	3,112.06
50	Quality Tire & Rim	Tire Repair	25.00
51	Stinson, LLP	Legal Fees	2,550.00
52	TASC	COBRA Admin. Fees	17.50
53	The Lincoln National Life Insurance	March Life & Disability Insurance	418.30
54	U.S. Bank Equipment Finance	Monthly Copier Lease Payment	207.09

PRINCETON PUBLIC UTILITIES

Accounts Payable Listing

For 2/1/2025 to 2/28/2025

	Vendor	Description	Amount
55	USA Blue Book	Water Testing Supplies	16.36
56	VC3	Monthly IT Care Services Agreement	2,549.34
57	ADP, Inc.	Payroll Processing	381.84
58	VeriCheck	Monthly eCheck Fees	301.45
59	Neon Link	Monthly Online Management Fees	526.40
60	PERA	February PERA Contribution	12,688.97
61	Optum	February H S A Contributions	5,718.58
62	MN Dept. of Revenue	December Sales & Use Tax	30,108.00
63	Refunds	Customer Meter Deposits	2,043.87
64	Refunds	Overpayment Refunds on Final Bills	1,683.84

TOTAL	836,150.75
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MEMORANDUM 25-12



TO: Princeton Public Utilities Commission
FROM: Keith Butcher, General Manager
SUBJECT: 2024 Reliability Report - Corrected
DATE: March 26, 2025

ITEM SUMMARY

The corrected annual report to the Commission on PPU's Electric Reliability Metrics for the previous year.

BACKGROUND

Princeton Public Utilities submits and Electric Reliability Report to the Commission annually. Data is compile using APPA's e-Reliability Tracker tool.

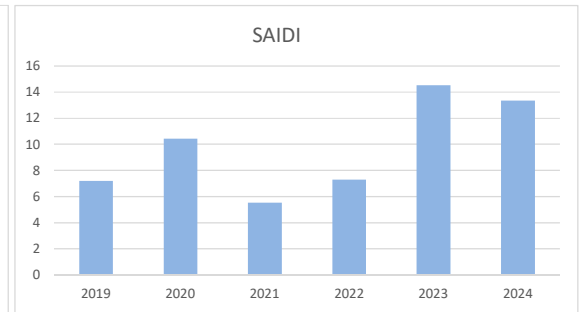
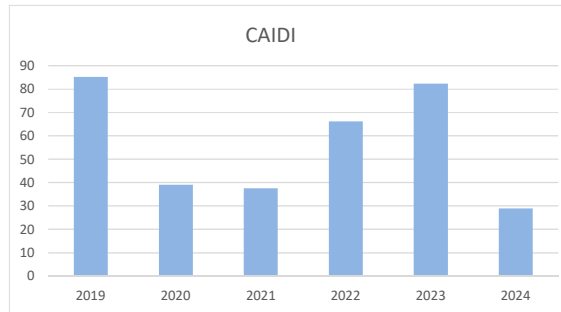
An error was identified in the reported data. This error has been corrected which changed some of the metrics.

SUGGESTED MOTION

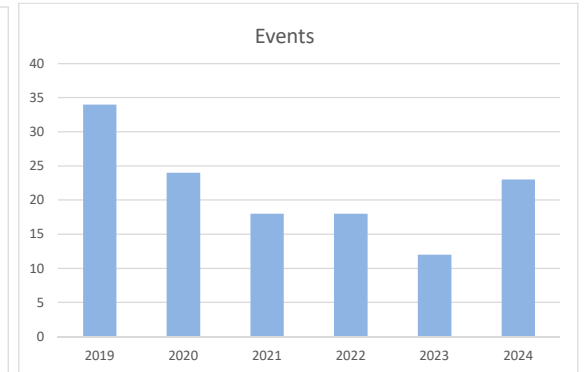
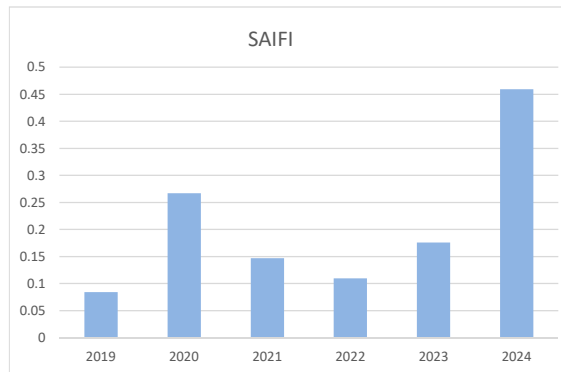
"Accept the corrected 2024 Electric Reliability Report"

Reliability

Year	ASAI (%)	CAIDI (min.)	SAIDI (min.)	SAIFI (# of interruptions)	Events	IEEE SAIDI Day Threshold (minutes)
2019	99.9986%	85.118	7.196	0.0845	34	7.483
2020	99.9980%	39.11	10.43	0.267	24	8.53
2021	99.9989%	37.607	5.532	0.147	18	8.567
2022	99.9986%	66.118	7.296	0.11	18	8.431
2023	99.9972%	82.244	14.51	0.176	12	8.625
2024	99.9974%	29.016	13.33	0.459	23	11.842



Definitions	
ASAI (Average Service Availability Index)	Measure of service availability throughout the year
CAIDI (Customer Average Interruption Duration Index)	Average time (minutes) to restore service
SAIDI (System Average Interruption Duration Index)	Total duration (minutes) of an average customer interruption
SAIFI (# of interruptions)	How often the average customer experiences an interruption
Events	Number of events logged



RESOLUTION 25-05

RESOLUTION ESTABLISHING PROCEDURES
RELATING TO COMPLIANCE WITH REIMBURSEMENT BOND
REGULATIONS UNDER THE INTERNAL REVENUE CODE

BE IT RESOLVED by the Public Utilities Commission of the City of Princeton, Minnesota (the "Commission"), as follows:

1. Recitals.

(a) The Internal Revenue Service has issued Treasury Regulations, Section 1.150-2 (as the same may be amended or supplemented, the "Regulations"), dealing with "reimbursement bond" proceeds, being proceeds of bonds used to reimburse the Commission for any project expenditure paid by the Commission prior to the time of the issuance of those bonds.

(b) The Regulations generally require that the Commission (as the issuer of or the primary obligor under the bonds) make a declaration of intent to reimburse itself for such prior expenditures out of the proceeds of subsequently issued bonds, that such declaration be made not later than 60 days after the expenditure is actually paid, and that the bonding occur and the written reimbursement allocation be made from the proceeds of such bonds within 18 months after the later of (1) the date of payment of the expenditure or (2) the date the project is placed in service (but in no event more than 3 years after actual payment).

(c) The Commission heretofore implemented procedures for compliance with the predecessor versions of the Regulations and desires to amend and supplement those procedures to ensure compliance with the Regulations.

(d) The Commission's bond counsel has advised the Commission that the Regulations do not apply, and hence the provisions of this Resolution are intended to have no application, to payments of Commission project costs first made by the City of Princeton out of the proceeds of bonds issued prior to the date of such payments.

2. Official Intent Declaration. The Regulations, in the situations in which they apply, require the Commission to have declared an official intent (the "Declaration") to reimburse itself for previously paid project expenditures out of the proceeds of subsequently issued bonds. The Commission hereby authorizes the General Manager to make the Commission's Declarations or to delegate from time to time that responsibility to other appropriate Commission employees. Each Declaration shall comply with the requirements of the Regulations, including without limitation the following:

(a) Each Declaration shall be made not later than 60 days after payment of the applicable project cost and shall state that the Commission reasonably expects to reimburse itself for the expenditure out of the proceeds of a bond issue or similar borrowing. Each Declaration may be made substantially in the form of the Exhibit A which is attached to and made a part of this Resolution, or in any other format which may at the time comply with the Regulations.

(b) Each Declaration shall (1) contain a reasonably accurate description of the "project," as defined in the Regulations (which may include the property or program to be financed, as applicable), to which the expenditure relates and (2) state the maximum principal amount of bonding expected to be issued for that project.

(c) Care shall be taken so that the Commission, or its authorized representatives under this Resolution, not make Declarations in cases where the Commission doesn't reasonably expect that reimbursement bonds will be issued to finance the subject project costs, and the Commission officials are hereby authorized to consult with bond counsel to the Commission concerning the requirements of the Regulations and their application in particular circumstances.

(d) The Commission shall be advised from time to time on the desirability and timing of the issuance of reimbursement bonds relating to project expenditures for which the Commission has made Declarations.

3. Reimbursement Allocations. If the Commission is acting as the issuer of the reimbursement bonds, the designated Commission officials shall also be responsible for making the "reimbursement allocations" described in the Regulations, being generally written allocations that evidence the Commission's use of the applicable bond proceeds to reimburse the original expenditures.

4. Effect. This Resolution shall amend and supplement all prior resolutions and/or procedures adopted by the Commission for compliance with the Regulations (or their predecessor versions), and, henceforth, in the event of any inconsistency, the provisions of this Resolution shall apply and govern.

Adopted this 26th day of March, 2025, by the Public Utilities Commission of the City of Princeton, Minnesota.

CERTIFICATION

The undersigned, being the duly qualified and acting General Manager of the Public Utilities Commission of the City of Princeton, Minnesota (the “Commission”) hereby certifies the following:

The foregoing is true and correct copy of a Resolution on file and of official, publicly available record in the offices of the Commission, which Resolution relates to procedures of the Commission for compliance with certain IRS Regulations on reimbursement bonds. Said Resolution was duly adopted by the governing body of the Commission at a regular meeting of the Commission held on March 26, 2025. Said meeting was duly called, regularly held, open to the public, and held at the place at which meetings of the Commission are regularly held. Commissioner _____ moved the adoption of the Resolution, which motion was seconded by Commissioner _____. A vote being taken on the motion, the following members of the Commission voted in favor of the motion to adopt the Resolution:

and the following voted against the same:

Whereupon said Resolution was declared duly passed and adopted. The Resolution is in full force and effect and no action has been taken by the Commission which would in any way alter or amend the Resolution.

WITNESS MY HAND officially as the General Manager of the Public Utilities Commission of the City of Princeton, Minnesota this 26th day of March, 2025.

General Manager
Public Utilities Commission of the City of
Princeton, Minnesota

EXHIBIT A

Declaration of Official Intent

The undersigned, being the duly appointed and acting General Manager of the Public Utilities Commission of the City of Princeton, Minnesota (the "Commission"), pursuant to and for purposes of compliance with Treasury Regulations, Section 1.150-2 (the "Regulations"), under the Internal Revenue Code of 1986, as amended, hereby states and certifies on behalf of the Commission as follows:

1. The undersigned has been and is on the date hereof duly authorized by the Princeton Public Utilities Commission to make and execute this Declaration of Official Intent (the "Declaration") for and on behalf of the Commission.

2. This Declaration relates to the following project, property or program (the "Project") and the costs thereof to be financed:

- PHASE TWO CAPITAL IMPROVEMENT PLAN PROJECTS (\$6,000,000)

3. The Commission reasonably expects to reimburse itself for the payment of certain costs of the Project out of the proceeds of a bond issue or similar borrowing (the "Bonds") to be issued after the date of payment of such costs. As of the date hereof, the Commission reasonably expects that \$6,000,000 is the maximum principal amount of the Bonds which will be issued to finance the Project.

4. Each expenditure to be reimbursed from the Bonds is or will be a capital expenditure or a cost of issuance, or any of the other types of expenditures described in Section 1.150-2(d)(3) of the Regulations.

5. As of the date hereof, the statements and expectations contained in this Declaration are believed to be reasonable and accurate.

Date: March 26, 2025

General Manager
Public Utilities Commission of the City of
Princeton, Minnesota

REPORT GM-25-03



TO: Princeton Public Utilities Commission
FROM: Keith R. Butcher, General Manager
SUBJECT: General Manager Report
DATE: March 26, 2025

I am pleased to present this monthly report to the Princeton Public Utilities Commission. It provides an overview of the significant activities and developments that took place since our last meeting that are not included in the proposed agenda. Also included are the Monthly Department Reports to me from each of PPU's Senior Leadership Team.

FINANCIAL UPDATE

Energy Efficiency Programs

Rebates were issued to Culvers (RTUs, lighting, and Food Service Equipment) and Fairview (Lighting).

We received the Enerlyte Savings Report from SMMPA. In 2024, the Enerlyte Program (ie. the comparator graphs on customers' bills) captures a savings per customer of 18.5 kWh/month for a total of 175,534 kWhs (a 25% increase from 2023). This helps us meet the statutory requirements for demand-side management efforts.

Training

I participated in a two-part APPA Webinar entitled, "Understanding Financial Statements and Operational Ratios". It has been a good refresher.

LEGAL AND REGULATORY

Generation Air Permit Renewal

A new air permit was issued on February 26 and is valid for five years from that date.

Service Territory

The Service Territory transfer between East Central Energy and Princeton Public Utilities was filed with the Minnesota Public Utilities Commission. On March 7, the Minnesota Department of Commerce filed comments in support of the transfer. The next step is for the MPUC to place the agreement on their agenda. This will hopefully happen within the next month or so.

Reporting

I have begun compiling all information necessary for our regulatory reporting. Reports completed include:

- DOE EIA-860 (Due March 10)
- DOE EIA-923A (Due March 21)
- SMMPA MUDF (Due March 12)

ADMINISTRATION/STAFF

HR

I am working with HrWoRx to conduct a compliance review of our Employee Handbook and develop recommendations. I am also conferring with our insurance broker to understand how all the different programs intersect.

IT

The communications between the North Substation and the Power Plant scoreboard has been repaired.

We are working to upgrade field staff with tablets. This will allow the field crew to received and clear locate requests via Gopher State One Call (GSOC) much more efficiently. To facilitate this effort and eliminate a consistent point of confusion, we have created a second account with GSOC (one for electric and one for water). These tablets will also allow us to better utilize the GIS and Yukon systems.

Safety Committee

The Safety Committee has identified some needed updates to the Emergency Action Plan. Those updates are in process. Once complete, copies will be posted internally as well as being shared with local first responders.

New Generation

We have suspended the pursuit of additional generation to focus on higher priority items. Staff expects to revisit this topic in a couple of years.

Buildings

We received a proposal for tuck point repair on some of our buildings. Staff are waiting for a second quote.

Space Feasibility RFP

The City Administrator and I are working to develop an RFP for the upcoming Space Feasibility Study. We anticipate doing this as a joint effort on office space needs and a separate field space study for just PPU.

COMMUNITY INVOLVEMENT

We remain committed to being active members of the Princeton community and maintaining our industry partnerships.

Industry Partnerships

- I am attending weekly meetings of MMUA's Government Relations Committee.
- I attended an MMUA Board meeting on March 12.

Community Partnerships

- I attended the City Council work session on March 6. Discussed was the issue of property titles. Former GM Connie Wangen also attended.

- I met with representatives from the City and the Chamber of Commerce to discuss the repair and replacement of city banners and holiday lighting. We have provided the workgroup with streetlight maps and additional details on the decorations.

CONCLUSION

If you have any questions or require additional information on any of the topics mentioned in this report, please do not hesitate to contact me.

Thank you for your continued trust in our team and supporting our mission to serve the Princeton community.

Future Meetings and Special Events

April 3: SMMPA Orientation (RSVPs requested by March 27)

April 23: Commission Meeting

May 28: Commission Meeting

REPORT OM-03



TO: Keith Butcher, General Manager
FROM: Christina Cunningham, Office Manager
SUBJECT: March Office Manager Report
DATE: March 26, 2024

I am pleased to present the monthly update report for the month of March. This report summarizes key activities and developments in various departments within our organization.

CUSTOMER SERVICE

Customer Satisfaction: Our team continues to prioritize customer satisfaction. During the past 30 days 691 phone calls were taken.

We are starting efforts to update customer records. This will be an ongoing project.

BILLING

Payment Processing: Payments were processed as due date was 3/12/25. Penalties were applied and payments continue to be processed as they come in.

We are starting to prep for our software conversion in August. Information is being sent to Civic Systems and we are focusing on updating forms and formats so we can maximize efficiency during the conversion.

We have been working with Yukon as well since some of the updates will/could affect our metering reporting. Now that we have been using Yukon we are able to look at the structure and really take advantage of the software.

We had our Inventory audit 3/12/25 and are now looking ahead to a financial audit in early April.

MARKETING / PUBLIC RELATIONS

Community Engagement: As we look ahead to summer we are starting to plan for Rum River Days. The parade will be June 5. We will have a few trucks and staff walking the parade.

We are working with our online portal company Enerlyte, to discover ways to use more email communication for reminders, doorhangers and late payment notifications. We are also researching ways to encourage more customers to participate in e-billing. Currently 24.77% receive bills electronically and we would like to see that number rise leading to decreased money spent mailing paper bills.

We continue to send information as part of our Well Head Protection Plan. Our Q2 communication will be for storage tank owners. We will send them educational pieces on proper operation and maintenance of their storage tanks.

CONCLUSION

Overall, our team has been diligent in ensuring the smooth operation of our office. We remain committed to upholding our standards of excellence in customer service, billing accuracy, financial management, and marketing.

REPORT WPPS 3-19-2025



TO: Keith R. Butcher, General Manager
FROM: Scott Schmit, Water & Power Plant Superintendent
SUBJECT: Water & Power Plant Report
DATE: March 19 2025

I am pleased to provide you with a monthly update. This report outlines key activities and developments.

WATER DEPARTMENT

Water quality testing

- Monthly Bacti/Total Chlorine residual testing samples were collected and submitted to MN Dept. of Health for testing.
- Staff performed daily iron, manganese, fluoride and chlorine testing and daily plant chemical usage logs.
- Staff performed monthly filter and well draw down logs.
- Monthly fluoridation report to MN Dept. of Health was completed.

Construction update

- Meter installation for Palmer Bus and the auto dealership are awaiting installation.
- Staff performed tree trimming at the north tower in preparation for the rehab project
- We are continuing to work with KLM in preparation for the tower rehab project.

Safety training

- Monthly safety training was rescheduled due to weather.

Other activities

- Staff attended the annual MN Rural Water Conference

- Field staff with the help of the office has continued to monitor and contact customers that are flagged on the daily leak report.
- We are continuing to work on the AMI meter conversion. We are currently working on the last 3 residential meters to complete the project.
- Water treatment plant preventive maintenance.
- Staff completed the annual inventory audit site visit
- Staff is continuing to work on the water dept. construction standard details.

POWER PLANT DEPARTMENT

- All monthly reporting was completed.
- The emissions air permit for the units was finalized.
- Substation monthly battery maintenance was completed.
- The PLC for unit 7 is still a work in progress. Cat installed the new PLC and is waiting on a program for the new unit.
- Monthly test runs were completed on all the units.
- The triannual emissions testing for the units was preformed SMMPA was onsite for coordination and CES preformed the testing. All units are in compliance with the air permit.

REPORT ES-25-03



TO: Keith R. Butcher, General Manager
FROM: Jeremy Linden, Electric Superintendent
SUBJECT: March Electric Superintendent Report
DATE: March 20th, 2025

I am pleased to present the monthly update report for March 2025, highlighting the activities and developments for the Electric Department.

ELECTRIC CAPITAL IMPROVEMENTS PLAN (CAP PLAN) UPDATE

Project Progress: We completed approximately 90% retirement of the overhead lines of Phase 1 that are de-energized east of town. Along with that we have been terminating some of the new UG on the North end of town in preparation for energizing it so we can begin to transfer the house services over to the new system. We will also begin terminating the UG on the South portion of Phase 1 and installed portions of the Tie Line as time/scheduling allows. We were notified this week that Castrejon is planning to start up for the year beginning the week of March 31st. Jason (Crew Foreman) will be here next week to start planning and calling in locates. His plan is right now to continue working on the New Tie Line from the Power Plant to the North Sub.

PROJECTS

Project Completion: We will be setting the three phase transformer and completing the services at the Ind. Dealers United site this next week. Along with working on the Palmer Bus site/service. We have attended monthly safety trainings along with meetings dealing with upcoming road projects for this year.

OUTAGE REPORT

Outage Response: Since the last meeting, we have had no outages.

CONCLUSION

In summary, the Electric Department continues to make strides in enhancing our infrastructure, ensuring dependable service, and expanding service coverage to new customers. Our dedication to safety, customer service, and infrastructure development remains steadfast.

Looking forward, our focus remains on improving reliability metrics, advancing projects within the Capital Improvements Plan, and investing in staff training to maintain our high standards.

PRINCETON PUBLIC UTILITIES COMMISSION
UNAUDITED INCOME STATEMENT-ELECTRIC DEPARTMENT
FOR MONTH ENDING: FEBRUARY 28, 2025

	<u>Current Period</u>	<u>Year to Date</u>	<u>Last Year</u> <u>Current</u>	<u>Last Year YTD</u>
OPERATING REVENUE:				
Residential Electric	260,408.34	2,990,823.55	208,416.38	420,600.78
Residential Solar Energy Credit	0.00	0.00	0.00	0.00
Residential ECA	0.00	50,556.95	(314.65)	(3,928.36)
Small General Service	68,188.37	767,015.02	53,514.47	106,267.27
Small Commercial Solar Energy Credit	(6.82)	(358.73)	(8.78)	(16.39)
Small General ECA	0.00	14,228.56	(83.95)	(1,017.20)
Large General Service	111,495.51	1,560,709.54	104,814.15	207,637.99
Large Commercial Solar Energy Credit	(17.67)	(976.49)	(24.53)	(45.48)
Large General ECA	0.00	40,049.72	(221.87)	(2,657.25)
Intermediate Power Service	80,154.37	1,115,058.48	73,232.90	135,575.46
Intermediate Power ECA	0.00	32,636.94	(167.97)	(1,764.41)
Large Power Service	95,098.93	1,460,101.02	93,340.26	178,708.35
Large Power ECA	0.00	42,260.86	(221.31)	(2,415.49)
Security Lights	1,808.30	23,590.58	1,664.69	3,353.63
Street Light Fees	2,595.00	35,971.00	2,561.00	5,129.00
Service Line Repair Fee	1,811.00	25,191.00	1,799.00	3,598.00
Late Charges	4,501.69	58,759.59	4,208.09	7,688.86
Hook-Up & NSF Charges	670.00	12,200.00	570.00	1,640.00
Connection Fees	650.00	18,100.00	0.00	0.00
Construction Fees	1,925.00	83,871.56	0.00	0.00
Rate Stabilization Revenue	227.83	(5,642.33)	0.00	0.00
Operating & Maintenance	32,993.20	525,954.59	31,853.03	91,533.63
Quick Start Diesel Payment	14,520.00	203,280.00	14,520.00	29,040.00
Solar Subscriptions	0.00	2,650.32	0.00	1,325.16
Pole Attachment Fee	0.00	3,116.00	0.00	0.00
Merchandise Sales	0.00	5,812.00	0.00	0.00
Other Operating Revenue	3,924.40	148,089.34	899.58	2,661.58
TOTAL OPERATING REVENUE:	680,947.45	9,213,049.07	590,350.49	1,182,915.13
OPERATING EXPENSES:				
Production Plant:				
Salaries & Supervision	13,849.76	200,992.30	14,796.75	23,540.20
Purchased Power	391,489.30	5,994,811.30	364,613.00	752,200.04
Natural Gas	3,053.34	19,845.57	2,076.95	3,694.03
Lube Oil & Lubricants	0.00	3,475.64	641.33	1,843.41
Chemicals	0.00	3,963.72	435.49	1,060.49
Equipment Repairs	0.00	12,633.57	103.07	451.83
Production Supplies	125.46	1,998.43	159.47	370.86
Plant Shop Supplies	0.00	820.36	202.80	202.80
Small Tools Expense	0.00	1,256.06	71.99	71.99
Communications Expense	45.79	638.41	45.53	91.06
Scada & Computer Equipment	40.01	5,118.24	0.00	3,129.26
Safety Equipment	0.00	1,486.55	632.89	632.89
Safety & Education Training	1,110.00	1,542.68	0.00	0.00
Outside Services	125.00	4,238.29	0.00	0.00
Insurance Expense	13,193.16	178,977.84	12,971.37	24,817.54
Transportation Fuel & Oil	0.00	0.00	0.00	0.00
Vehicle Repair & Maint.	0.00	0.00	0.00	0.00
Equip. Maint., Inspec. & Serv Agreements	0.00	25,773.86	1,579.75	3,159.50
Building & Grounds Maint.	142.84	4,339.36	1,084.17	1,533.69
Misc. Plant Expense	0.00	40.00	20.00	40.00
Total Production Plant:	423,174.66	6,461,952.18	399,434.56	816,839.59

INCOME STATEMENT-ELECTRIC

	<u>Current Period</u>	<u>Year to Date</u>	<u>Last Year Current</u>	<u>Last Year YTD</u>
Substation:				
Substation	0.00	0.00	0.00	0.00
Chemicals	0.00	0.00	0.00	0.00
Equipment Repairs	0.00	68.79	0.00	0.00
Equip. Maint. & Inspections	0.00	0.00	0.00	0.00
Building & Grounds Maint.	0.00	600.00	600.00	600.00
Utilities	0.00	0.00	0.00	0.00
Total Substation:	0.00	668.79	600.00	600.00
Distribution System:				
Salaries & Supervision	30,179.67	436,279.30	28,222.72	48,455.49
System & Shop Supplies	0.00	2,456.11	0.00	835.27
Small Tools Expense	14.88	1,344.01	0.00	236.19
GIS Data & Maintenance Exp.	76.46	4,094.98	585.50	661.96
Computer Equip. & Maintenance	0.00	0.00	0.00	0.00
Load Control Expense	0.00	0.00	0.00	0.00
Safety Equip., Testing	37.36	13,759.95	50.00	677.08
Education & Safety Training	1,050.00	3,361.35	585.00	985.00
Outside Services	0.00	772.49	0.00	0.00
OH Line Expense	0.00	3,761.26	0.00	41.88
UG Line Expense	15.12	17,301.73	32.13	100.21
St. Lights & Signal Exp.	0.00	2,561.43	0.00	0.00
Sec. Light Repair Exp.	0.00	1,454.75	0.00	872.48
Meter Expense	0.00	749.61	0.00	0.00
Customer Service Line Repair Exp.	0.00	7,333.37	1.52	2.01
Customer Owned Service Exp.	0.00	42,235.26	2,595.28	2,595.28
Transportation Fuel & Oil	560.45	7,198.06	463.12	816.72
Vehicle Repair & Maint.	24.94	4,996.43	433.55	493.50
Equipment Repair & Maint.	50.30	1,731.14	4.00	4.00
Storm Damage	0.00	827.61	0.00	0.00
Utilities	2,806.74	24,910.43	2,089.38	4,127.37
Building & Grounds Maint.	0.00	1,580.30	0.00	8.00
Line Maintenance/Trimming	0.00	0.00	0.00	0.00
Habitat, Right of Way Expense	0.00	0.00	0.00	0.00
Transformer Maintenance	0.00	1,565.84	0.00	0.00
Misc. Distribution Exp.	0.00	0.00	0.00	0.00
Total Distribution:	34,815.92	580,275.41	35,062.20	60,912.44
Customer Accts Expenses:				
Customer Accts. Salaries	11,526.27	157,984.60	9,195.45	16,420.90
Meter Reading Salaries	0.00	0.00	0.00	0.00
Postage Expense	615.92	14,196.56	1,194.34	1,740.68
Collection Expense	0.00	138.20	0.00	0.00
Forms & Supplies	420.03	6,950.93	453.12	785.12
Communications Expense	420.29	5,881.57	418.47	848.34
Uncollectible Accts. Exp.	0.00	2,505.12	0.00	0.00
Total Customer Acct. Expenses:	12,982.51	187,656.98	11,261.38	19,795.04

INCOME STATEMENT-ELECTRIC

	<u>Current Period</u>	<u>Year to Date</u>	<u>Last Year Current</u>	<u>Last Year YTD</u>
General & Administrative Expenses:				
Salaries & Supervision	8,863.21	127,877.73	7,624.02	12,651.55
Newsads, Website, Subscriptions & Promos	0.00	2,300.40	0.00	59.58
Office Supplies, Computer Exp., & Sm. Equip	3,398.78	39,374.24	2,705.26	4,538.42
Communications Expense	287.72	4,550.28	286.35	565.35
Membership Fees & Dues	0.00	14,810.75	216.00	3,092.75
Maint. Contracts, Licenses, & Permits	267.86	22,244.20	267.86	4,517.55
State & Federal Assessments	0.00	3,026.11	0.00	0.00
Professional Fees	3,166.50	45,450.36	875.50	875.50
Outside Services	1,262.09	22,952.56	1,840.76	4,248.82
Meals, Travel, & Meetings	108.17	12,567.17	0.00	0.00
Prop. & Liab. Insurance	2,152.25	32,481.42	2,481.58	4,963.20
Employee Pensions & Benefits	31,024.83	451,813.83	28,620.75	78,237.72
Education & Safety Training	0.00	4,615.20	0.00	0.00
Heat Share Expense	0.00	0.00	0.00	0.00
Sales Tax Expense	0.00	8,953.51	6,397.48	6,397.48
Lighting Rebates	19,985.50	111,565.94	676.00	4,505.70
Conservation Improvement Exp	0.00	3,559.22	551.40	551.40
Christmas Lighting Expenses	0.00	0.00	0.00	0.00
Transportation Fuel & Oil	0.00	90.70	0.00	0.00
Vehicle Repair & Maint.	25.00	186.99	0.00	0.00
Building & Grounds Maint.	0.00	576.72	170.00	170.00
Service Territory Expense	1,012.00	27,049.82	0.00	0.00
Misc. G&A Expense	18.31	3,310.02	161.37	375.76
Total General & Administrative:	71,572.22	939,357.17	52,874.33	125,750.78
Depreciation	59,000.00	826,000.00	59,000.00	118,000.00
TOTAL OPERATING EXPENSES:	601,545.31	8,995,910.53	558,232.47	1,141,897.85
OPERATING INCOME/(LOSS)	79,402.14	217,138.54	32,118.02	41,017.28
NONOPERATING REVENUE (EXPENSE)				
Interest Income	12,943.93	328,636.31	20,703.47	40,382.21
Change in Fair Value of Investments	(420.03)	3,982.87	(2,780.00)	14,274.12
Misc. Non Oper Income	4,252.31	37,653.61	1,478.45	2,973.27
Gain/(Loss) Disposal of Property	0.00	0.00	0.00	0.00
Gain/(Loss) Sale of Bonds	0.00	0.00	0.00	0.00
Interest Expense	(16.90)	(13,903.30)	(660.46)	(673.04)
Interest on Long Term Debt	(22,875.00)	(321,591.70)	(23,322.23)	(46,644.47)
Fines & Penalties	0.00	0.00	0.00	0.00
Amortization of Bond Discount	0.00	0.00	0.00	0.00
General Fund Expense	0.00	(54,266.00)	0.00	0.00
Total NonOperating Rev(Exp)	(6,115.69)	(19,488.21)	(4,580.77)	10,312.09
NET INCOME/(LOSS)	73,286.45	197,650.33	27,537.25	51,329.37

PRINCETON PUBLIC UTILITIES COMMISSION
UNAUDITED BALANCE SHEET-ELECTRIC DEPARTMENT
February 28, 2025

ASSETS

CURRENT ASSETS:

Cash	3,501,519.30
Temp Rate Stab Investments	1,339,765.33
Customer Accounts Receivable	799,597.85
Other Accounts Receivable	47,523.26
Sales Tax Receivable	3,569.57
Accrued Interest Receivable	11,249.16
Inventory	1,287,506.27
Prepaid Interest	0.00
Prepaid Insurance	52,746.87
Deferred Outflows of Resources	201,743.00

Total Current Assets	7,245,220.61
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RESTRICTED ASSETS:

Construction in Progress	1,354,954.72
MCMU Construction Fund	0.00
Reserve Fund	493,125.00
MCMU Reserve Fund	0.00
Debt Service Fund	274,791.67
Capital Improvements Fund	<u>1,527,245.10</u>

Total Restricted Assets	3,650,116.49
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FIXED ASSETS:

Land & Land Improvements	273,683.84	
Buildings	1,944,427.88	
Generation Plant	6,117,286.73	
Substations	3,838,331.61	
Distribution System	11,906,479.13	
Street Lights & Signals	378,411.18	
Trucks & Vehicles	741,304.98	
Office Furniture & Equipment	155,601.07	
Tools, Shop & Garage Equipment	120,418.96	
Miscellaneous Equipment	<u>370,956.28</u>	25,846,901.66
Less: Accumulated Depreciation		<u>(16,005,537.43)</u>

Total Fixed Assets	<u>9,841,364.23</u>
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TOTAL ASSETS	<u><u>20,736,701.33</u></u>
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PRINCETON PUBLIC UTILITIES COMMISSION
UNAUDITED BALANCE SHEET-ELECTRIC DEPARTMENT
February 28, 2025

LIABILITIES AND FUND EQUITY

CURRENT LIABILITIES

Accounts Payable	479,575.88	
Employee Insurance Payable	(4,933.16)	
Employee Savings & Taxes Payable	0.00	
Heat Share Payable	0.00	
Sewer Payable	144,209.55	
City Franchise Fee	14,494.50	
Wind Power	0.00	
Garbage Collections Payable	508.46	
Customer Meter Deposits	252,528.83	
Sales Tax Payable	62,911.68	
Accrued Interest Payable	114,375.00	
Severance Payable	77,212.80	
Current Bonds Payable	175,000.00	
Accrued Wages Payable	0.00	
Deferred Revenue	0.00	
Deferred Solar	2,907.29	
Net Pension Liability	634,773.00	
Deferred Inflows of Resources	282,000.00	
Total Current Liabilities		2,235,563.83

NONCURRENT LIABILITIES:

Contracts Payable		0.00
Revenue Bonds Payable	6,250,000.00	
Less: Unamortized Bond Discount	<u>(54,625.20)</u>	6,304,625.20
Deferred Rate Stabilization		<u>1,339,765.33</u>
Total NonCurrent Liabilities		<u>7,644,390.53</u>

TOTAL LIABILITIES **9,879,954.36**

FUND EQUITY

Unappropriated Retained Earnings	10,659,096.64	
Net Income (Loss)	<u>197,650.33</u>	
Total Equity		<u>10,856,746.97</u>

TOTAL LIABILITIES & EQUITY **20,736,701.33**

Trial Balance

PRINCETON PUBLIC UTILITIES

Account	Type	Description	Beginning Balance	Debit	Credit	Net Change	Ending Balance
64-0001-1071	Asset	CONSTRUCTION IN PROGRESS	1,354,954.72				1,354,954.72
64-0001-1073	Asset	MCMU CONSTRUCTION FUND					0.00
64-0001-1251	Asset	RESERVE FUND	493,125.00				493,125.00
64-0001-1252	Asset	DEBT SERVICE FUND	237,333.34	37,458.33		37,458.33	274,791.67
64-0001-1255	Asset	MCMU RESERVE FUND					0.00
64-0001-1291	Asset	CAPITAL IMPROVEMENTS FUND	1,513,713.77	13,531.33		13,531.33	1,527,245.10
64-0001-1301	Asset	PETTY CASH	300.00				300.00
64-0001-1302	Asset	CASH ON HAND	1,835.00				1,835.00
64-0001-1311	Asset	CASH ON DEPOSIT CHECKING	3,496,004.20	933,357.04	929,976.94	3,380.10	3,499,384.30
64-0001-1361	Asset	TEMP RATE STAB INVESTMENT	1,339,993.16		227.83	(227.83)	1,339,765.33
64-0001-1421	Asset	CUSTOMER ACCOUNTS RECEIVABLE	757,677.11	823,066.49	781,145.75	41,920.74	799,597.85
64-0001-1431	Asset	OTHER ACCOUNTS RECEIVABLE	87,980.27	47,522.49	87,979.50	(40,457.01)	47,523.26
64-0001-1432	Asset	SALES TAX RECEIVABLE	3,569.57				3,569.57
64-0001-1512	Asset	PLANT MATERIALS & SUPPLIES	1,277,455.97	10,050.30		10,050.30	1,287,506.27
64-0001-1520	Fixed Asset	GENERATION PLANT	6,117,286.73				6,117,286.73
64-0001-1525	Fixed Asset	SUBSTATIONS	3,838,331.61				3,838,331.61
64-0001-1530	Fixed Asset	DISTRIBUTION SYSTEM	11,904,877.13	1,602.00		1,602.00	11,906,479.13
64-0001-1531	Fixed Asset	STREET LIGHTS & SIGNALS	378,411.18				378,411.18
64-0001-1540	Fixed Asset	LAND & LAND IMPROVEMENTS	273,683.84				273,683.84
64-0001-1550	Fixed Asset	BUILDINGS	1,944,427.88				1,944,427.88
64-0001-1560	Fixed Asset	OFFICE FURNITURE & EQUIPMENT	155,601.07				155,601.07
64-0001-1571	Fixed Asset	TRUCKS & VEHICLES	741,304.98				741,304.98
64-0001-1580	Fixed Asset	TOOLS, SHOP & GARAGE EQUIP.	120,418.96				120,418.96
64-0001-1590	Fixed Asset	MISCELLANEOUS EQUIPMENT	370,956.28				370,956.28
64-0001-1651	Asset	PREPAID INTEREST					0.00
64-0001-1652	Asset	PREPAID INSURANCE	68,880.02		16,133.15	(16,133.15)	52,746.87
64-0001-1710	Fixed Asset	ACCUMULATED DEPRECIATION	(15,946,537.43)		59,000.00	(59,000.00)	(16,005,537.43)
64-0001-1711	Asset	ACCRUED INTEREST RECEIVABLE	11,888.92		639.76	(639.76)	11,249.16
64-0001-1712	Asset	DEFERRED OUTFLOWS OF RESOURCES	201,743.00				201,743.00
64-0001-2160	Equity	CONTRIBUTED					0.00
64-0001-2161	Equity	BALANCE FROM INCOME STATEMENT					0.00
64-0001-2162	Equity	UNAPPROPRIATED EARNINGS (END)	(10,659,096.64)				(10,659,096.64)
64-0001-2211	Liability	REVENUE BONDS PAYABLE	(6,250,000.00)				(6,250,000.00)
64-0001-2261	Asset	UNAMORTIZED BOND DISCOUNT	(54,625.20)				(54,625.20)
64-0001-2281	Liability	SEVERANCE PAYABLE	(77,212.80)				(77,212.80)
64-0001-2311	Liability	CONTRACTS PAYABLE					0.00
64-0001-2315	Liability	CURRENT BONDS PAYABLE	(175,000.00)				(175,000.00)
64-0001-2321	Liability	ACCOUNTS PAYABLE	(599,583.80)	826,828.67	706,820.75	120,007.92	(479,575.88)
64-0001-2322	Liability	EMPLOYEE DEDUCTIONS PAYABLE	4,688.07	3,186.71	2,941.62	245.09	4,933.16
64-0001-2324	Liability	ACCRUED WAGES & TAXES					0.00
64-0001-2325	Liability	EMPLOYEE HEALTH SAVINGS PAY		2,650.18	2,650.18		0.00
64-0001-2340	Liability	HEAT SHARE PAYABLE					0.00

Trial Balance

PRINCETON PUBLIC UTILITIES

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Account	Type	Description	Beginning Balance	Debit	Credit	Net Change	Ending Balance
64-0001-2341	Liability	SEWER COLLECTIONS PAYABLE	(140,745.60)	141,622.70	145,086.65	(3,463.95)	(144,209.55)
64-0001-2343	Liability	CITY PRINCETON FRANCHISE FEE	(7,219.00)	3.00	7,278.50	(7,275.50)	(14,494.50)
64-0001-2344	Liability	GARBAGE COLLECTIONS PAYABLE	(488.46)		20.00	(20.00)	(508.46)
64-0001-2351	Liability	CUSTOMER METER DEPOSITS	(251,906.91)	2,525.78	3,147.70	(621.92)	(252,528.83)
64-0001-2361	Liability	MN STATE SALES TAX PAYABLE	(54,485.83)	27,606.03	31,747.09	(4,141.06)	(58,626.89)
64-0001-2363	Liability	MLC LOCAL SALES TAX PAYABLE	(3,532.57)	1,789.70	2,054.59	(264.89)	(3,797.46)
64-0001-2365	Liability	SHERBURNE CTY LOCAL TAX PAY	(470.21)	246.66	263.78	(17.12)	(487.33)
64-0001-2371	Liability	ACCRUED INTEREST PAYABLE	(91,500.00)		22,875.00	(22,875.00)	(114,375.00)
64-0001-2421	Liability	FEDERAL WITHHOLDING TAX		8,944.28	8,944.28		0.00
64-0001-2422	Liability	STATE WITHHOLDING TAX		3,641.58	3,641.58		0.00
64-0001-2423	Liability	F.I.C.A. PAYABLE		5,276.41	5,276.41		0.00
64-0001-2424	Liability	PERA PAYABLE		5,891.26	5,891.26		0.00
64-0001-2426	Liability	MEDICARE WITHHOLDING		1,233.99	1,233.99		0.00
64-0001-2428	Liability	DEFERRED RATE STABILIZATION	(1,339,993.16)	227.83		227.83	(1,339,765.33)
64-0001-2429	Liability	DEFERRED REVENUE					0.00
64-0001-2430	Liability	NET PENSION LIABILITY	(634,773.00)				(634,773.00)
64-0001-2431	Liability	DEFERRED INFLOWS OF RESOURCES	(282,000.00)				(282,000.00)
64-0001-2432	Liability	DEFERRED SOLAR	(2,907.29)				(2,907.29)
64-0403-4031	Expense	DEPRECIATION EXPENSE	767,000.00	59,000.00		59,000.00	826,000.00
64-0419-4191	Expense	INTEREST EXPENSE	656.15				656.15
64-0419-4192	Expense	INTEREST PAID ON METER DEPOSIT	13,230.25	18.04	1.14	16.90	13,247.15
64-0419-4290	Revenue	INTEREST INCOME	(315,692.38)		12,943.93	(12,943.93)	(328,636.31)
64-0419-4295	Revenue	CHANGE IN FAIR VALUE OF INVEST	(4,402.90)	420.03		420.03	(3,982.87)
64-0421-4210	Revenue	MISC. NON OPERATING INCOME	(33,401.30)		4,252.31	(4,252.31)	(37,653.61)
64-0421-4211	Revenue	GAIN/LOSS ON DISPOSAL OF ASSET					0.00
64-0424-4264	Revenue	GAIN OR LOSS RESALE OF BONDS					0.00
64-0426-4263	Expense	FINES & PENALTIES					0.00
64-0427-4271	Expense	INTEREST ON LONG TERM DEBT	298,716.70	22,875.00		22,875.00	321,591.70
64-0428-4281	Expense	AMORTIZATION OF BOND DISCOUNT					0.00
64-0440-4401	Revenue	RESIDENTIAL SALES	(2,730,415.21)		260,408.34	(260,408.34)	(2,990,823.55)
64-0440-4402	Revenue	SECURITY LIGHTS	(21,782.28)		1,808.30	(1,808.30)	(23,590.58)
64-0440-4405	Revenue	SERVICE LINE REPAIR FEE	(23,380.00)	1.00	1,812.00	(1,811.00)	(25,191.00)
64-0440-4410	Revenue	RESIDENTIAL ECA	(50,556.95)				(50,556.95)
64-0440-4411	Revenue	INTERMEDIATE POWER ECA	(32,636.94)				(32,636.94)
64-0440-4412	Revenue	SMALL GENERAL ECA	(14,228.56)				(14,228.56)
64-0440-4413	Revenue	LARGE GENERAL ECA	(40,049.72)				(40,049.72)
64-0440-4414	Revenue	LARGE POWER ECA	(42,260.86)				(42,260.86)
64-0440-4419	Revenue	INTERMEDIATE POWER SERVICE	(1,034,904.11)		80,154.37	(80,154.37)	(1,115,058.48)
64-0440-4420	Revenue	SMALL GENERAL SERVICE	(698,826.65)		68,188.37	(68,188.37)	(767,015.02)
64-0440-4422	Revenue	LARGE GENERAL SERVICE	(1,449,214.03)		111,495.51	(111,495.51)	(1,560,709.54)
64-0440-4423	Revenue	LARGE POWER SERVICE	(1,365,002.09)		95,098.93	(95,098.93)	(1,460,101.02)
64-0440-4425	Revenue	RESIDENTIAL SOLAR CREDIT					0.00

Trial Balance

PRINCETON PUBLIC UTILITIES

Account	Type	Description	Beginning Balance	Debit	Credit	Net Change	Ending Balance
64-0440-4426	Revenue	SMALL GENERAL SOLAR CREDIT	351.91	6.82		6.82	358.73
64-0440-4427	Revenue	LARGE GEN/POWER SOLAR CREDIT	958.82	17.67		17.67	976.49
64-0440-4435	Revenue	STREET LIGHT FEES	(33,376.00)	2.00	2,597.00	(2,595.00)	(35,971.00)
64-0440-4493	Revenue	RATE STABILIZATION REVENUE	5,870.16		227.83	(227.83)	5,642.33
64-0450-4501	Revenue	LATE CHARGES	(54,257.90)	513.31	5,015.00	(4,501.69)	(58,759.59)
64-0450-4502	Revenue	HOOK-UP & NSF CHECK CHARGES	(11,530.00)		670.00	(670.00)	(12,200.00)
64-0450-4503	Revenue	CONNECTION FEE	(17,450.00)		650.00	(650.00)	(18,100.00)
64-0450-4504	Revenue	CONSTRUCTION FEES	(81,946.56)		1,925.00	(1,925.00)	(83,871.56)
64-0450-4506	Revenue	SOLAR SUBSCRIPTIONS	(2,650.32)				(2,650.32)
64-0450-4550	Revenue	OPERATING & MAINTENANCE	(492,961.39)		32,993.20	(32,993.20)	(525,954.59)
64-0450-4561	Revenue	QUICK START DIESEL PAYMENT	(188,760.00)		14,520.00	(14,520.00)	(203,280.00)
64-0450-4563	Revenue	OTHER OPERATING REVENUE	(144,164.94)	10.00	3,934.40	(3,924.40)	(148,089.34)
64-0450-4564	Revenue	POLE ATTACHMENT FEE	(3,116.00)				(3,116.00)
64-0450-4565	Revenue	MERCHANDISE SALES	(5,812.00)				(5,812.00)
64-0540-5461	Expense	PRODUCTION PLANT SALARIES	187,142.54	13,849.76		13,849.76	200,992.30
64-0540-5472	Expense	NATURAL GAS	16,792.23	3,053.34		3,053.34	19,845.57
64-0540-5481	Expense	LUBE OIL & LUBRICANTS	3,475.64				3,475.64
64-0540-5482	Expense	CHEMICALS	3,963.72				3,963.72
64-0540-5501	Expense	PRODUCTION SUPPLIES	1,872.97	125.46		125.46	1,998.43
64-0540-5505	Expense	PLANT SHOP SUPPLIES	820.36				820.36
64-0540-5510	Expense	SAFETY EQUIPMENT	1,486.55				1,486.55
64-0540-5511	Expense	COMMUNICATIONS EXPENSE	592.62	45.79		45.79	638.41
64-0540-5512	Expense	COMPUTER, AUDIO & SCADA EQUIP	5,078.23	40.01		40.01	5,118.24
64-0540-5513	Expense	SMALL TOOLS EXPENSE	1,256.06				1,256.06
64-0540-5514	Expense	EDUCATION & SAFETY TRAINING	432.68	1,110.00		1,110.00	1,542.68
64-0540-5515	Expense	OUTSIDE SERVICES	4,113.29	125.00		125.00	4,238.29
64-0540-5516	Expense	BOILER & MACHINERY INSURANCE	127,202.17	9,871.33		9,871.33	137,073.50
64-0540-5517	Expense	PROP & LIAB INSURANCE	38,582.51	3,321.83		3,321.83	41,904.34
64-0540-5541	Expense	EQUIPMENT REPAIRS	12,633.57				12,633.57
64-0540-5882	Expense	TRANSPORTATION FUEL & OIL					0.00
64-0540-5883	Expense	VEHICLE REPAIR & EXPENSE					0.00
64-0550-5531	Expense	BUILDING & GROUNDS MAINTENANCE	4,196.52	142.84		142.84	4,339.36
64-0550-5542	Expense	EQUIP MAINT,SERV AGREE, INSPEC	25,773.86				25,773.86
64-0550-5551	Expense	PURCHASED POWER	5,603,322.00	391,489.30		391,489.30	5,994,811.30
64-0550-5571	Expense	MISCELLANEOUS PLANT EXPENSE	40.00				40.00
64-0560-5531	Expense	BUILDING & GROUNDS MAINTENANCE	600.00				600.00
64-0560-5541	Expense	EQUIPMENT REPAIRS	68.79				68.79
64-0560-5542	Expense	EQUIP MAINT,SERV AGREE, INSPEC					0.00
64-0560-5888	Expense	UTILITIES					0.00
64-0580-5801	Expense	DISTRIBUTION SALARIES	406,099.63	30,179.67		30,179.67	436,279.30
64-0580-5811	Expense	SYSTEM & SHOP SUPPLIES	2,456.11				2,456.11
64-0580-5812	Expense	SAFETY EQUIP,RUBBER GOODS,TEST	13,722.59	37.36		37.36	13,759.95

Trial Balance

PRINCETON PUBLIC UTILITIES

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Account	Type	Description	Beginning Balance	Debit	Credit	Net Change	Ending Balance
64-0580-5813	Expense	SMALL TOOLS EXPENSE	1,329.13	14.88		14.88	1,344.01
64-0580-5814	Expense	EDUCATION & SAFETY TRAINING	2,311.35	1,050.00		1,050.00	3,361.35
64-0580-5815	Expense	OUTSIDE SERVICES	772.49				772.49
64-0580-5816	Expense	GIS DATA & MAINTENANCE EXP.	4,018.52	76.46		76.46	4,094.98
64-0580-5817	Expense	COMPUTER EQUIP. & MAINT. EXP.					0.00
64-0580-5821	Expense	LOAD CONTROL EXPENSE					0.00
64-0580-5831	Expense	OVERHEAD LINE EXPENSE	3,761.26				3,761.26
64-0580-5841	Expense	UNDERGROUND LINE EXPENSE	17,286.61	15.12		15.12	17,301.73
64-0580-5851	Expense	STREET LIGHTS & SIGNAL EXP.	2,561.43				2,561.43
64-0580-5852	Expense	SEC. LIGHT REPAIR EXPENSE	1,454.75				1,454.75
64-0580-5862	Expense	METER EXPENSE	749.61				749.61
64-0580-5870	Expense	CUSTOMER SERVICE LINE REPAIR	7,333.37				7,333.37
64-0580-5871	Expense	CUSTOMER OWNED SERVICE EXP.	42,235.26				42,235.26
64-0580-5881	Expense	MISC. DISTRIBUTION EXPENSE					0.00
64-0580-5882	Expense	TRANSPORTATION FUEL & OIL	6,637.61	560.45		560.45	7,198.06
64-0580-5883	Expense	VEHICLE REPAIR & EXPENSE	4,971.49	24.94		24.94	4,996.43
64-0580-5886	Expense	EQUIPMENT REPAIR & EXPENSE	1,680.84	50.30		50.30	1,731.14
64-0580-5887	Expense	STORM DAMAGE	827.61				827.61
64-0580-5888	Expense	UTILITIES	22,103.69	2,806.74		2,806.74	24,910.43
64-0590-5921	Expense	BUILDING & GROUNDS MAINTENANCE	1,580.30				1,580.30
64-0590-5941	Expense	LINE MAINTENANCE TRIMMING					0.00
64-0590-5945	Expense	HABITAT, RIGHT OF WAY EXPENSE					0.00
64-0590-5951	Expense	MAINTENANCE OF TRANSFORMERS	1,565.84				1,565.84
64-0902-9021	Expense	METER READING SALARIES					0.00
64-0903-9031	Expense	CUSTOMER ACCOUNTS SALARIES	146,458.33	11,526.27		11,526.27	157,984.60
64-0903-9032	Expense	POSTAGE EXPENSE	13,580.64	615.92		615.92	14,196.56
64-0903-9033	Expense	COLLECTION EXPENSE	138.20				138.20
64-0903-9034	Expense	FORMS & SUPPLIES	3,507.03				3,507.03
64-0903-9035	Expense	COMMUNICATIONS EXPENSE	5,461.28	420.29		420.29	5,881.57
64-0903-9036	Expense	MISC. SUPPLIES & STATIONERY	3,023.87	420.03		420.03	3,443.90
64-0904-9004	Expense	UNCOLLECTIBLE ACCOUNTS	2,505.12				2,505.12
64-0920-9201	Expense	GENERAL & ADMIN. SALARIES	119,014.52	8,863.21		8,863.21	127,877.73
64-0921-9210	Expense	NEWSADS & PROMOTIONS	1,907.05				1,907.05
64-0921-9211	Expense	COMPUTER SUPPLIES & LABOR	34,696.04	3,300.87		3,300.87	37,996.91
64-0921-9212	Expense	WEBSITE, BOOKS & SUBSCRIPTIONS	393.35				393.35
64-0921-9213	Expense	COMMUNICATIONS EXPENSE	4,262.56	287.72		287.72	4,550.28
64-0921-9214	Expense	MEMBERSHIP FEES & DUES	14,810.75				14,810.75
64-0921-9215	Expense	SUPPLIES & EXPENSES	1,279.42	97.91		97.91	1,377.33
64-0921-9216	Expense	MEALS, TRAVEL, MEETINGS	12,459.00	108.17		108.17	12,567.17
64-0921-9217	Expense	MAINTENANCE CONTRACTS & LEASES	21,095.29	267.86		267.86	21,363.15
64-0921-9218	Expense	LICENSES & PERMITS	881.05				881.05
64-0921-9219	Expense	STATE & FED ASSESS./REQUIRE.	3,026.11				3,026.11

Trial Balance

PRINCETON PUBLIC UTILITIES

Account	Type	Description	Beginning Balance	Debit	Credit	Net Change	Ending Balance
64-0921-9220	Expense	SMALL OFFICE EQUIPMENT					0.00
64-0923-9231	Expense	ATTORNEY/LEGAL EXPENSES	12,686.40	1,836.00		1,836.00	14,522.40
64-0923-9232	Expense	AUDITOR EXPENSE	11,340.00				11,340.00
64-0923-9233	Expense	ENGINEERING & CONSULTANTS	18,257.46	1,330.50		1,330.50	19,587.96
64-0923-9234	Expense	OUTSIDE SERVICES	18,770.60	1,191.47	20.00	1,171.47	19,942.07
64-0923-9235	Expense	CLEANING SERVICES	2,919.87	90.62		90.62	3,010.49
64-0923-9236	Expense	BUILDING & GROUNDS MAINTENANCE	576.72				576.72
64-0924-9241	Expense	PROPERTY & LIABILITY EXPENSE	30,329.17	2,152.25		2,152.25	32,481.42
64-0925-9251	Expense	WORKMANS COMP. INSURANCE	10,576.50	787.74		787.74	11,364.24
64-0926-9260	Expense	FICA INSURANCE	51,842.33	3,977.84		3,977.84	55,820.17
64-0926-9261	Expense	PERA EXPENSE	65,696.77	5,099.95		5,099.95	70,796.72
64-0926-9262	Expense	EMPLOYEE HOSPITALIZATION EXP.	271,923.74	19,913.10		19,913.10	291,836.84
64-0926-9263	Expense	EMPL LIFE & DISABILITY INS.	8,625.12	315.89		315.89	8,941.01
64-0926-9264	Expense	EDUCATION & SAFETY TRAINING	4,615.20				4,615.20
64-0926-9265	Expense	MEDICARE EXPENSE	12,124.54	930.31		930.31	13,054.85
64-0926-9266	Expense	UNEMPLOYMENT EXPENSE					0.00
64-0926-9267	Expense	HEAT SHARE EXPENSE					0.00
64-0930-9302	Expense	MISCELLANEOUS GENERAL EXPENSE	3,291.71	18.31		18.31	3,310.02
64-0930-9303	Expense	SERVICE TERRITORY EXPENSE	26,037.82	1,012.00		1,012.00	27,049.82
64-0930-9304	Expense	GENERAL FUND EXPENSE	54,266.00				54,266.00
64-0930-9306	Expense	SALES TAX EXPENSE	8,953.51				8,953.51
64-0930-9307	Expense	COMMERCIAL REBATES	78,898.17	19,985.50		19,985.50	98,883.67
64-0930-9308	Expense	CONSERVATION IMPROVEMENT EXP	3,559.22				3,559.22
64-0930-9309	Expense	RESIDENTIAL REBATES	12,682.27				12,682.27
64-0930-9311	Expense	CHRISTIMAS LIGHTING EXPENSE					0.00
64-0933-9034	Expense	FORMS & SUPPLIES					0.00
64-0933-9330	Expense	TRANSPORTATION FUEL & LUBE	90.70				90.70
64-0933-9331	Expense	TRANSPORTATION REPAIRS & MAINT	161.99	25.00		25.00	186.99
			0.00	3,523,691.94	3,523,691.94	0.00	0.00

Report Setup
 Sort By:
 Includes only active accounts
 Includes accounts from 64-0001-1071 to 64-0940-9402
 Printed for 2/1/2025 to 2/28/2025
 Printed for all sources.

**PRINCETON PUBLIC UTILITIES COMMISSION
UNAUDITED INCOME STATEMENT-WATER DEPARTMENT
FOR MONTH ENDING: FEBRUARY 28, 2025**

	<u>Current Period</u>	<u>Year to Date</u>	<u>Last Year Current</u>	<u>Last Year YTD</u>
OPERATING REVENUE:				
Residential Sales	48,726.30	93,519.33	45,092.75	90,324.60
Commercial Sales	23,363.25	41,746.60	22,026.74	39,919.08
Industrial Sales	8,383.26	14,083.97	9,061.48	16,769.40
Non Metered Sales	126.00	126.00	94.50	94.50
Service Line Repair Fee	1,519.00	3,037.00	1,508.00	3,016.00
Late Charges	587.49	1,234.46	707.74	1,378.78
Rent/Lease Income	0.00	23,237.77	100.00	23,337.77
Availability/Connection Fees	0.00	0.00	0.00	0.00
Construction Fees	0.00	0.00	0.00	0.00
Trunk Facilities Fees	104,343.00	104,343.00	0.00	0.00
Operating Transfers	0.00	0.00	0.00	0.00
Merchandise Sales	0.00	463.96	0.00	463.96
Other Operating Revenue	225.00	425.00	1,050.00	2,300.00
TOTAL OPERATING REVENUE:	187,273.30	282,217.09	79,641.21	177,604.09
OPERATING EXPENSES:				
Production Plant:				
Salaries & Supervision	3,693.94	7,325.27	4,579.95	9,321.93
Power for Pumping	2,567.95	4,897.81	2,428.67	4,516.26
Natural Gas	1,467.74	2,657.07	1,096.50	2,139.07
Utilities & Generator Expense	0.00	0.00	0.00	0.00
Lube Oil & Lubricants	0.00	0.00	0.00	0.00
Chemicals	3,179.70	3,179.70	2,693.22	2,693.22
Water Testing	120.71	575.17	85.26	896.06
Communications Expense	49.35	98.70	49.09	98.18
Scada & Computer Equipment	220.18	440.38	220.16	440.34
Equipment Repairs	0.00	250.21	0.00	121.42
Equip. Maint. & Inspections	0.00	0.00	0.00	0.00
Building & Grounds Maint.	147.51	147.51	0.00	0.00
Misc. Plant Expense	23.80	23.80	0.00	0.00
Total Production Plant:	11,470.88	19,595.62	11,152.85	20,226.48
Distribution System:				
Salaries & Supervision	11,549.58	17,116.32	8,689.70	13,198.52
System & Shop Supplies	0.00	0.00	0.00	0.00
Small Tools Expense	0.00	0.00	0.00	97.97
GIS Data & Maintenance Exp.	38.23	76.46	236.19	274.42
Computer Equip. & Maintenance	0.00	0.00	0.00	0.00
Safety Equipment	0.00	1,290.69	0.00	0.00
Education & Safety Training	0.00	0.00	550.00	550.00
Outside Services	6.48	25.93	13.77	42.94
Meter Expense	0.00	0.00	147.96	147.96
Customer Service Line Repair Exp.	0.00	0.00	0.00	0.00
Customer Owned Service Exp.	0.00	0.00	4,774.00	4,774.00
Dist. Repairs & Maintenance	0.00	0.00	526.16	779.86
Transportation Fuel & Oil	274.49	448.72	304.29	637.21
Vehicle Repair & Maint.	0.00	0.00	25.00	25.00
Equipment Repair & Maint.	0.00	0.00	15.99	15.99
Utilities	754.61	1,387.12	643.55	1,826.16
Building & Grounds Maint.	0.00	258.20	5.34	5.34
Misc. Dist. & Tower Maint. & Exp.	0.00	0.00	0.00	0.00
Total Distribution:	12,623.39	20,603.44	15,931.95	22,375.37

INCOME STATEMENT-WATER

	<u>Current Period</u>	<u>Year to Date</u>	<u>Last Year</u> <u>Current</u>	<u>Last Year YTD</u>
Customer Accts. Expenses:				
Customer Accts. Salaries	6,507.32	10,710.70	5,384.32	9,479.99
Meter Reading Salaries	0.00	0.00	43.68	162.18
Postage Expense	399.78	1,043.30	464.47	676.94
Collection Expense	0.00	0.00	0.00	0.00
Forms & Supplies	163.35	373.54	176.22	305.33
Communications Expense	223.34	446.40	222.38	437.65
Uncollectible Accts. Expense	0.00	0.00	0.00	0.00
Total Customer Acct. Expenses:	7,293.79	12,573.94	6,291.07	11,062.09
General & Administrative Expenses:				
Salaries & Supervision	4,466.46	7,452.29	4,062.18	6,793.45
Newads, Website, Subscriptions & Promos	0.00	0.00	0.00	23.17
Office Supplies, Computer Exp., & Sm. Equip	1,321.76	2,204.33	1,251.82	1,964.72
Communications Expense	111.89	223.66	111.35	219.85
Membership Fees & Dues	0.00	336.00	84.00	324.00
Maint. Contracts, Licenses & Permits	104.18	4,133.58	104.18	5,437.43
State & Federal Assessments	0.00	0.00	0.00	0.00
Professional Fees	4,084.50	6,149.50	0.00	0.00
Outside Services	407.62	1,317.92	607.94	1,378.55
Meals, Travel, Meetings	0.00	1,008.00	0.00	0.00
Prop. & Liab. Insurance	1,331.00	2,662.00	1,369.33	2,738.70
Employee Pensions & Benefits	7,753.25	18,002.50	7,293.10	17,227.17
Education & Safety Training	0.00	912.80	0.00	0.00
Wellhead Plan Implementation	0.00	0.00	0.00	0.00
Sales Tax Expense	0.00	0.00	0.00	0.00
Building & Grounds Maint.	0.00	29.13	0.00	0.00
Misc. G&A Expense	0.00	39.28	0.00	69.32
Total General & Administrative:	19,580.66	44,470.99	14,883.90	36,176.36
Depreciation Expense	36,500.00	73,000.00	36,500.00	73,000.00
TOTAL OPERATING EXPENSES:	87,468.72	170,243.99	84,759.77	162,840.30
OPERATING INCOME /(LOSS)	99,804.58	111,973.10	(5,118.56)	14,763.79
NONOPERATING REVENUE (EXPENSE)				
Interest Income	0.00	0.00	0.00	0.00
Change in Fair Value of Investments	(140.39)	(2,823.23)	(802.80)	4,510.07
Misc. Non Oper. Income	94,774.71	94,774.71	0.00	0.00
Gain/(Loss) Disposal of Property	0.00	0.00	0.00	0.00
Gain/(Loss) Sale of Bonds	0.00	0.00	0.00	0.00
Interest Expense	(1,550.42)	(3,100.84)	(2,671.67)	(5,010.34)
Fines & Penalties	0.00	0.00	0.00	0.00
Amortization of Bond Discount	0.00	0.00	0.00	0.00
General Fund Expense	0.00	0.00	0.00	0.00
Total NonOperating Rev/(Exp)	93,083.90	88,850.64	(3,474.47)	(500.27)
NET INCOME/(LOSS)	192,888.48	200,823.74	(8,593.03)	14,263.52

PRINCETON PUBLIC UTILITIES COMMISSION
UNAUDITED BALANCE SHEET-WATER DEPARTMENT
February 28, 2025

ASSETS

CURRENT ASSETS:

Cash	1,110,719.71	
Temp Rate Stab Investments	0.00	
Customer Accounts Receivable	84,464.38	
Other Accounts Receivable	886.66	
Accrued Interest Receivable	4,594.72	
Lease Receivables	98,485.00	
Inventory	76,602.87	
Prepaid Interest	0.00	
Prepaid Insurance	16,373.40	
Deferred Outflows of Resources	63,657.00	

Total Current Assets		1,455,783.74
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RESTRICTED ASSETS:

Construction in Progress	0.00	
MCMU Construction Fund	0.00	
Reserve Fund	0.00	
MCMU Reserve Fund	0.00	
Debt Service Fund	42,151.24	
PFA Debt Service Fund	0.00	
Capital Improvements Fund	1,532,146.72	

Total Restricted Assets		1,574,297.96
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FIXED ASSETS:

Land & Land Improvements	8,161.73	
Buildings	29,764.78	
Towers	1,884,548.19	
Wells	558,323.83	
Pumps	12,945.70	
Distribution System	5,415,478.37	
Treatment Plant	4,571,323.78	
Flouridation & Treatment System	124,029.43	
Trucks & Vehicles	118,899.03	
Tools, Shop & Garage Equipment	39,283.25	
Office Furniture & Equipment	35,930.12	
Miscellaneous Equipment	248,097.29	
Less: Accumulated Depreciation	13,046,785.50	(7,411,104.40)

Total Fixed Assets		5,635,681.10
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TOTAL ASSETS		<u><u>8,665,762.80</u></u>
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**PRINCETON PUBLIC UTILITIES COMMISSION
UNAUDITED BALANCE SHEET-WATER DEPARTMENT
February 28, 2025**

LIABILITIES AND FUND EQUITY

CURRENT LIABILITIES

Accounts Payable		20,184.98
Accrued Interest Payable		4,651.24
Severance Payable		0.00
Current Bonds Payable		150,000.00
Accrued Wages Payable		0.00
Deferred Revenue		0.00
Net Pension Liability		153,682.00
Deferred Inflows of Resources		103,117.00
Deferred Inflows - Leases		96,427.00

Total Current Liabilities		<u>528,062.22</u>
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NONCURRENT LIABILITIES:

Contracts Payable		0.00
Revenue Bonds Payable	315,000.00	
Less: Unamortized Bond Discount	<u>0.00</u>	315,000.00
PFA Loan Payable		<u>0.00</u>

Total NonCurrent Liabilities		<u>315,000.00</u>
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TOTAL LIABILITIES		<u>843,062.22</u>
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FUND EQUITY

Contributed		56,918.09
Unappropriated Retained Earnings		6,842,688.62
Net Income (Loss)		<u>923,093.87</u>
Total Equity		<u>7,822,700.58</u>

TOTAL LIABILITIES & EQUITY		<u><u>8,665,762.80</u></u>
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Trial Balance

PRINCETON PUBLIC UTILITIES

Account	Type	Description	Beginning Balance	Debit	Credit	Net Change	Ending Balance
61-0001-1071	Asset	CONSTRUCTION IN PROGRESS					0.00
61-0001-1073	Asset	MCMU CONSTRUCTION FUND					0.00
61-0001-1251	Asset	RESERVE FUND					0.00
61-0001-1252	Asset	DEBT SERVICE FUND	28,100.82	14,050.42		14,050.42	42,151.24
61-0001-1253	Asset	PFA DEBT SERVICE FUND					0.00
61-0001-1255	Asset	MCMU RESERVE FUND					0.00
61-0001-1291	Asset	CAPITAL IMPROVEMENTS FUND	1,427,643.78	104,502.94		104,502.94	1,532,146.72
61-0001-1311	Asset	CASH ON DEPOSIT CHECKING	1,057,875.82	222,108.42	169,264.53	52,843.89	1,110,719.71
61-0001-1421	Asset	CUSTOMER ACCOUNTS RECEIVABLE	77,216.75	85,596.17	78,348.54	7,247.63	84,464.38
61-0001-1431	Asset	OTHER ACCOUNTS RECEIVABLE	760.66	126.00		126.00	886.66
61-0001-1440	Asset	LEASE RECEIVABLE - CURRENT	39,940.00				39,940.00
61-0001-1441	Asset	LEASE RECEIVABLE - LONG TERM	58,545.00				58,545.00
61-0001-1512	Asset	PLANT MATERIALS & SUPPLIES	76,602.87				76,602.87
61-0001-1513	Fixed Asset	FLOUIDATION & TREATMENT SYSTEM	124,029.43				124,029.43
61-0001-1521	Fixed Asset	WELLS	558,323.83				558,323.83
61-0001-1530	Fixed Asset	DISTRIBUTION SYSTEM	5,389,499.74	60,539.75	34,561.12	25,978.63	5,415,478.37
61-0001-1540	Fixed Asset	LAND & LAND IMPROVEMENTS	8,161.73				8,161.73
61-0001-1550	Fixed Asset	BUILDINGS	29,764.78				29,764.78
61-0001-1555	Fixed Asset	TREATMENT PLANT	4,571,323.78				4,571,323.78
61-0001-1560	Fixed Asset	OFFICE FURNITURE & EQUIPMENT	35,930.12				35,930.12
61-0001-1562	Fixed Asset	TOWERS	1,884,548.19				1,884,548.19
61-0001-1570	Fixed Asset	PUMPS	12,945.70				12,945.70
61-0001-1571	Fixed Asset	TRUCKS & VEHICLES	118,899.03				118,899.03
61-0001-1580	Fixed Asset	TOOLS, SHOP & GARAGE EQUIP.	39,283.25				39,283.25
61-0001-1590	Fixed Asset	MISCELLANEOUS EQUIPMENT	248,097.29				248,097.29
61-0001-1651	Asset	PREPAID INTEREST					0.00
61-0001-1652	Asset	PREPAID INSURANCE	18,010.74		1,637.34	(1,637.34)	16,373.40
61-0001-1710	Fixed Asset	ACCUMULATED DEPRECIATION	(7,374,604.40)		36,500.00	(36,500.00)	(7,411,104.40)
61-0001-1711	Asset	ACCRUED INTEREST RECEIVABLE	4,754.66		159.94	(159.94)	4,594.72
61-0001-1712	Asset	DEFERRED OUTFLOWS OF RESOURCES	63,657.00				63,657.00
61-0001-2160	Equity	CONTRIBUTED	(56,918.09)				(56,918.09)
61-0001-2161	Equity	BALANCE FROM INCOME STATEMENT					0.00
61-0001-2162	Equity	UNAPPROPRIATED EARNINGS (END)	(6,842,688.62)				(6,842,688.62)
61-0001-2211	Liability	REVENUE BONDS PAYABLE	(315,000.00)				(315,000.00)
61-0001-2261	Asset	UNAMORTIZED BOND DISCOUNT					0.00
61-0001-2281	Liability	SEVERANCE PAYABLE					0.00
61-0001-2311	Liability	CONTRACTS PAYABLE					0.00
61-0001-2315	Liability	CURRENT BONDS PAYABLE	(150,000.00)				(150,000.00)
61-0001-2321	Liability	ACCOUNTS PAYABLE	(48,171.65)	169,932.88	141,946.21	27,986.67	(20,184.98)
61-0001-2324	Liability	ACCRUED WAGES & TAXES					0.00
61-0001-2330	Liability	PFA LOAN PAYABLE					0.00
61-0001-2371	Liability	ACCRUED INTEREST PAYABLE	(3,100.82)		1,550.42	(1,550.42)	(4,651.24)

Trial Balance

PRINCETON PUBLIC UTILITIES

Account	Type	Description	Beginning Balance	Debit	Credit	Net Change	Ending Balance
61-0001-2429	Liability	DEFERRED REVENUE					0.00
61-0001-2430	Liability	NET PENSION LIABILITY	(153,682.00)				(153,682.00)
61-0001-2431	Liability	DEFERRED INFLOWS OF RESOURCES	(103,117.00)				(103,117.00)
61-0001-2500	Liability	DEFERRED INFLOWS - LEASES	(96,427.00)				(96,427.00)
61-0403-4031	Expense	DEPRECIATION EXPENSE	463,527.58	36,500.00		36,500.00	500,027.58
61-0419-4191	Expense	INTEREST EXPENSE	32,156.17	1,550.42		1,550.42	33,706.59
61-0419-4290	Revenue	INTEREST INCOME	(52,196.92)				(52,196.92)
61-0419-4295	Revenue	CHANGE IN FAIR VALUE OF INVEST	(1,703.43)	140.39		140.39	(1,563.04)
61-0421-4210	Revenue	MISC. NON OPERATING INCOME	(480,353.60)		94,774.71	(94,774.71)	(575,128.31)
61-0421-4211	Revenue	GAIN/LOSS ON DISPOSAL OF ASSET	(5,490.80)				(5,490.80)
61-0424-4264	Revenue	GAIN OR LOSS RESALE OF BONDS					0.00
61-0426-4263	Expense	FINES & PENALTIES					0.00
61-0428-4281	Expense	AMORTIZATION OF BOND DISCOUNT					0.00
61-0440-4401	Revenue	RESIDENTIAL SALES	(669,442.78)		48,726.30	(48,726.30)	(718,169.08)
61-0440-4405	Revenue	SERVICE LINE REPAIR FEE	(19,610.00)	1.00	1,520.00	(1,519.00)	(21,129.00)
61-0440-4421	Revenue	COMMERCIAL SALES	(366,697.60)		23,363.25	(23,363.25)	(390,060.85)
61-0440-4431	Revenue	INDUSTRIAL SALES	(112,720.42)		8,383.26	(8,383.26)	(121,103.68)
61-0440-4491	Revenue	NON-METERED SALES	(11,634.00)		126.00	(126.00)	(11,760.00)
61-0450-4501	Revenue	LATE CHARGES	(9,951.37)	211.55	799.04	(587.49)	(10,538.86)
61-0450-4503	Revenue	CONNECTION FEE	(48,000.00)				(48,000.00)
61-0450-4504	Revenue	CONSTRUCTION FEES					0.00
61-0450-4505	Revenue	TRUNK FACILITIES FEES	(25,266.36)		104,343.00	(104,343.00)	(129,609.36)
61-0450-4541	Revenue	RENT/LEASE INCOME	(65,213.32)				(65,213.32)
61-0450-4563	Revenue	OTHER OPERATING REVENUE	(6,825.00)		225.00	(225.00)	(7,050.00)
61-0450-4565	Revenue	MERCHANDISE SALES	(26,965.67)				(26,965.67)
61-0540-5461	Expense	PRODUCTION PLANT SALARIES	60,751.34	3,693.94		3,693.94	64,445.28
61-0540-5471	Expense	POWER FOR PUMPING	32,578.18	2,567.95		2,567.95	35,146.13
61-0540-5472	Expense	NATURAL GAS	9,153.96	1,467.74		1,467.74	10,621.70
61-0540-5473	Expense	UTILITIES & GENERATOR EXPENSE					0.00
61-0540-5481	Expense	LUBE OIL & LUBRICANTS					0.00
61-0540-5482	Expense	CHEMICALS	34,425.74	3,179.70		3,179.70	37,605.44
61-0540-5483	Expense	WATER TESTING	3,177.78	120.71		120.71	3,298.49
61-0540-5511	Expense	COMMUNICATIONS EXPENSE	589.81	49.35		49.35	639.16
61-0540-5512	Expense	COMPUTER, AUDIO & SCADA EQUIP	2,862.62	220.18		220.18	3,082.80
61-0540-5541	Expense	EQUIPMENT REPAIRS	5,505.86				5,505.86
61-0550-5531	Expense	BUILDING & GROUNDS MAINTENANCE	214.00	147.51		147.51	361.51
61-0550-5542	Expense	EQUIP MAINT,SERV AGREE, INSPEC	190.00				190.00
61-0550-5571	Expense	MISCELLANEOUS PLANT EXPENSE		23.80		23.80	23.80
61-0580-5801	Expense	DISTRIBUTION SALARIES	122,297.18	11,549.58		11,549.58	133,846.76
61-0580-5811	Expense	SYSTEM & SHOP SUPPLIES	607.91				607.91
61-0580-5812	Expense	SAFETY EQUIP,RUBBER GOODS,TEST	3,948.26				3,948.26
61-0580-5813	Expense	SMALL TOOLS EXPENSE	118.97				118.97

Trial Balance

PRINCETON PUBLIC UTILITIES

Account	Type	Description	Beginning Balance	Debit	Credit	Net Change	Ending Balance
61-0580-5814	Expense	EDUCATION & SAFETY TRAINING	1,165.00				1,165.00
61-0580-5815	Expense	OUTSIDE SERVICES	540.37	6.48		6.48	546.85
61-0580-5816	Expense	GIS DATA & MAINTENANCE EXP.	3,236.20	38.23		38.23	3,274.43
61-0580-5817	Expense	COMPUTER EQUIP. & MAINT. EXP.					0.00
61-0580-5862	Expense	METER EXPENSE	609.32				609.32
61-0580-5870	Expense	CUSTOMER SERVICE LINE REPAIR	550.17				550.17
61-0580-5871	Expense	CUSTOMER OWNED SERVICE EXP.	5,407.24				5,407.24
61-0580-5872	Expense	DIST. REPAIRS & MAINTENANCE	5,928.44				5,928.44
61-0580-5881	Expense	MISC. DISTRIBUTION EXPENSE	1,023.68				1,023.68
61-0580-5882	Expense	TRANSPORTATION FUEL & OIL	3,819.79	274.49		274.49	4,094.28
61-0580-5883	Expense	VEHICLE REPAIR & EXPENSE	498.89				498.89
61-0580-5886	Expense	EQUIPMENT REPAIR & EXPENSE	2,279.68				2,279.68
61-0580-5888	Expense	UTILITIES	11,286.71	754.61		754.61	12,041.32
61-0590-5921	Expense	BUILDING & GROUNDS MAINTENANCE	766.25				766.25
61-0590-5981	Expense	WATER TOWER MAINT.					0.00
61-0902-9021	Expense	METER READING SALARIES	1,194.42				1,194.42
61-0903-9031	Expense	CUSTOMER ACCOUNTS SALARIES	82,570.55	6,507.32		6,507.32	89,077.87
61-0903-9032	Expense	POSTAGE EXPENSE	5,958.97	399.78		399.78	6,358.75
61-0903-9033	Expense	COLLECTION EXPENSE	53.75				53.75
61-0903-9034	Expense	FORMS & SUPPLIES	2,160.14				2,160.14
61-0903-9035	Expense	COMMUNICATIONS EXPENSE	2,888.96	223.34		223.34	3,112.30
61-0903-9036	Expense	MISC. SUPPLIES & STATIONERY	1,194.16	163.35		163.35	1,357.51
61-0904-9004	Expense	UNCOLLECTIBLE ACCOUNTS	231.31				231.31
61-0920-9201	Expense	GENERAL & ADMIN. SALARIES	62,275.70	4,466.46		4,466.46	66,742.16
61-0921-9210	Expense	NEWSADS & PROMOTIONS	243.02				243.02
61-0921-9211	Expense	COMPUTER SUPPLIES & LABOR	13,672.70	1,283.69		1,283.69	14,956.39
61-0921-9212	Expense	WEBSITE, BOOKS & SUBSCRIPTIONS	152.97				152.97
61-0921-9213	Expense	COMMUNICATIONS EXPENSE	1,543.72	111.89		111.89	1,655.61
61-0921-9214	Expense	MEMBERSHIP FEES & DUES	2,406.10				2,406.10
61-0921-9215	Expense	SUPPLIES & EXPENSES	490.12	38.07		38.07	528.19
61-0921-9216	Expense	MEALS, TRAVEL, MEETINGS	3,586.26				3,586.26
61-0921-9217	Expense	MAINTENANCE CONTRACTS & LEASES	9,812.03	104.18		104.18	9,916.21
61-0921-9218	Expense	LICENSES & PERMITS	6,441.83				6,441.83
61-0921-9219	Expense	STATE & FED ASSESS./REQUIRE.	17,218.00				17,218.00
61-0921-9220	Expense	SMALL OFFICE EQUIPMENT					0.00
61-0923-9231	Expense	ATTORNEY/LEGAL EXPENSES	5,423.60	714.00		714.00	6,137.60
61-0923-9232	Expense	AUDITOR EXPENSE	4,410.00				4,410.00
61-0923-9233	Expense	ENGINEERING & CONSULTANTS	8,414.00	3,370.50		3,370.50	11,784.50
61-0923-9234	Expense	OUTSIDE SERVICES	6,531.88	407.62		407.62	6,939.50
61-0923-9235	Expense	CLEANING SERVICES	492.37				492.37
61-0923-9236	Expense	BUILDING & GROUNDS MAINTENANCE	137.83				137.83
61-0924-9241	Expense	PROPERTY & LIABILITY EXPENSE	17,088.44	1,331.00		1,331.00	18,419.44

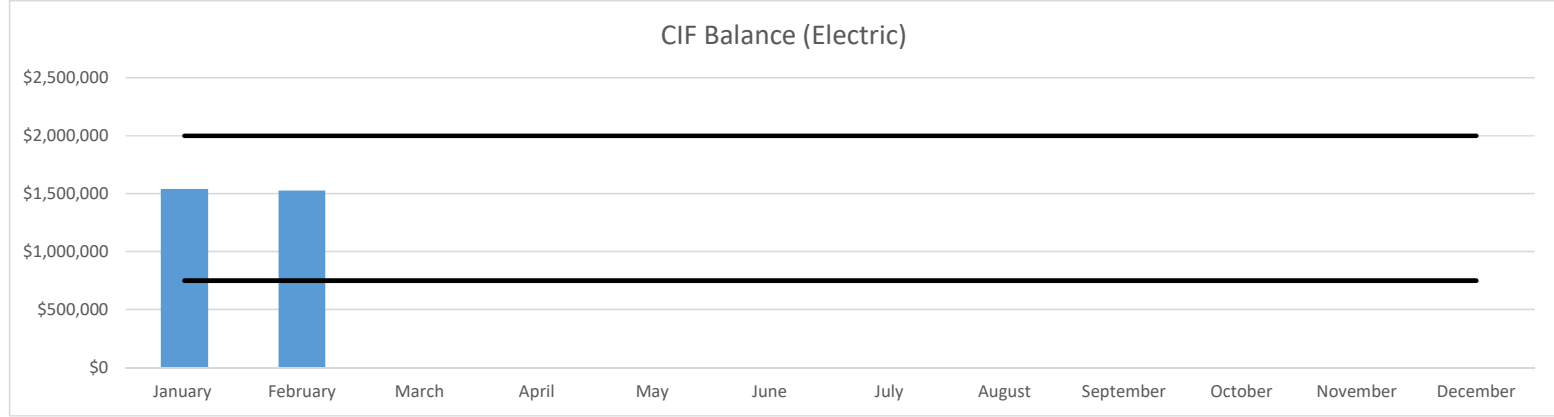
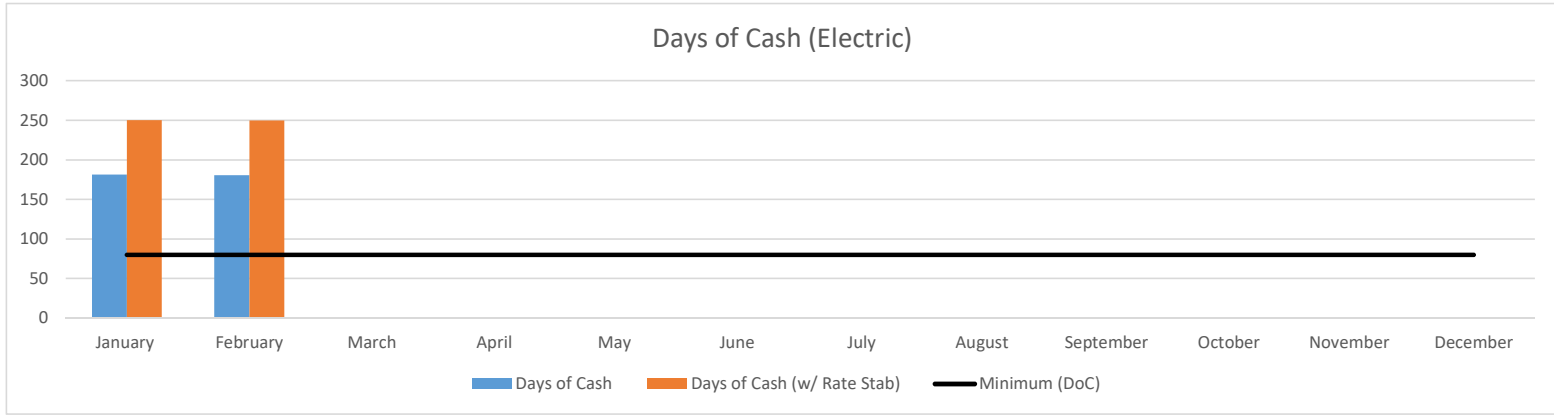
Trial Balance

PRINCETON PUBLIC UTILITIES

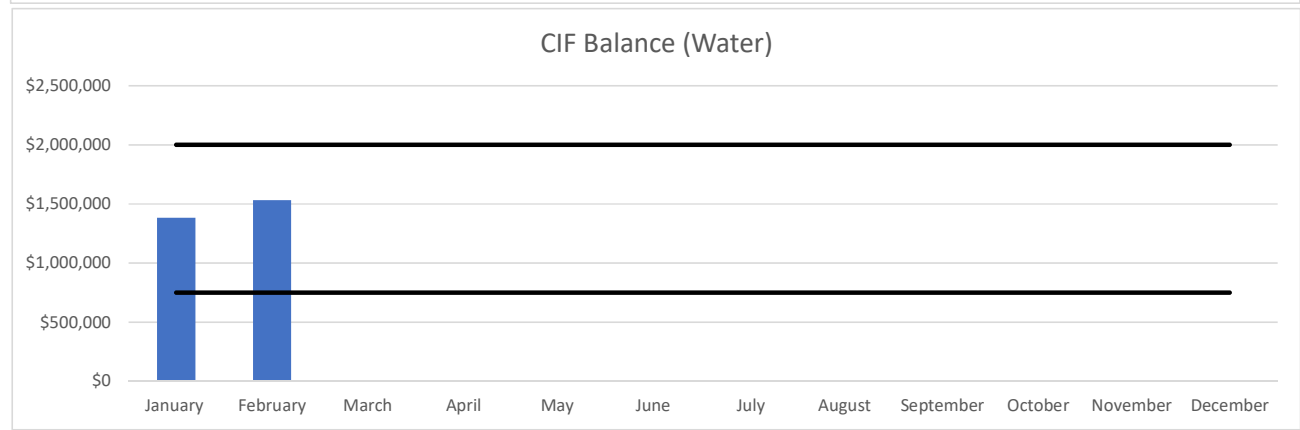
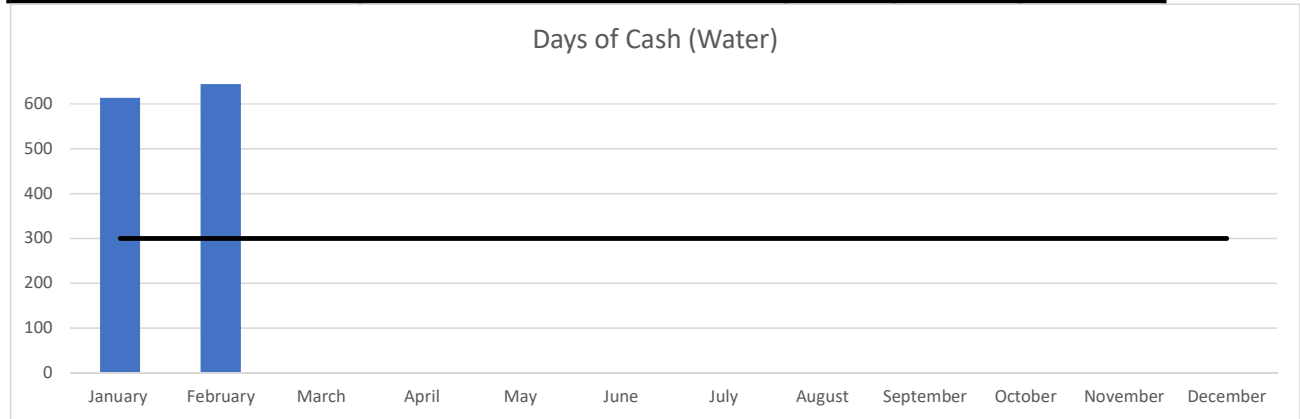
Account	Type	Description	Beginning Balance	Debit	Credit	Net Change	Ending Balance
61-0925-9251	Expense	WORKMANS COMP. INSURANCE	4,839.62	306.34		306.34	5,145.96
61-0926-9260	Expense	FICA INSURANCE	17,293.41	1,298.54		1,298.54	18,591.95
61-0926-9261	Expense	PERA EXPENSE	22,219.42	1,697.76		1,697.76	23,917.18
61-0926-9262	Expense	EMPLOYEE HOSPITALIZATION EXP.	53,375.50	4,044.51		4,044.51	57,420.01
61-0926-9263	Expense	EMPL LIFE & DISABILITY INS.	1,452.85	102.41		102.41	1,555.26
61-0926-9264	Expense	EDUCATION & SAFETY TRAINING	1,794.80				1,794.80
61-0926-9265	Expense	MEDICARE EXPENSE	4,044.42	303.69		303.69	4,348.11
61-0926-9266	Expense	UNEMPLOYMENT EXPENSE					0.00
61-0930-9301	Expense	WELLHEAD PLAN IMPLEMENTATION					0.00
61-0930-9302	Expense	MISCELLANEOUS GENERAL EXPENSE	1,035.93				1,035.93
61-0930-9304	Expense	GENERAL FUND EXPENSE					0.00
61-0930-9306	Expense	SALES TAX EXPENSE					0.00
			0.00	746,228.66	746,228.66	0.00	0.00

Report Setup
 Sort By:
 Includes only active accounts
 Includes accounts from 61-0001-1071 to 61-0930-9306
 Printed for 2/1/2025 to 2/28/2025
 Printed for all sources.

Month	Annual Operating Expenses (2024)	Depreciation (2024)	Electric			Days of Cash	Days of Cash (w/ Rate Stab)	Minimum (DoC)	Minimum (CIF)	Maximum (CIF)
			Cash	CIF	Rate Stab					
January	\$7,780,014	\$708,000	\$3,514,861	\$1,541,625	\$1,334,123	181	250	80	\$750,000	\$2,000,000
February	\$7,780,014	\$708,000	\$3,501,519	\$1,527,245	\$1,339,765	181	250	80	\$750,000	\$2,000,000
March	\$7,780,014	\$708,000				0	0	80	\$750,000	\$2,000,000
April	\$7,780,014	\$708,000				0	0	80	\$750,000	\$2,000,000
May	\$7,780,014	\$708,000				0	0	80	\$750,000	\$2,000,000
June	\$7,780,014	\$708,000				0	0	80	\$750,000	\$2,000,000
July	\$7,780,014	\$708,000				0	0	80	\$750,000	\$2,000,000
August	\$7,780,014	\$708,000				0	0	80	\$750,000	\$2,000,000
September	\$7,780,014	\$708,000				0	0	80	\$750,000	\$2,000,000
October	\$7,780,014	\$708,000				0	0	80	\$750,000	\$2,000,000
November	\$7,780,014	\$708,000				0	0	80	\$750,000	\$2,000,000
December	\$7,780,014	\$708,000				0	0	80	\$750,000	\$2,000,000



WATER							
Annual Operating Costs (2024)	Depreciation (2024)	Cash	CIF	Days of Cash	Minimum (DoC)	Minimum (CIF)	Maximum (CIF)
\$1,067,407	\$438,000	\$1,057,835	\$1,382,715	613	300	\$750,000	\$2,000,000
\$1,067,407	\$438,000	\$1,110,720	\$1,532,147	644	300	\$750,000	\$2,000,000
\$1,067,407	\$438,000			0	300	\$750,000	\$2,000,000
\$1,067,407	\$438,000			0	300	\$750,000	\$2,000,000
\$1,067,407	\$438,000			0	300	\$750,000	\$2,000,000
\$1,067,407	\$438,000			0	300	\$750,000	\$2,000,000
\$1,067,407	\$438,000			0	300	\$750,000	\$2,000,000
\$1,067,407	\$438,000			0	300	\$750,000	\$2,000,000
\$1,067,407	\$438,000			0	300	\$750,000	\$2,000,000
\$1,067,407	\$438,000			0	300	\$750,000	\$2,000,000
\$1,067,407	\$438,000			0	300	\$750,000	\$2,000,000
\$1,067,407	\$438,000			0	300	\$750,000	\$2,000,000
\$1,067,407	\$438,000			0	300	\$750,000	\$2,000,000
\$1,067,407	\$438,000			0	300	\$750,000	\$2,000,000



SOUTHERN MINNESOTA MUNICIPAL POWER AGENCY
Minutes of the Board of Directors' Meeting
February 12, 2025

President Moulton called the meeting to order at 9:00 a.m. at the Lake City Public Safety Building in Lake City, Minnesota.

Mr. Rigelman, Lake City Public Utilities Assistant Public Works Director, welcomed the members to Lake City.

Board Members Present:

President Peter T. Moulton, Saint Peter; Vice President Roger E. Warehime, Owatonna; Secretary James R. Bakken, Preston; Bruce A. Reimers, New Prague; and Timothy M. McCollough, Rochester.

Board Members Absent:

Treasurer T. Scott Jensen, Lake City; and Mark E. Nibaur, Austin.

Others Present:

David P. Geschwind, Executive Director & CEO; Julie Zarling, Fairmont; Mitchell Rigelman, Lake City; Jason Halvorson, Redwood Falls; Chris Rolli, Spring Valley; Craig Anderson, Wells; Beth A. Fondell, Naomi A. Goll, Todd W. Heins, Joseph A. Hoffman, and Jeremy B. Sutton of the Agency staff.

Others Present Via Conference Call:

Alex Bumgardner, Austin; Jerry Mausbach, Blooming Prairie; Shane Steele, Grand Marais; and Joe Kohlgraf, Mora.

#1 Agenda Approval:

Mr. Geschwind suggested moving item #8 2025/2026 Planning Year Capacity Position after the consent agenda and moving item #6 NERC Compliance Review to a future board meeting.

Mr. Reimers moved to approve the amended agenda, seconded by Mr. Bakken, passed upon a unanimous vote of the board members present.

#2 Consent Agenda:

Mr. Warehime moved to approve the consent agenda, seconded by Mr. Reimers, passed upon a unanimous vote of the board members present.

APPROVED the January 8, 2025 board meeting minutes.

APPROVED the Administrative Policy 502.3 Authorized Signatures. (Attachment A.)

#8 2025/2026 Planning Year Capacity Position-Heins:

Mr. Heins reported on the Agency's capacity position for the 2025-2026 planning year.

The Agency is expected to be short of capacity in the spring and summer seasons and to have excess capacity in the fall and winter seasons. Options for addressing the capacity shortfall were reviewed. The completed and possible transactions are:

- Possible purchase in the spring from Rochester Public Utilities.
- Summer swap and sale with Dairyland Power Cooperative (DPC).

Discussion.

Next Steps

- Continue working on the spring shortfall prior to April 1 planning resource auction.
- Seeking other swap opportunities.
- Sell excess capacity.

#3 FES & OES 2024 Annual Performance Review-Sutton:

Mr. Sutton reported on the 2024 performance review of Fairmont Energy Station (FES) and Owatonna Energy Station (OES).

Information on actual hours of operation, capacity factor, energy production, availability, and forced outage rates were reviewed.

Discussion.

Summary

- Both plants had operational impacts due to leaking cylinder heads. Anticipate replacement cylinder heads installation by 4th quarter 2025.
- Staff did their best to limit the MISO capacity credit impacts from forced outages.
- Both plants ran for energy, reliability, and ancillary services.
- Combined positive operating margins of over \$.5 million.
- Staff is reviewing ways to adjust the assumptions in the Aurora planning model to more accurately forecast the dispatch of OES and FES.

#4 Member Payments in Lieu of Taxes-Fondell:

Ms. Fondell reported on the Member payments in lieu of taxes (PILOT). She showed a comparison of payments made by the various SMMPA members over time versus the median of payments made by Fitch-rated utilities.

While municipal utilities are generally exempt from property tax, it is customary for utilities to contribute money and/or other services to their cities. Accurately capturing PILOT assists in demonstrating the value of public power.

Discussion.

Cash payments are easily tracked, but in-kind services such as free or reduced cost of utilities for city buildings, utility employee labor, utility equipment usage, technical expertise, non-utility locating services, rebates, and engineering assistance are more difficult to capture. Using a separate general ledger account for PILOT provides an opportunity for costs to be isolated and easily reported to stakeholders. The APPA website contains additional resources.

#5 Debt Retirement and Future Rates-Fondell:

Ms. Fondell reported on the debt retirement and future rates.

The Agency is considering options for setting rates with the upcoming debt service decrease resulting from the maturity of the 1994 bonds used to refinance the original Sherco 3 debt, followed by cost increases from MISO capacity requirements, new bond issuances, and additional renewable resources. A rate smoothing approach may be desirable to avoid a “roller coaster” of rate changes over multiple years.

Future Rate Structure Options:

1. Rate Smoothing - Maintain 2025 rates through 2030 as Agency cash balances grow through 2029. Excess cash balances are used in 2030 and beyond to eliminate or reduce annual rate increases. For each year Rochester is a member, Rochester’s share of the surplus cash balances generated from the foregone rate changes could be calculated and passed through to Rochester annually after final billing data is available.
2. “Business as Usual” Rate Changes - Rate changes are implemented to maintain General Operating Reserves within or trending toward the target bandwidth. Members could choose to keep any excess funds generated by rate decreases in their own bank accounts or with the Agency. Members’ funds held by the Agency or in their own accounts could be used to offset future rate increases. In 1988 the SMMPA Power Bill Pre-Payment Program was developed where SMMPA would invest members’ funds and this program could be updated and used for this purpose.

Discussion.

Ms. Fondell will email the 1988 Power Bill Pre-Payment Program information to members. This topic will be further discussed at a future board meeting.

After a short break, the board reconvened at 10:40 a.m.

#6 NERC Compliance Review-Koneczny:

The NERC Compliance Review was deferred to a future board meeting.

#7 Annual Economic Development Report-Hoffman:

Mr. Hoffman reviewed the annual economic development report.

The Economic Development Program provides incentives to attract new business customers to

SMMPA member communities. The program includes two rates: Economic Development Credit Program and Load Acquisition Credit Program.

Economic Development Credit Program

The credit program is available to new or expanding businesses with a load of 250 kW or greater, or with a load that exceeds the demand of the member's tenth largest current retail customer. There is a 5-year credit on energy charges (40%, 20%, 10%, 5%, and 2.5%) and the credit is paid by SMMPA to the member.

Load Acquisition Credit Program

The program provides credit to members who are making lost revenue payments for service territory acquisitions. In 2024, six members participated in the Load Acquisition Credit Program. Over the last five years, the acquired load was equivalent to approximately 14.5 megawatts.

Small Business Development Centers

In 2024, SMMPA began a funding partnership with the Small Business Development Centers (SBDC) to support entrepreneurs and small businesses in member communities. SBDC provides assistance to small businesses with business plans, financial projections, accounting, marketing, and loan packaging.

Discussion.

Other Economic Development Initiatives

- The Agency developed customized Economic Development Program brochures for member communities.
- The Agency developed a commercial and industrial building and site webpage for member communities.

#9 Confidential Board Report Summary-Sutton:

Mr. Sutton summarized the confidential board report.

Government Affairs/Member Services Report-Hoffman:

Mr. Hoffman summarized the government affairs/member services report detailed in the board book.

Minnesota Nuclear Energy Alliance

SMMPA recently signed the Minnesota Nuclear Energy Alliance (MNEA) letter of support for lifting the moratorium. MNEA is a group made up of eight utilities, utility associations, labor groups, and others that have some level of interest in nuclear energy.

MPCA New Carbon-Free Standard

The Minnesota Public Utilities Commission (MPUC) continues to develop rules related to the new carbon-free standard. SMMPA will likely join a group of aligned parties that will include Xcel Energy, Great River Energy, Missouri River Energy Services, Minnesota Municipal

Utilities Association, and Minnesota Rural Electric Association to file a joint letter expressing concerns with the proposal from the MPUC.

APPA Legislative Rally

Members were reminded the APPA Legislative Rally is February 24-26, 2025 in Washington, D.C.

SMMPA Member Orientations

SMMPA Member Orientations will be held March 6, 2025 and April 3, 2025. A virtual meeting option will be available.

SMMPA Scholarship Program

The SMMPA Scholarship Program was launched on February 4, 2025, and members may start awarding scholarships this spring. Members may contact SMMPA for assistance with setting up the program.

LIHEAP Letter of Support

APPA is encouraging members to sign the National Energy and Utility Affordability Coalition (NEUAC) annual letter in support of Low Income Home Energy Assistance Program (LIHEAP) funding. In previous years, SMMPA and several of the SMMPA members signed the letter.

Electric Vehicle Charging Statistics

The 2024 electric vehicle charging network usage data reflects a growth among the members. On-peak and off-peak kWh charging was split evenly between Level 2 and DC fast chargers. Members experiencing DC fast charger issues should contact ZEF Energy.

Operations Report-Sutton:

Mr. Sutton reported:

Quick Start Contract Status

The Quick Start Working Group met on February 5, 2025 to discuss a variety of issues related to the proposed revised Quick Start Contract. The Agency needs additional capacity and has an appetite for 40 MW. The draft Quick Start Contract will be presented at next month's board meeting.

Vestas Wind Turbine Contract Renewal

The Vestas Wind Turbine Contract (expiring five-year term) with the Agency is being reviewed. Vestas provides operation and maintenance service on the Agency-owned wind turbines.

Market Price Update

A graph of recent natural gas and on-peak electricity prices was discussed.

Quarterly Wind and Solar Update

Information on the performance of the Agency's wind and solar resources, including capacity factor and costs relative to market energy prices and net margins, was reviewed.

Financial Report December 2024-Fondell:

Ms. Fondell summarized Agency financial results through December as provided in the board book materials. December's financial results are preliminary, as the 2024 books are held open until the annual audit is completed.

Transmission Billing Error

On February 1, 2024, the transmission charge was divided into two components to transition from a fixed charge each month based on the prior summer's highest coincident peak (ratchet) to a charge based solely on monthly metered coincident peak (CP) demand. A transmission billing error occurred when SMMPA used the billed demand (which includes ratchet impact) instead of the actual metered demand. The Agency owes the members \$293,533 for the 11 months (February 2024 – December 2024). Grand Marais is not impacted.

Ms. Fondell will send a follow-up email to all members to recap the billing error. Emails will then be sent to each member showing the overbilling calculations and the total refund amount. Refunds will be applied to the members' February 2025 bills that will be sent out in early March 2025. A process change has been implemented to include an additional layer of review any time a rate change becomes effective.

2024 Investment Results

The 2024 year-end investment results were reviewed. The investment portfolio balance at the end of 2024 was approximately \$234 million.

Short-Term & Long-Term Debt Review

The 2024 Revolving Credit Agreement short-term borrowing program activity was reviewed along with an amortization schedule and paydown plan. The long-term debt payment schedule for 2025 through 2046 was reviewed.

SMMPA Budget & Rates Workshop Date

The SMMPA Budget & Rates Workshop will be scheduled for September 22, 2025 from 10 a.m. to 1 p.m. at Owatonna Public Utilities. A virtual option will be available.

SMMPA Finance & Audit Committee Meeting Recap

The SMMPA Finance & Audit Committee met on January 15, 2025. Baker Tilly conducted the 2024 audit entrance conference providing an audit overview and the audit schedule. The Agency's internal control processes are reviewed every five years and Baker Tilly will provide the internal controls review report with recommendations.

SMMPA Financial Audit

Baker Tilly, outside auditor, is conducting the final fieldwork of the 2024 SMMPA financial audit February 11-13, 2025. The SMMPA financial audit report will be presented at the April SMMPA Board meeting and the SMMPA Finance & Audit Committee will meet prior to the board meeting.

Investment Policy and Capital Financing Policy

The SMMPA Finance & Audit Committee will assist with updating the Investment Policy and the Capital Financing Policy in 2025. These policies are reviewed every three years and

approved by the board.

Rating Agency Presentation

S&P Global Ratings and Moody's are currently conducting reviews of the Agency.

Sherco 3 Billing Audit

Baker Tilly reviewed Xcel Energy's 2023 Sherco 3 billing audit, which was completed in 2024. SMMPA owes Xcel Energy a net billing adjustment of approximately \$22,000.

Austin-Adams Transmission Storm Damage

Received claim proceeds of \$243,826.42 (75% of \$325,101.89 total cost) from the State of Minnesota Homeland Security and Emergency Management related to the May 2024 Austin-Adams transmission storm damage.

Annual Review of Financial Information

Ms. Fondell will email materials to the members explaining the financial and operations reports provided in monthly board books.

MUDF Requests

Member utility data file (MUDF) requests will be sent to the members.

Transmission Rate Change

The SMMPA transmission rates will change in February 2025, reflecting the second year of the transition from a fixed charge based on the prior summer's highest CP (ratchet) to a charge based solely on the actual monthly metered demand (CP). Members' bills in early March will reflect the updated transmission rates.

All-In Cost of Power Data

SMMPA will send the all-in cost of power data to each member. Going forward, the final all-in cost of power for the prior year will be communicated to members when available.

President's Report:

Mr. Moulton reported:

- SMMPA Staff Recognition: SMMPA staff members recognized for their efforts were Joe Hoffman for the legislative work and APPA Legislative Rally; John O'Neil for member services correspondence; Beth Fondell for audit information; Kevin Hafner for providing requested information; Todd Heins for capacity planning; and Kelly Gangelhoff for accounting logistics.

SMMPA Board of Directors Recognition: Mr. Scott Jensen, Lake City, was recognized for his outstanding work on the SMMPA Board of Directors and as the SMMPA Board Treasurer.

Executive Director & CEO's Report:

Mr. Geschwind reported:

- Lake City: The SMMPA Board of Directors position held by the City of Lake City is vacant due to Mr. Jensen's departure. The successor Representative appointed by the City can fill the SMMPA Board of Directors position held by the City. An Alternate Representative may exercise all rights of the Representative when attending a Representatives meeting but cannot function as a Board Member.
- SMMPA Board Treasurer: The SMMPA Board of Directors will need to designate a SMMPA Board Treasurer to fill the position previously held by Mr. Jensen.

Member Forum:

None.

Other Business:

There was no other business.

Adjourn:

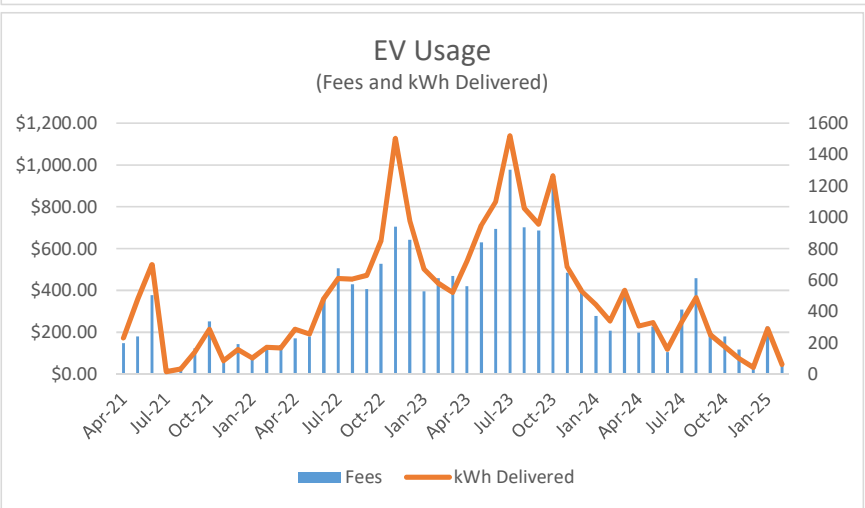
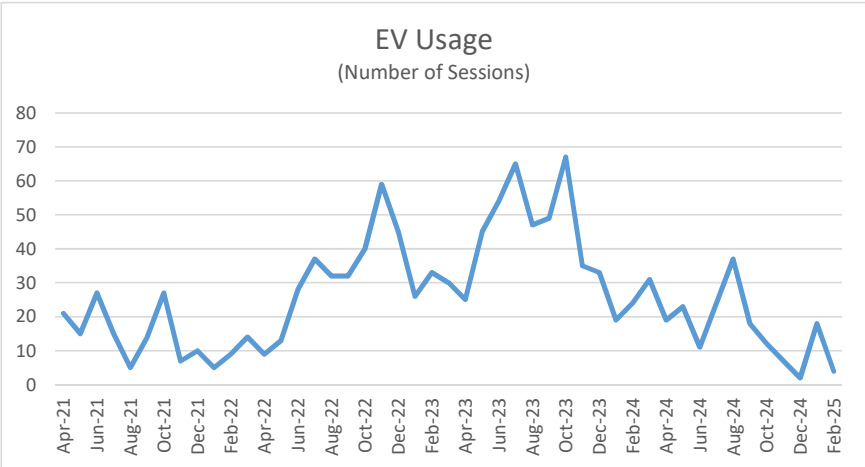
A motion to adjourn the meeting was made by Mr. McCollough, seconded by Mr. Warehime, passed upon a unanimous vote of the board members present.

The meeting was adjourned at 12:26 p.m.

Secretary

EV Usage Tracking

	Sessions	Fees	kWh Delivered
Apr-21	21	\$148.80	230
May-21	15	\$180.40	481
Jun-21	27	\$377.66	699
Jul-21	15	\$9.30	15
Aug-21	5	\$16.85	32
Sep-21	14	\$122.59	141
Oct-21	27	\$251.58	286
Nov-21	7	\$69.69	84
Dec-21	10	\$143.28	157
Jan-22	5	\$76.49	101
Feb-22	9	\$129.90	171
Mar-22	14	\$127.30	167
Apr-22	9	\$170.06	286
May-22	13	\$179.85	256
Jun-22	28	\$360.46	482
Jul-22	37	\$505.76	610
Aug-22	32	\$429.69	605
Sep-22	32	\$406.48	630
Oct-22	40	\$527.07	852
Nov-22	59	\$705.45	1502
Dec-22	45	\$642.63	976
Jan-23	26	\$394.62	669
Feb-23	33	\$458.20	578
Mar-23	30	\$470.00	520
Apr-23	25	\$419.86	720
May-23	45	\$630.76	948
Jun-23	54	\$694.77	1099
Jul-23	65	\$977.76	1519
Aug-23	47	\$702.59	1057
Sep-23	49	\$686.59	956
Oct-23	67	\$919.29	1264
Nov-23	35	\$483.85	684
Dec-23	33	\$411.24	528
Jan-24	19	\$278.67	443
Feb-24	24	\$207.51	338
Mar-24	31	\$395.59	534
Apr-24	19	\$198.00	305
May-24	23	\$226.64	328
Jun-24	11	\$105.11	159
Jul-24	24	\$309.34	333
Aug-24	37	\$457.72	487
Sep-24	18	\$204.57	251
Oct-24	12	\$179.30	176
Nov-24	7	\$117.15	99
Dec-24	2	\$47.30	42
Jan-25	18	\$226.78	289
Feb-25	4	\$55.50	60



MEMORANDUM 25-13



TO: Princeton Public Utilities Commission
FROM: Keith Butcher, General Manager
SUBJECT: Water Rate Study
DATE: March 26, 2025

ITEM SUMMARY

For approval is an Agreement with Northland Securities, Inc. to conduct a Water Rate Study.

BACKGROUND

As part of the 2025 Budget, the Commission approved the completion of a Water Rate Study. The last water rate study was conducted in 2014.

PROPOSAL

The proposal is attached.

BUDGET AND TIMELINE

\$5,000 with an estimated completion in August.

RECOMMENDATION

Staff recommends approval.

SUGGESTED MOTION

"Approve the Water Rate Study agreement with Northland Securities, Inc. with a budget of \$5,000."

PROFESSIONAL SERVICES AGREEMENT

**BY AND BETWEEN
THE PUBLIC UTILITIES COMMISSION OF THE CITY OF PRINCETON, MINNESOTA
AND
NORTHLAND SECURITIES, INC.**

FINANCIAL PLANNING SERVICES

This Agreement made and entered into by and between the Public Utilities Commission of the City of Princeton, Minnesota (hereinafter "PUC") and Northland Securities, Inc., of Minneapolis, Minnesota (hereinafter "NSI").

WITNESSETH

WHEREAS, the PUC desires to use the services of NSI for financial planning services for development of a Long-Term Financial Management Plan and Model for the Water Fund of the PUC (hereinafter "Project").

WHEREAS, the Services are intended solely for professional consulting purposes and NSI is not providing advice on the timing, terms, structure or similar matters related to a specific bond issue or public security.

WHEREAS, NSI desires to furnish services to the PUC as hereinafter described.

NOW, THEREFORE, it is agreed by and between the parties as follows:

SERVICES TO BE PROVIDED BY NSI

The scope of work to be performed by NSI is based on the following factors:

1. The projected cash and fund balance levels for the Water Fund needs review to ensure adequate reserves exist to meet ongoing requirements.
2. The analysis needs to consider future capital improvements and related financing.
3. The analysis needs to consider user fees and charges for the PUC's municipal water services.
4. The planning period shall be 2025-2035.
5. The PUC will serve the following role for the Project:
 - a. Compile requested background data in PUC records requested by NSI including obtaining data from the PUC's utility billing system.
 - b. Identify PUC staff to comprise the Project Management Team (the "PMT").
 - c. Provide periodic guidance to NSI during the study process.

The Scope of Work for the Project involves the following tasks to be completed by NSI:

1. Project Management Team (PMT) Kick-Off Meeting.
 - a. This meeting will lay the foundation for the rest of the process. NSI will use this meeting to:
 - i. Review and modify (if necessary) the proposed Scope of Work to meet the PUC's needs.
 - ii. Discuss data needed to undertake the analysis and responsibilities for collecting this data.
 - iii. Review desired contents of study report, the Financial Management Plan. This step helps to ensure that NSI's work provides the information desired by the PUC.
 - iv. Confirm expectations for involvement of PUC staff.
 - v. Establish framework for project communications.
 - vi. Set calendar for PMT meetings and presentations.
2. Data Collection.
 - a. NSI will work with PUC staff to assemble the data needed to complete the study.
 - b. The following documents shall be requested of the PUC for the Water Fund, but the request for documents and information to be provided by the PUC is not limited to these items:
 - i. Annual financial statements for years 2022, 2023 and 2024 (un-audited).
 - ii. Plans for capital improvements in years 2025 through 2035 including type of improvement, estimated cost and timing, planned source of funds to pay for the improvements.
 - iii. 2025 budget documents with planned source and use of funds.
 - iv. Projected future changes to the budget for new positions and other significant operational changes.
 - v. Customer data, including number of customers billed per billing period by customer classification and annual volume billed by customer classification, and by billing tier if applicable, for 2022, 2023 and 2024.
 - vi. PUC financial management policies.
 - vii. PUC fee schedules for years 2023, 2024 and 2025 for the Water Fund.
3. Model Preparation.
 - a. NSI will include three years of "base" data from PUC financial records as the foundation for projections. The base data will be for fiscal years 2023, 2024 and 2025.
 - b. NSI will include the following in the model:
 - i. Future growth assumptions created in Task 2.
 - ii. Detailed residential, commercial, and other types of customer data.

- iii. Changes in operations and services (i.e., additional staff and other costs) identified by the PUC.
 - iv. Charges for services for the Water Fund.
 - v. Planned capital improvements and planned sources of revenue.
 - vi. Structure of any planned new debt for capital improvements.
 - vii. Pro forma for the Water Fund. The pro forma will include information on revenue and expenditures, and assets and liabilities.
 - viii. Projected Water Fund utility rates, fees, and charges including Water Access Charges (WAC), Trunk Fees, and the utility billing service fee charged to the City of Princeton, as well as any other utility volume/activity/REU amounts, as may be applicable.
4. Data Input and Assumption Development.
- a. This task will include the analysis and input of historical data and assumption development (input of assumption factors) for projecting future revenue and expenses, and assets and liabilities.
 - b. NSI will prepare the initial assumptions for later presentation to PUC staff for review and modification as needed.
5. Test Assumptions and Finalize Model.
- a. This task will focus on the testing of the model and the results within as to reasonableness and accuracy to achieve the PUC's objectives for fund balance within the governmental funds and unrestricted net asset position (reserves) within the proprietary funds.
 - b. The evaluation shall consider not only the effect of assumptions on fund balance and net position, but also cash balance and on the cost to taxpayers and customers of the water utility.
6. PMT Check-in Meeting to Discuss Assumptions.
- a. NSI will meet with the PMT to review work to date with a focus on revenue sufficiency and rate calculations.
 - b. NSI will use guidance from the PMT to shape revised analysis and assumptions in the model and for the report development.
7. Draft Report / PowerPoint Summary Development.
- a. NSI will prepare a written report for the PUC to summarize the results of the study.
 - b. PUC agrees that the written report for the PUC that is subject of this Agreement will be included as part of a larger report NSI will prepare for the City of Princeton, Minnesota, for its financial planning purposes.
8. Meet with PMT to Review Draft Report and Presentation.
- a. NSI will meet with the PMT to review the draft report and the Presentation.

- b. Based on feedback from PMT, NSI will update and finalize the draft report and presentation.
- 9. Finalize Draft Report and Presentation and Submit to PMT.
 - a. NSI will finalize the draft report and Presentation and submit to the PMT for final review and comment.
 - b. NSI will incorporate any additional comments/ feedback from the PMT into the model and the draft report.
- 10. Deliverables to PMT.
 - a. NSI will deliver to the PUC an electronic copy of a final report. Pursuant to terms in this Agreement the final report will be included as part of a larger report NSI will prepare for the City of Princeton, Minnesota, for its financial planning purposes.

COMPENSATION

The compensation based on estimated services hours to be performed by NSI shall not exceed \$5,000.00.

ASSIGNED NORTHLAND EMPLOYEE

The NSI employee responsible for providing services pursuant to this agreement and for the services performed is Tammy Omdal, Managing Director.

SUCCESSORS OR ASSIGNS

The terms and provisions of this Agreement are binding upon and inure to the benefit of the PUC and NSI and their successors or assigns.

DISCLAIMER

In performing service under this agreement, NSI is relying on the accuracy of information provided by the PUC and the services provided by NSI are based on current State of Minnesota law. The parties agree that the Minnesota property tax system and other laws may change and may affect the accuracy and validity of services provided by NSI. NSI will perform its work using the best available information.

TERM OF THIS AGREEMENT

This Agreement may be terminated by thirty (30) days written notice by either the PUC or NSI. Absent a separate written agreement to the contrary, termination of this Agreement without providing at least thirty (30) days written notice shall result in "early termination." In the event of "early termination" by the Client, NSI shall provide the Client with an itemized hourly statement of services already provided. All billable hours by NSI shall be billed at the stated hourly rates should "early termination" occur.

Dated this __ day of _____, 2025.

Northland Securities, Inc.

By: Tammy Omdal

Tammy Omdal

Managing Director, Public Finance

**Public Utilities Commission of the City of
Princeton, Minnesota**

By: _____

Name _____

Title _____

MEMORANDUM 25-14



TO: Princeton Public Utilities Commission
FROM: Keith Butcher, General Manager
SUBJECT: Service Rules Revisions
DATE: March 26, 2025

ITEM SUMMARY

For approval are revisions to the Service Rules.

BACKGROUND

Staff have updated and revised various sections of PPU's Service Rules. Many of the changes are minor updates including:

- Adding reference to resources available on our website
- Clarification that deposit waivers are for residential customers
- Streamlined the final bill process
- Reorganized Deposit section to eliminate duplicative language
- Added in a section on Bankruptcies
- Eliminating door hangers (effective July 1, 2025)
- Explicitly state that PPU cannot disconnect an account that attempts to forcibly evict a tenant for any reason
- Changing minor language to be more representative of the actual process such as referring to due dates instead of a specific day of the month
- Clarify activities that must be conducted during normal field staff hours

PROPOSAL

The revised Service Rules are attached.

RECOMMENDATION

Staff recommends approval.

SUGGESTED MOTION

"Approve the revised Service Rules."



Customer Service Policy

Revised March 2025

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INTRODUCTION

These Service Rules are provided as information to the public and the Princeton Public Utilities Commission does not intend to create a contract by publishing these Service Rules. Princeton Public Utilities Commission may modify these service rules at any time with or without notice. While every effort has been made to ensure that these Service Rules are accurate and complete, a full discussion about your utility needs and usages should be made to ensure your complete satisfaction.

SECTION 100: ELECTRIC AND WATER SERVICE APPLICATION, DEPOSITS, AND BILLING POLICIES

101 APPLICATION - NEW CONSTRUCTION ELECTRIC SERVICE

To apply to Princeton Public Utilities Commission (PPU) for new electric construction, please stop in our office or visit our website at www.PrincetonUtilities.com to complete an Application for New Electric Service as well as an Application for Utility Service.

102 APPLICATION - NEW CONSTRUCTION WATER SERVICE

For new water construction installation, an application must first be completed and submitted at City Hall. Please stop in our office or visit our website at www.PrincetonUtilities.com to complete an Application for Utility Service. See *Water Service Rules* for more details.

103 APPLICATION - EXISTING SERVICES

To apply to Princeton Public Utilities for service(s) at an existing location each customer must complete an Application for Utility Service and pay any and all application processing fees (refer to the current Fee Schedule). All applicants must provide a Social Security Number to verify identification. ID verification will be conducted as part of compliance with the Red Flag Rules required by the Federal Trade Commission. This form, which must be signed by the customer, becomes a permanent part of the customer's record on file with PPU. Service will not be transferred until an application is completed and the service deposit (see Service Deposit) requirements met. Within five (5) days of notification from landlord of new renter, and service has not been applied for, the utilities become subject to disconnection. No utility account will be established for any individual or business for which there exists a prior unpaid account balance with PPU for prior utility service, until such time as that unpaid account is satisfactorily resolved.

104 SERVICE DEPOSIT

Service Deposit

At the time of application, a deposit may be required for service. Refusal or failure by a customer to satisfy the deposit requirements may result in the delay of service until such times as the deposit has been made. Deposits vary depending upon the property. Please refer to the Fee Schedule for current amounts.

Residential Deposit Wavier / Return of Deposit

The residential deposit may be waived if all applicants on the account consent to a credit check. If the credit check determines that all applicants have good credit, the deposit will be waived. If any applicant does not consent to a credit check or if the credit check returns a negative result, a deposit will be required.

Any existing customer that has a deposit with PPU and would like to have their deposit returned would

need to:

- All individuals on the account must complete a new application consenting to a credit check.
- Pay any and all processing fees

If all account holders pass the credit check and the account has not been either disconnected or had any late payments within the last two years, the deposit will be returned as a credit on their account. If any applicant has a negative return, the deposit will remain in the possession of PPU. The customer is not eligible for a refund of any processing fees should the customer not qualify for a deposit return.

Interest on Deposits

Interest shall be paid on all deposits at the rate set by the Minnesota Department of Commerce each year. PPU will pay the interest annually as a credit on the customer's account.

New or Additional Deposit

A new or additional deposit may be required in cases where the deposit has been refunded, excused, inadequate, or the customer's payment is received after the due date two (2) or more times per calendar year or when the service has been disconnected.

Bankruptcy

A new or additional deposit may be required if a bankruptcy has been filed. The deposit will be the sum of the two (2) highest bills within the past twelve (12) months. If a deposit is on the account already the balance/difference will be communicated to the account holder. If the account holder fails to pay the balance/difference or obtain payment terms, the balance will be added to the account balance.

105 SERVICE CONNECTIONS

Service disconnections and reconnections must occur during normal field staff hours.

106 ELECTRIC RATE - SCHEDULE CLASSIFICATION

Electric service is supplied to customers under various rate schedule classifications as determined by the type of service, the amount of electric power supplied, and the purpose for which the electric service is to be used. Copies of the Princeton Public Utilities Commission's rate schedules are available at the business office and on our website at www.PrincetonUtilities.com.

107 WATER RATE – SCHEDULE CLASSIFICATION

Water service is supplied to customers under various rate schedule classifications as determined by the type of service, the amount of water supplied, and the purpose for which the water service is to be used.

Copies of the Princeton Public Utilities Commission's rate schedules are available at the business office and on our website at www.PrincetonUtilities.com.

108 BILLING POLICY

PPU will read each utility meter on or near the same day every month and bill the customer for the service used during the period. If, for some reason, the meter cannot be read during a billing period, an estimate will be made for that billing period. Any adjustments to the estimate may be made during the following billing period. Bills are prepared by the billing department of PPU and mailed to the customer near the end of the month. PPU bills the Municipal Sewer Utility for the City of Princeton if applicable. Please contact Princeton City Hall for any questions relating to Municipal Sewer.

Minimum Electric Customer Charge: There is a minimum monthly charge billed to customers receiving electric service. The amount of this minimum monthly charge varies based on the type of service which the customer receives. The minimum monthly charge for each type of service is listed in the appropriate rate schedule.

Minimum Water Customer Charge: There is a minimum monthly charge billed to customers receiving water service. The amount of this minimum monthly charge varies as to the size of the water meter at the service location. The minimum monthly charge for each meter size is listed in the appropriate rate schedule.

In the event service has been disconnected for any reason PPU will continue to bill a minimum monthly Customer Charge for the Electric and Water Service.

Customer Requested Service Termination: It is the customer's responsibility to notify PPU of the date of final service. A forwarding address must be provided. On the date specified by the customer, a reading will be taken and a final bill will be calculated. If PPU is holding a service deposit, the deposit, plus interest, will be applied to the account. If the deposit exceeds the amount due, the balance will be returned to the customer. If the deposit is not sufficient to cover the amount due, the customer shall remain liable to PPU for the balance. PPU reserves the right to use reasonable legal means to collect amounts due.

109 PAYMENT POLICY AND OPTIONS

Payment is due on the date as noted on the bill. Payments may be mailed, hand delivered to our office or paid online on our website. There is a payment slot in the west office door for after hours. PPU accepts cash, checks, cashier's check, money orders, or credit and debit cards (additional fees may apply). Automatic Withdrawal (ACH) is also available.

Automatic Withdrawal (ACH): PPU offers all customers the option of having their account balance automatically withdrawn from their checking or savings account. Customers choosing this option must complete an Automatic Payment Form indicating which account they wish to have funds withdrawn from. They must also complete this application if they wish to change accounts. Funds will be withdrawn from their account on the due date. The customer will be mailed a monthly statement indicating the account balance that will be withdrawn. Automatic payment may be discontinued by notifying PPU in writing. Payments returned for non-sufficient funds will be subject to a service charge (see the current Fee Schedule). All conditions in the Returned Payments section will apply.

Budget Billing: PPU's budget billing allows a customer to pay a set amount each month based on their previous year's utility usage. A customer may request to be on budget billing after they have established a 12 month history with PPU. PPU will evaluate the customer's budget billing during the year and may adjust the customer's payment up or down based on the actual usage and seasonal variations that may affect the customer's bill. Accounts will be removed from the budget billing program if there are two (2) unpaid budget amounts within the budget year.

Over-Payment & Under-Payment: In the event a customer overpays their utility bill, the overpaid amount will be applied as a credit to the customer's account. If the credit will not be absorbed within two (2) months the customer may request that a refund check be issued. Partial payments, although accepted, will not prevent disconnection of utility service unless other payment arrangements are made with PPU.

Returned Payments: If a customer makes payment by a check or ACH which is subsequently returned (ex. non-sufficient funds (NSF) or account closed) that customer's account will be considered delinquent. The account will be assessed a service fee (see the current Fee Schedule). If PPU receives more than two (2) returned checks from a customer within a 12 month period, that customer may be required to make future payments in the form of cash, money order, certified check, or debit or credit card. If the NSF payment was received in the face of imminent disconnection, such disconnection may occur the following business day without additional notice.

110 NON PAYMENT & LATE PAYMENT PENALTY

DISCONNECTION & RECONNECTION FEES

Unpaid accounts shall be delinquent if not paid by the due date specified on the bill and shall be assessed a penalty in the amount of ten percent (10%) of the current outstanding balance.

When an account becomes past due, PPU will send either a reminder notice to the billing address or to the email address on file, as recorded in PPU's billing records. If the account remains unpaid, PPU will then send a Disconnect Notice 30 days prior to a disconnection due to non-payment. This notice will state that the bill is past due and services may be disconnected.

Princeton Public Utilities may issue door hangers at other times as a reminder to anyone who has a delinquent account. A charge will be billed to a customer's account each time a door hanger is issued. Effective July 1, 2025, PPU will no longer issue door hangers prior to disconnection.

PPU only reconnects services during Monday through Friday 7:30 a.m. to 3:30 p.m. No reconnection of service will take place after business hours, no reconnections will take place on weekends, or holidays. If disconnection/reconnection has to be made with a bucket truck at the transformer an additional fee of will be added. When service has been disconnected for non-payment, the account must also be brought current before reconnection will occur. Personal checks will not be accepted as a form of payment once disconnection of services has been made. Service limiters may be used when deemed necessary.

Only utility personnel are permitted to connect or disconnect Utility Services. In the case of scheduled service disconnects for any reason, PPU will make a reasonable attempt to notify the customer of the reason, time, and duration of the outage.

REQUEST TO TRANSFER SERVICE

A customer may request a transfer to a new service address within PPU's service territory. A new Application for Utility Service must be completed. The utility service deposit will be transferred once the remaining balance from the prior service address has been paid in full.

RULES REGARDING LANDLORD AND TENANT

PPU considers its customer to be both the landlord and the person(s) who successfully completes the Application for Utility Service. Services will normally continue until the customer requests that it be discontinued or until such time the customer does not adhere to the PPU Customer Service Policy. Upon request or discontinuance of services, the meter reading is recorded and if no arrangements have been made the service becomes subject to disconnection.

In cases when a landlord desires PPU service to be continued to the property after their tenant moves out, it is the landlord's responsibility to make arrangements for such continuance of service while the property is not occupied. It is not the responsibility of PPU to assure the final read or move out date given by the tenant customer coincides with the date determined by the landlord.

PPU cannot disconnect an account that attempts to forcibly evict a tenant for any reason.

COLLECTION OF DELINQUENT ACCOUNTS

All charges for Utility Services are due on the due date. PPU shall endeavor to collect delinquent accounts promptly. Where satisfactory arrangements for payment have not been made, utility services become subject to disconnection. When all administrative efforts at collecting a delinquent account have been exhausted, alternative collection methods will also be used, including collection agencies, MN Revenue Recapture Program, assessment of property by the City of Princeton, and/or legal action.

Certification for Past Due Accounts: The City has adopted ordinance #640 by which the City, in cooperation with the Princeton Public Utility Commission, may certify past due electric, water and sewer bills to the appropriate County Auditor for collection with the subsequent year's taxes due against the parcel for which said past due billing is owed. A copy of Ordinance #640 may be obtained from City of Princeton or PPU.

FORECLOSURE POLICY

The providing of utilities to properties during mortgage or lien foreclosure is one of several difficulties local governments are having as a result of the increase in foreclosures. PPU addressed this issue with City Attorney and set the following procedure. Foreclosure typically takes 8-9 months.

During the first three months or until Sheriffs sale, the owner (PPU's customer) is in title and possession and is responsible for the utility bills. During the redemption period, the owner (PPU's customer) is in possession with right to take title back from the lender or lien holder, and is responsible for the utility bills.

Princeton Public Utilities foreclosure procedure:

1--If our customer notifies us they are vacating the property during any time described above, we may shut off service, weather permitting, or in the case of cold weather if the property has been winterized. The electric and water service remains connected to property. We will continue to bill our minimum monthly Customer Charges to them, holding their deposit, until the end of the redemption period or until we are notified by a party or agent thereof in control of the property to transfer utilities to them.

2--If our customer requests that we transfer to the Lender anytime during this period, we must have application and deposit, if applicable, from the party or agent thereof in control of the property-

DATA PRIVACY

PPU follows Minnesota Data Privacy Laws and cannot share individual customer data without a Third Party Notice on file.

SECTION 200: ELECTRIC METERS AND OTHER EQUIPMENT

201 METERS

The customer must make the meters accessible to PPU in order to maintain meters and obtain meter readings, and must grant the PPU the right and easement to construct and maintain the necessary service lines to the customer's facility. Failure to provide access to the meter or service line may result in disconnection of service. Tampering with a meter is in violation of the law and is hazardous due to possible fire or electrocution.

202 METER TESTING

A customer may, upon written request and payment of the meter testing fee, have their meter tested by PPU's contractor. If the test shows an error in PPU's favor exceeding five (5) percent of the consumption, the meter shall be deemed inaccurate. The meter testing fee shall be refunded and a new meter shall be installed and the bill adjusted accordingly. The adjustment shall not extend back more than one service period from the date of the written request. If the meter is found to be accurate, the deposit of the customer shall be forfeited.

203 SECURITY LIGHTING

PPU offers security lights on existing poles. In the event a request is made for an area not having a pole, the expense of the pole, labor, and wire would be paid by the requesting party.

204 RIGHT OF ACCESS

Free and clear access to PPU equipment shall be maintained at all times for emergency and normal maintenance service and meter reading. The access area shall be kept safe and free from any and all hazards, including pets/animals. Free and clear access must also be provided for underground electric service and feeder cables. All reasonable efforts will be made by PPU to minimize the impact on the customer's property resulting from digging and backfilling of cable trenches.

205 LINE MAINTENANCE (TREE TRIMMING)

PPU removes trees and limbs that endanger the distribution and transmission power lines in its service area. The overhead service line (service drop) that runs from the pole across the owner's property is owned by the property owner. The property owner is responsible for keeping tree limbs away from the service line. Property owners should call a qualified tree trimmer to prune and remove the tree limbs from this service line.

For safety reasons, especially if the owner will be doing the trimming themselves, call PPU to arrange to have the service line disconnected during normal field staff hours while the trimming is done. This allows PPU to temporarily lower the service line to your house to safely trim the trees. PPU will reinstall the line and reconnect the electricity. It is best to call 3-4 days prior to conducting the work. If PPU is called for repairs or after hour's restoration, time and material will be charged with a minimum fee (see Fee

Schedule).

PPU does not remove stumps.

206 PROTECTION OF EQUIPMENT

The customer shall protect the equipment of PPU on his or her premises and shall not interfere with or alter, nor permit interference or alteration of PPU's material or other property except by authorized representative of PPU.

207 CHANGE IN LOAD

All line equipment supplied and installed by PPU for the use of its customers, has a definite limit to its capacity. Therefore, it is the responsibility of the customer to notify PPU before any major change is made in connected load, either in location or purpose, or addition of such equipment. This applies to installation of large motors, welders, electric heating, air conditioning, and other items requiring heavy power use. Failure to give notice of such changes or additions shall render the customer liable for damage to meters, transformers, wires, or other apparatus of PPU caused by the additional installation.

SECTION 300: NEW ELECTRIC SERVICE

An Application for New Electric Service should be made prior to start of construction. There will be an Electric New Service Connection Fee to customers for new services and upgrades to permanent services within the PPU's service area (see current Fee Schedule).

301 ELECTRIC CONSTRUCTION RATES AND CHARGES

In the interest of establishing uniform construction rates and charges, the following schedule shall be in effect. Any future changes necessary will be in effect once ratified by the Princeton Public Utilities Commission.

302 PROPERTY DEVELOPMENT LOT FEE

A lot fee will be assessed for all newly developed property.

303 SERVICE CONSTRUCTION CHARGES:

Installation

The customer is responsible for installation of the overhead or underground service line from the utility pole or transformer into the premise. This electric line, referred to service line or service drop, is owned by the property owner and it is the responsibility of the property owner to maintain. This includes the overhead lines or underground cable, weatherhead and insulators, service entrance cables, meter box (socket), and main service panel in the premise. PPU owns the electric meter. Charges are listed in the current Fee Schedule. Costs are subject to change without notice. A surcharge may also be applied to reflect the fluctuations in material costs.

Extraordinary Service

Requests for service such as service entrance relocation or temporary disconnects to facilitate repair type work (siding/residing, painting, remodeling, etc.) shall be charged at time and material with a minimum fee (see Fee Schedule).

Additional fees may be charged for non-recoverable costs from transformer installation and line extension. (Installation of Transformer Ground Sleeves)

Buried Service

Requests for buried secondary service will be honored when possible. If the route is inaccessible to utility equipment, the customer must provide a trench 36" deep for burial of the line and conduit. If the customer chooses to have the line and conduit "knifed" or "pushed," it will be at their expense.

Service Line Repair

The property owner owns the electric service line from the utility pole or transformer into the premise.

This electric line, referred to service line or service drop is owned by the property owner and it is the responsibility of the property owner to maintain. PPU has a Service Line Protection policy in force and will begin charging a monthly fee for the protection (see Appendix A).

Winter Construction Charges

Winter construction charge policy is effective from November 1 to April 1.

Should the utility customer choose to hire trenching or digging from an outside vendor, utility personnel will be available to provide assistance if required. If an outside vendor is hired by PPU additional frost charges will be applied to the Secondary Construction Charges.

A fee may be charged if PPU has to set ground thawing equipment to allow in-ground work.

Residential Electric Meter Socket Requirement

Meter sockets are not provided by PPU. Meter sockets with a lever operated bypass are required for all residential and commercial customers, both single unit and multi-unit.

In our customer-owners best interest, the bypass meter socket will reduce the possibility of interruption to the electric service when doing routine maintenance on residential electric meters. The bypass meter socket will reduce power interruptions to the customer-owners personal computers, security systems, and other electronic equipment.

SPECIFICATIONS:

Meter socket must be equipped with fully rated 200 amp lever bypass which will also provide clamping pressure on meter blades.

Meter socket must be equipped with a track resistant poly-carbonated insulating safety shield.

Meter socket terminals must be rated for conductors from #6 to 350MCM CU/AL.

Meter socket must be UL approved.

Meter socket must be ringless in style.

Currently the 200 amp four and five terminal Landis & Gyr (HQ) and Milbank (Heavy Duty) bypasses are approved.

If a meter socket is found to be in an unsafe condition PPU will notify the customer and may disconnect the electric service until the socket is replaced.

SECTION 400: POWER INTERRUPTION

PPU is committed to doing everything possible to assure an adequate supply of electrical power for its customers now and in the future, but because of many factors, including equipment failure, accidents,

storm damage, and temporary shortages of power supply for other sources, it cannot guarantee continuous, uninterrupted service to any customer. Therefore, the customer is responsible to provide protection for their own equipment if damage to such equipment can result from an inadvertent loss of supply of power from PPU. Because of these factors, PPU disclaims all liability for all damages, consequential or otherwise, for any failure to deliver electrical power hereunder except for its own voluntary act or neglect to exercise reasonable care and diligence in performance of its duties.

APPENDIX A: SERVICE LINE PROTECTION

Service Line Protection

Water Service and Electric Service Repair

Coverages, Terms and Conditions

Princeton Public Utilities Commission (PPU) will provide service line protection for water service and electric service repair coverage to the customer (you) under the following terms

AVAILABILITY

WATER: Coverage is available to PPU residential water customers living in single family homes, duplexes, four-plexes and townhouses where each has its own water service line.

ELECTRIC: Coverage is available to PPU residential electric customers living in single family homes, duplexes, four-plexes and townhouses where each has its own electric service.

[Excludes, mobile home parks, apartments, and condominiums. Coverage may not be applicable to all single-family homes and single-owner duplexes. In rare instances of atypical service configurations, coverage is not available. Pre-existing conditions (e.g. leaks, improper installation, etc.) render you ineligible for coverage. You may repair the condition, at your cost, and then become eligible.

COVERAGE

WATER: PPU will call a contractor/plumber if needed. PPU will make all repairs or replacements from the corporation stop to the house. PPU will cover plumbing costs from the house to the meter up to a maximum amount (see Fee Schedule). The work will be done in a timely matter based on the contractor's schedule. Gopher State One Call will be called for locating utilities and a 48 hours allowance is the law. A temporary water service line may be necessary. (See Customer Responsibilities) PPU will perform landscaping restoration work up to your property line (this includes the street, public sidewalk, curb, boulevard, and the driveway approach). You are responsible for all restoration work including landscaping from your property line to your home. PPU's restoration work on your property is limited to backfilling the trench. Driveways and private sidewalks are not covered. PPU is not responsible for incidental or consequential damage resulting from a service line break. Check with your homeowner's insurance for this type of coverage. The service line protection does not cover thawing frozen water lines.

ELECTRIC: PPU will call a contractor if needed. PPU will make all repairs or replacements between the transformer or secondary pedestal to the electric meter socket as identified. The work will be done in a timely matter based on the contractor's schedule. PPU will cover electrician costs from the attachment point on the house up to and including the meter socket up to a maximum amount (see Fee Schedule). Gopher State One Call will be called for locating utilities and a 48 hours allowance is the law. During the cold weather period a temporary electric line may be placed on the ground to serve your residence until weather conditions allow for digging. In all events, the customer retains responsibility for failures of the conductors between the meter socket and the main panel inside the home (problems associated with the meter socket are not covered). PPU will perform landscaping restoration work up to your property line (this includes the street, public sidewalk, curb, boulevard, and the driveway approach). You are responsible for all restoration work including landscaping from your property line to your home. PPU's restoration work on your property is

limited to backfilling the trench. Driveways and private sidewalks are not covered. PPU is not responsible for incidental or consequential damage resulting from a service line break. Check with your homeowner's insurance for this type of coverage. It does not cover the cost to go from overhead to underground electric or upgrading service size.

MONTHLY FEE

A monthly fee is included on your bill and will be collected with your other utility charges, due and payable upon presentation.

TERMS

This service is effective January 1, 2018 and covers all repair costs of service line failures. It does not cover thawing frozen water lines. It does not cover homeowner, landlord, or renter negligence or malicious intent to damage the service.

PPU'S RIGHT OF INSPECTION

PPU reserves the right to inspect your service line should you inform PPU that a problem or damage has occurred.

CUSTOMER RESPONSIBILITIES

YOU MUST CALL PPU FOR ANY CLAIMS OF REPAIRS or REPLACEMENTS. PPU WILL CALL A CONTRACTOR, IF NEEDED.

You shall cooperate with PPU and provide all information requested. If a claim is submitted and your account is past due, your balance must be paid in full before the claim can be processed.

If a temporary water connection is made for you from your neighbor during winter months it is important to keep the water in your home running at a continuous pencil size stream of cold water to prevent freeze up. You will be responsible for any repair due to freeze up to your service and your neighbor's service.

DISCLAIMERS

This program does NOT cover service replacements within the street right-of-way done in conjunction with street repair or replacement projects. PPU reserves the right to make changes to this coverage at any time.

