

9	13	12	9	14	11	9	13	10	15	12	10
JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC
23	27	26	23	28	25	23	27	24	29	26	XX

UTILITIES BOARD AGENDA

Tuesday, November 12, 2024 @ 12:00 Noon

	P	A	1	2	3	4	5	6	7	8
Brooke	---	---	---	---	---	---	---	---	---	---
Thrall	---	---	---	---	---	---	---	---	---	---
Leonard	---	---	---	---	---	---	---	---	---	---
Bellomy	---	---	---	---	---	---	---	---	---	---
Grett	---	---	---	---	---	---	---	---	---	---
Crespin	---	---	---	---	---	---	---	---	---	---
Williams	---	---	---	---	---	---	---	---	---	---
Clark	---	---	---	---	---	---	---	---	---	---
Hourieh	---	---	---	---	---	---	---	---	---	---
Denman	---	---	---	---	---	---	---	---	---	---
Owen	---	---	---	---	---	---	---	---	---	---

1. . Reorganization of Board: (a) Elect Chairman, (b) Elect Vice-Chairman, (c) Appoint Superintendent, (d) Appoint Attorney (e) Authorize Check Signing

2. Minutes from October 29, 2024 Meeting

3. Approval of Purchase Orders 630384 thru 630418

4. Payment of Bills

5. Consider Approval of Bid #2055 – Street Lights, Photocells, and Mounting Arms

6. Consider Approval of Resolution 24-11-02 – Interest Rate on Customer Deposits

7. System Operating Report

8. Adjournment

Agenda Item No. 1

Board Meeting Date: November 12, 2024

**LAMAR UTILITIES BOARD
AGENDA ITEM INFORMATION**

ITEM TITLE: Reorganization of Board: (a) Elect Chairman, (b) Elect Vice-Chairman, (c) Appoint Superintendent, (d) Appoint Attorney, (e) Authorize Check Signing

INFORMATION:

**LAMAR UTILITIES BOARD
MINUTES OF THE UTILITIES BOARD MEETING
October 29, 2024**

The Lamar Utilities Board met in regular session at 12:00 p.m. with Chairman Thrall presiding.

Present: Jay Brooke, Doug Thrall, Patrick Leonard, Jill Bellomy, Elmer Grett, Houssin Hourieh, Lisa Denman, Leala Owen, Linda Williams

Absent: Kirk Crespin, Lance Clark

Swearing in of New Board Member – Elmer Grett

Judge Porter administered oath of office to Elmer Grett.

Minutes of Previous Meeting – October 15, 2024

Boardmember Leonard moved and Boardmember Bellomy seconded to approve meeting minutes of October 15, 2024.

Voting Yes: Thrall, Brooke, Leonard, Bellomy, Grett

Voting No: None

Purchase Orders #630360 thru 630382

Boardmember Brooke moved and Boardmember Leonard seconded to approve purchase orders #630360 thru 630382 in the amount of \$19,434.94.

Voting Yes: Thrall, Brooke, Leonard, Bellomy, Grett

Voting No: None

Payment of Bills

Boardmember Brooke moved and Boardmember Bellomy seconded to approve payment of bills: Vouchers #55000 through #55034 for a total of \$952,697.14.

Voting Yes: Thrall, Brooke, Leonard, Bellomy, Grett

Voting No: None

Consider Approval of Bid #2053 – Line Materials and Crossarms

Boardmember Brooke moved and Boardmember Leonard seconded to approve and award Bid #2053 – Line Materials and Crossarms to Stuart Irby in the amount of \$57,113.47.

Voting Yes: Thrall, Brooke, Leonard, Bellomy, Grett

Voting No: None

September 2024 Financial Report

Superintendent Hourieh reviewed the September 2024 financials which included the following:

Balance Sheet – Cash is up \$265,533.00 from August 2024 and accounts receivable has increased by \$24,375.00.

Income Statement – Total operating revenue is \$1,651,200.00 with total operating costs being \$1,087,077.00 for a gross operating income of \$564,123.00. Adding in non-operating revenues and expenses brings the net income to \$513,908.00.

YTD Income Statement – YTD operating revenue is \$12,039,491.00 and total operating costs are \$10,459,326.00 resulting in gross operating income of \$1,580,165.00. Adding in non-operating revenues and expenses, there is a net income of \$155,501.00.

YTD Comparison to 2023 – Retail sales are up \$932,183.00 or 8%. However, operating expenses are up approximately \$869,623.00 or 9% resulting in a net income of \$155,501.00 for the year.

System Operating Report

Superintendent Hourieh reported that through the end of September, LUB's two wind turbines have generated 6,344.32 MWH's of electricity. This is about 8.33% higher than the same period in 2023. The turbines have an average capacity factor of 33.56% which is also higher than last year by about 6.7% when compared individually. T-1 ranked first followed by T-3. ARPA's turbine, T-4 generated 2,988.38 MWH's. The Springfield turbine generated 4,017.61 MWH's through the same period with an average capacity factor of 40.77%. He also stated that the wind turbine crew is in the process of conducting the annual maintenance on all 4 turbines.

Superintendent Hourieh reported that Campos EPC's crew have mapped 17 miles of pipeline from unit 6 to the CIG interconnect, installed 4 pressure gauges at unit 6, central plant, and the CIG interconnect. Campos EPC mobilized liquid nitrogen trucks to start the injection process on October 24, 2024. They also installed test ports at central plant and CIG interconnect. They have completed the field abandonment process. By late-November they should have the job book finalized so that LUB can file with the DOT at Colorado PUC and retire the PHMSA number.

Superintendent Hourieh reported that there was an outage on October 25, 2024 about 1:10 p.m. Tri-State 115 kv line tripped off-line due to a phase to ground fault 35 miles east of LaJunta, which caused loss of power to the LAMSO substation south of town that feeds the southern half of the City. Tri-State switched some lines and we got power back in about 20 minutes.

Adjournment

There being no further business to come before the Board, Boardmember Leonard moved and, Boardmember Brooke seconded that the meeting adjourn.

Voting Yes: Thrall, Brooke, Leonard, Bellomy, Grett

Voting No: None

The meeting adjourned at 12:19 p.m.

Linda Williams – City Clerk

Doug Thrall – Chairman

NOVEMBER 12, 2024 PURCHASE ORDERS

FOR BOARD APPROVAL

DATE:	P. O. #	BID #	COMPANY	ITEM	AMOUNT
24-Oct-24	630383		ARPA	TRUCK / LIVE TOOL / HOT STICK TESTING	\$7,005.00
29-Oct-24	630391	2053	Stuart C Irby Corp	LINE HARDWARE	\$57,113.46
1-Nov-24	630393		Terex Utilities Inc	BOOM REPAIR	\$4,816.47
1-Nov-24	630403		Schunk Carbon Technology LLC	WT BRUSHES	\$3,304.00
1-Nov-24	630407		ARPA	OCT 2024 PURCHASE POWER *ESTIMATE	\$817,322.94
BOARD APPROVAL TOTAL:					\$889,561.87

** ESTIMATES: FINAL PURCHASE ORDER BASED ON ACTUAL COST. **

NOVEMBER 12, 2024 PURCHASE ORDERS

DATE:	P. O. #	BID #	COMPANY	ITEM	AMOUNT	APPROVED
24-Oct-24	630384		Secom	INTERNET CHARGES	\$576.40	
25-Oct-24	630385		Deloach's Water Conditioning	ICE MACHINE FILTER	\$84.50	
25-Oct-24	630386		Zoro Tools Inc	EXIT LIGHT BATTERY / MEDS	\$150.67	
25-Oct-24	630387		Brady Worldwide Inc	HAND HELD LABEL PRINTER	\$664.74	
28-Oct-24	630388		SPX Aids to Navigation LLC	FAA LED BEACON LIGHT	\$1,489.27	
29-Oct-24	630389		American Electric Company	WIRE / VENTED BOOTS	\$2,292.35	
29-Oct-24	630390		Stuart C Irby Corp	HOT STICKS	\$881.59	
30-Oct-24	630392		Lamar Auto Parts	OCTOBER PARTS	\$543.05	
4-Nov-24	630394		Terex Utilities Inc	HYDRAULIC HOSE	\$97.54	
30-Oct-24	630395		Centurylink	TELEPHONE	\$1,695.10	
30-Oct-24	630396		City of Lamar-Utilities	UTILITIES	\$1,280.45	
30-Oct-24	630397		Quality Dry Cleaners	LAUNDRY SERVICES	\$94.00	
30-Oct-24	630398		UNCC	RTL TRANSMISSIONS	\$85.14	
31-Oct-24	630399		Verizon Wireless LLC	TELEPHONE	\$356.57	
31-Oct-24	630400		Lamar Auto Parts	TOWELS	\$620.56	
31-Oct-24	630401		Home Store LLC	ENTRY KNOB	\$14.99	
4-Nov-24	630402		Stuart C Irby Corp	BATTERIES	\$762.36	
31-Oct-24	630404		Lampton Welding Supply Inc	CYLINDER RENTAL	\$66.16	
30-Oct-24	630405		Streamline Software Inc	MONTHLY WEB DESIGN	\$800.00	
1-Nov-24	630406		Blazer Electric Supply Co	BLAZER ELECTRIC SUPPLY CO	\$13.46	
31-Oct-24	630408		Wex Bank	FUEL	\$2,444.73	
31-Oct-24	630409		VISA	TRAINING / FUSES / SUPPLIES / ELECTRICITY	\$2,370.99	
31-Oct-24	630410		VISA	EMAIL / CAMERAS / PC'S	\$1,931.43	
4-Nov-24	630411		Tri State Body Shop Inc	WINDSHIELD REPLACED	\$195.39	
4-Nov-24	630412		Lamar Family Chiropractic	DOT PHYSICAL S. GONZALES	\$110.00	
5-Nov-24	630413		Farwest Line Specialities	TOOL BAG	\$251.52	
5-Nov-24	630414		FR Wear	FR PANTS	\$2,197.99	
5-Nov-24	630415		Machine Supply Company	NOVEMBER AUTO PARTS	\$136.96	
31-Oct-24	630416		NRG Systems Inc	TURBINE CONTROL SENSORS	\$1,083.38	
31-Oct-24	630417		Double K Car Wash LLC	CAR WASH	\$56.20	
31-Oct-24	630418		Procom	RANDOM DRUG TESTING	\$128.00	
PURCHASE ORDER TOTALS					\$913,037.36	

**CITY OF LAMAR
LAMAR UTILITIES BOARD
PAYMENT REGISTER**

PAYMENT	HP/VD	VENDOR NAME	ITEMS	NET PAY	PAID DATE	BATCH
55035		351 PERA OF COLORADO	2	24,018.56	10/29/24	125950
55036		442 401K VOLUNTARY INVESTMENT PLAN	2	1,284.94	10/29/24	125950
55037		2055 CITY OF LAMAR	4	18,019.99	10/29/24	125950
55038		2056 CITY OF LAMAR-PAYROLL	1	70.00	10/29/24	125950
55039		1129 CITY OF LAMAR L&P RESERVE	1	30,000.00	10/31/24	126003
55040		2058 CITY OF LAMAR-GENERAL FUND	1	11,875.00	10/31/24	126003
55041		1 MARCEL MAESTAS	1	50.65	10/31/24	126007
55042		1 SUSAN HICKMAN	1	137.49	10/31/24	126007
55043		1 BRENT E SMITH	1	4.38	10/31/24	126007
55044		1 MIYA K LUPASHUNSKI	1	24.09	10/31/24	126007
55045		1 JUAN R GONZALES	1	58.37	10/31/24	126007
55046		2709 COUNTY HEALTH POOL	1	41,443.93	11/01/24	126039
55047		3021 LINCOLN NAT'L LIFE INSURANCE	2	447.82	11/01/24	126039
55048		22 CITY OF LAMAR-UTILITIES	5	1,280.45	11/06/24	126120
55049		62 LAMAR AUTO PARTS	2	1,163.61	11/06/24	126120
55050		333 DOUBLE K CAR WASH LLC	1	56.20	11/06/24	126120
55051		414 TRI STATE BODY SHOP INC	1	195.39	11/06/24	126120
55052		436 A R P A	1	7,005.00	11/06/24	126120
55053		491 LAMAR FAMILY CHIROPRACTIC	1	110.00	11/06/24	126120
55054		555 MACHINE SUPPLY COMPANY	1	136.96	11/06/24	126120
55055		765 UNCC	1	85.14	11/06/24	126120
55056		1306 HOME STORE LLC	1	14.99	11/06/24	126120
55057		2297 QUALITY DRY CLEANERS	4	94.00	11/06/24	126120
55058		2450 WEX BANK	1	2,444.73	11/06/24	126120
55059		2571 PROCOM	1	128.00	11/06/24	126120
55060		2639 BLAZER ELECTRIC SUPPLY CO	1	13.47	11/06/24	126120
55061		2828 VERIZON WIRELESS LLC	1	356.57	11/06/24	126120
55062		4228 STUART C IRBY CORP	1	2,238.50	11/06/24	126120
55063		4398 SECOM	1	576.40	11/06/24	126120
55064		6006 BORDER STATES INDUSTRIES INC	1	1,872.80	11/06/24	126120
55065		6060 VISA	2	4,302.42	11/06/24	126120
55066		6061 WESCO DISTRIBUTION INC	1	5,764.95	11/06/24	126120
55067		6063 CENTURYLINK	1	1,695.10	11/06/24	126120
55068		6064 LAMPTON WELDING SUPPLY INC	1	66.16	11/06/24	126120
55069		6088 TEREX UTILITIES INC	1	456.47	11/06/24	126120
55070		6114 DELOACH'S WATER CONDITIONING	1	84.50	11/06/24	126120
55071		6153 SUNBELT SOLOMON SERVICES LLC	4	52,975.00	11/06/24	126120
55072		6183 ZORO TOOLS INC	5	150.67	11/06/24	126120
55073		6272 FR WEAR	1	2,197.99	11/06/24	126120
55074		6279 STREAMLINE SOFTWARE INC	1	800.00	11/06/24	126120
55075		6280 BRADY WORLDWIDE INC	2	664.74	11/06/24	126120
55076		6282 NRG SYSTEMS INC	1	1,083.38	11/06/24	126120
				215,448.81		
BANK TOTA PAYMENT		42 VOIDS:	0			

Board Meeting Date: November 12, 2024

**LAMAR UTILITIES BOARD
AGENDA ITEM INFORMATION**

ITEM TITLE: Consider Approval of Bid #2055 – Street Lights, Photocells, and Mounting Arms

INFORMATION:

These LED street light fixtures, photocells and mounting arms are for our stock inventory, which is used to maintain street lighting. We submitted 8 bids and received back 6 bids. The staff recommendation is to accept the low acceptable bid from Western United for a total amount of \$24,316.05.

TABULATION SHEET FOR BID #2055
STREET LIGHTS, PHOTOCELLS AND MOUNTING ARMS

BID RETURN DATE: NOVEMBER 5, 2024
COMPANY NAMES / BIDS SENT TO:

ITEM QTY	DESCRIPTION	BELL LUMBER & POLE QTY BID	STELLA JONES CORPORATION QTY BID	WESTERN UNITED QTY BID	BORDER STATES QTY BID	WESCO ELECTRIC QTY BID	STUART IRBY QTY BID	AMERICAN ELECTRIC QTY BID	BLAZER QTY BID
1	50 LED LIGHTS	\$ _____ EACH	\$ _____ EACH	\$20,924.00 418.48 EACH	\$21,336.50 424.73 EACH	\$21,389.00 427.78 EACH	\$21,389.00 EACH 427.78	\$21,000.00 EACH 420.00	\$13,272.75 EACH 265.45
2	50 PHOTO CONTROL	\$ _____ EACH	\$ _____ EACH	\$731.00 14.50 EACH	\$745.50 14.91 EACH	\$717.50 15.35 EACH	\$722.50 EACH 14.45	\$702.50 EACH 14.05	\$717.05 EACH 15.34
3	25 2"X 30" STEEL	\$ _____ EACH	\$ _____ EACH	\$2,083.25 83.33 EACH	\$3,843.75 153.75 EACH	\$4,060.25 162.41 EACH	\$2,027.75 EACH 81.11	\$ _____ EACH	\$8,019.83 EACH 320.77
4	5 2"X6" STEEL	\$ _____ EACH	\$ _____ EACH	\$571.80 115.56 EACH	\$1,087.15 217.43 EACH	\$1,147.15 229.43 EACH	\$600.00 EACH 120.00	\$118 _____ EACH	\$1603.87 EACH 320.77
GRAND TOTAL:		\$ _____	\$ _____	\$24,316.05	\$27,012.90	\$27,363.90	\$24,739.25	\$21,702.50	\$23,166.30 Does not meet specs.
DELIVERY DATE:		_____	_____	1-10wks	3-10wks	5tk-10wks	3-9wks	_____	_____

PRESENT FOR BID OPENING:

Don E. Tenman *Paul R. Spivack*

Board Meeting Date: November 12, 2024

**LAMAR UTILITIES BOARD
AGENDA ITEM INFORMATION**

ITEM TITLE: Consider Approval of Resolution #24-11-02 – Interest Rate on Customer Deposits

INFORMATION:

This is an annual housekeeping resolution that establishes the interest rate we pay on utility deposits and is drafted per PUC regulations.

“Pursuant to Public Utilities Commission of the State of Colorado Rule 3403 (n)(II) requires the Commission’s Staff to calculate the customer deposit interest rate pursuant to a 12-month average of rates, quoted in the Federal Reserve Bulletin United States the preceding year. Accordingly, the newly calculated simple interest per annum rate for electric utilities accepted customer deposits in 2025 will be 4.93 percent.”

**This rate was set forth for the calendar year 2025 by the State of Colorado Public Utilities Commission.

**UTILITIES BOARD OF THE CITY OF LAMAR
100 NORTH SECOND STREET
LAMAR, COLORADO 81052**

RESOLUTION NO. 24-11-02

DATE: November 12, 2024

INTEREST RATE ON CUSTOMER DEPOSITS

WHEREAS, the Lamar Utilities Board rules and Regulations for Electric Service, Sheets No. R10, effective January 1, 1994, and R11, effective January 1, 2025, provide for the periodic revision of the rate of interest to be paid on customer deposits, and

WHEREAS, the Lamar Utilities Board has historically paid interest on customer deposits as calculated by the Colorado Public Utilities Commission for jurisdictional utilities, and

WHEREAS, the Colorado Public Utilities Commission has issued a memorandum stating that the interest rate to be paid on customer deposits during the year 2025 shall be 4.93% based on the twelve month average rates for one-year U.S. Treasury securities at constant rates.

NOW THEREFORE BE IT RESOLVED:

1. The Lamar Utilities Board shall apply the interest rate of 4.93% per annum to all customer deposits for the period of January 1, 2025 through December 31, 2025, both inside and outside the municipal boundaries, by adopting and placing into effect on not less than one (1) days' notice, the tariff attached hereto as Appendix A-1.
2. The Lamar Utilities Board will not experience an increased rate of return by virtue of the fact the tariff attached hereto as Appendix A-1 placed into effect.
3. This resolution and the interest rate on customer deposits is enacted in conformance with the provisions of House Bill No. 1283, Fifty-Fourth General Assembly for the State of Colorado. Good cause exists for the interest rate applied to customer deposits to go into effect under the provisions of C.R.S. 1973 40-3.5-104 on less than thirty (30) days' notice and without a public hearing. This resolution shall have the force and effect of an order for the purposes of complying with C.R.S. 1973 40-3.5-104(3).
4. The foregoing recitation of facts has been verified by Houssin Hourieh, Superintendent.
5. The interest rate applied to customer deposits shall be published pursuant to 40-3.5-104(3) by holding the applicable tariff, attached hereto as Appendix A-1, open for public inspection at the offices of the Utilities Board of the City of Lamar, 100 North Second Street, Lamar, Colorado 81052, beginning January 1, 2025.

This Resolution approved and adopted by the Utilities Board of the City of Lamar at their regular meeting on November 12, 2024.

Linda Williams, Secretary

Doug Thrall, Chairman

**CITY OF
LAMAR UTILITES BOARD**

Thirty Fourth Revised Sheet No. R11
Cancels: Thirty Third Revised Sheet No. R11

<u>Effective Time Period</u>	<u>Annual Percentage Rate</u>
January 1, 1997 through December 31, 1997	5.20
January 1, 1998 through December 31, 1998	5.32
January 1, 1999 through December 31, 1999	5.05
January 1, 2000 through December 31, 2000	4.53
January 1, 2001 through December 31, 2001	5.69
January 1, 2002 through January 31, 2003	4.32
February 1, 2003 through December 31, 2003	2.18
January 1, 2004 through December 31, 2004	1.30
January 1, 2005 through December 31, 2005	1.60
January 1, 2006 through December 31, 2006	3.16
January 1, 2007 through December 31, 2008	4.76
January 1, 2009 through December 31, 2009	2.48
January 1, 2010 through December 31, 2010	0.63
January 1, 2011 through December 31, 2017	0.34
January 1, 2018 through December 31, 2018	1.00
January 1, 2019 through December 31, 2019	2.05
January 1, 2020 through December 31, 2020	2.33
January 1, 2021 through December 31, 2021	0.74
January 1, 2022 through December 31, 2022	0.08
January 1, 2023 through December 31, 2023	1.69
January 1, 2024 through December 31, 2024	4.93
January 1, 2025 through December 31, 2025	4.93

Should the customer fail to maintain an adequate payment record pursuant to (3) below, after having received a refund, the Board reserves the right in its sole discretion to judge the customer's credit inadequate and require a deposit.

(3) Applicant's credit record shall be determined as satisfactory as follows: An applicant who previously was a customer of the Board shall be considered as having a satisfactory credit record where: The previous service was provided for a continuous period of at least nine months within the last three years, and no Notices of Discontinuance were mailed to the applicant during the last twelve months of said service.

(4) In lieu of the deposits requires under (2) above, responsibility for payment of service may be placed in the name of an existing customer of the Board who has established a satisfactory credit rating with the Board in accordance with (3) above and who is willing to provide written guarantee of payment of service to be rendered to the applicant. Such guarantee by an existing customer shall make the guarantor's service liable for discontinuance in the event the subject bills are not satisfactorily paid.

Any customer deposit as required hereunder is not to be considered as advance payment or part payment of any bill for service, but is security for service to be applied against unpaid bills only in the event service is discontinued.

Resolution

Number 24-11-02

Issue Date: November 12, 2024

Houssin Hourieh,

Effective Date: January 1, 2025

SUPERINTENDENT, Issuing Officer



COLORADO
 Department of
 Regulatory Agencies
 Public Utilities Commission

Eric Blank, Chairman
 Megan M. Gilman, Commissioner
 Tom Plant, Commissioner
 Rebecca White, Director

Patty Salazar, Executive Director
 Jared S. Polis, Governor

November 1, 2024

TO: All Electric, Gas and Water Public Utilities

RE: Interest Rate to be Paid on Customer Deposits for the Year 2025.

Many public utilities offering energy and water services to residential and commercial customers in the State of Colorado have the provisions in their tariffs that allow the utility to require customers to maintain a deposit with the utility to ensure payment of services. If the utility is regulated by the Commission and requires such deposits, it is required to pay simple interest on those customer deposits as prescribed by Commission rules.

**For calendar year 2024, the rate is 4.93 percent.
 For calendar year 2025, the rate will remain at 4.93 percent.**

(The basis point differential is lower than 25 points)

Jurisdictional utilities are reminded that it might be necessary to file an advice letter and amend its tariffs to reflect the change in the rate of interest to be paid on its customers' deposits. Filings to implement this tariff change are expected to be filed on or before December 27, 2024, with an effective date of January 1, 2025. Filing this compliance letter during the month of November would be greatly appreciated.

A regulated utility's failure to file the required compliance on or before December 27, 2024, will be viewed as an intentional violation of Commission fining Rules 4 Code of Colorado Regulations 723-3-3976, 723-4-4976, or 723-5-5420 and the company could be subject to a fine of up to \$500.00.

For additional information and to facilitate any tariff changes, the Commission entered the corresponding Decisions. Please reference the respective Commission Decision Number if submitting an advice letter. The advice letter filing is a compliance filing.

Please note that this is a NEW Advice Letter filing DO NOT file in the miscellaneous Proceeding number found on the Decision.

Electric Utilities	Decision No. C24-0794
Gas Utilities	Decision No. C24-0794
Water Utilities	Decision No. C24-0795

If you have any questions regarding the applicability of the interest rate on deposits, the manner in which the rate is calculated, or any other issues relating to this letter, please contact Sandi Kahl of Commission Staff at (303) 894-2046 or dipesh.dipu@state.co.us

Sincerely,

Rebecca E. White, Director



Colorado PUC E-Filings System

Board Meeting Date: November 12, 2024

**LAMAR UTILITIES BOARD
AGENDA ITEM INFORMATION**

ITEM TITLE: System Operating Report

INFORMATION:

With CFS inspectors on site, we have completed the annual safety testing and inspection of all bucket and digger trucks per ASTM standards. We have also tested and inspected all high voltage sticks, blankets, gloves, and line hoses. The test report results showed one failure to a line blanket and to a substation high voltage stick.

With CIRSA Risk Control inspector on site we have successfully completed the annual safety records audit.

The line crew replaced a failed power transformer and voltage regulator for the town of Holly. The crew also completed the installation of a 1000 kva, 277/480v new service to MJM feed in Holly. The crews have been performing general line maintenance and tree trimming.

Solar Installation Update:

Site development continues to move forward, including a draft lease agreement with the state. The environmental survey crew will be going to the site over the next week. Sandhills has agreed to have CLP Engineering perform the interconnection and system impact studies on a cost sharing agreement with ARPA. The studies are to insure and identify all the potential impacts the solar farm may present to our distribution system.