



WPUI Board Meeting

January 8th, 2016

Agenda

- 9:00 - 9:30 Update on board membership, nominations and changes to the charter
- 9:30 - 9:45 Budget
- 9:45 - 9:50 Discussion on increase in membership dues
- 9:50 - 10:30 Programs for 2016
- 10:30 - 10:45 Outreach to Legislators
- 10:45 - 11:00 Break
- 11:00 - 11:15 New relationships with NARUC, MEUW, League of Wisconsin Municipalities
- 11:15 - 11:45 Guest Speaker, Dean Amhaus--Mixing Water and Energy

Dean Amhaus is President and Chief Executive Office of The Water Council. The Water Council is a Milwaukee-based trade group that promotes investment, research, and jobs in water technology.

Membership Changes

- Achieve consistency in our Charter between sections 2.1C and 2.2B
- Need to realign some members as their affiliations have changed
- Kevin Vesperman has new job does not fit with us at this point—this at large position can be moved to Kira Loehr
- Still have an open slot for a for DG representative
- Discuss adding a new position to the municipal and cooperative systems
- Discuss nomination for our legislative position
- Need replacement on nominations committee for Terry Nicolai

Make Section 2.1C Consistent with 2.2B—Current Charter contents (note that alpha notations in lists are not consistent):

2.1C Categories	2.2B Membership Structure
a. Private electricity and natural gas providers;	a. Four from electricity and natural gas providers;
c. Municipally-owned and cooperative utilities;	b. One from municipally-owned or cooperative utilities;
d. Government institutions;	d. Two from the Wisconsin State Legislature with representation from two parties;
e. Utility practitioners and other professional organizations such as consultants, law firms, suppliers, and marketers	e. Two from utility practitioners and other professional organizations such as consultants, law firms, suppliers, and marketers;
f. Residential consumer organizations;	f. One from residential consumer organizations;
g. Commercial and industrial consumer organizations;	g. One from commercial and industrial consumer organizations;
h. Environmental or other public interest organizations; or	h. One from environmental or other public interest organizations.
i. Other.	i. One from a regional transmission organization
	j. One entity from the distributed generation side of the utility business.
	k. One from a water utility organization.

Proposed Order—

(Alpha notations fixed. Removed “or” from 2.1Cg. Removed “entity” from 2.1Ci and 2.2Bi.):

2.1C Categories	2.2B Membership Structure
a. Private electricity and natural gas providers;	a. Four from electricity and natural gas providers;
b. Municipally-owned and cooperative utilities;	b. One from municipally-owned or cooperative utilities;
c. Government institutions;	c. Two from the Wisconsin State Legislature with representation from two parties;
d. Utility practitioners and other professional organizations such as consultants, law firms, suppliers, and marketers	d. Two from utility practitioners and other professional organizations such as consultants, law firms, suppliers, and marketers;
e. Residential consumer organizations;	e. One from residential consumer organizations;
f. Commercial and industrial consumer organizations;	f. One from commercial and industrial consumer organizations;
g. Environmental or other public interest organizations;	g. One from environmental or other public interest organizations.
h. One from a Regional Transmission Organization	h. One from a regional transmission organization
i. One from the distributed generation side of the utility business	i. One from the distributed generation side of the utility business.
j. One from an entity representing water systems	j. One from an entity representing water utility organization.
l. At Large	

Nominate:

- Robert Crain, as the Alliant Representative (replacement for Terry Nicolai)
- Ronda Ferguson, as the WPS Representative (replacement for Tim Kallies)
- CUB Replacement or Consumers First replacement for Category g, environmental or public interest group representative

Discuss New Legislative Representative

- Mike Kuglitsch, R-New Berlin, Chair of the Assembly Committee on Energy and Utilities

Change Category

- Kira Loehr from Public to At Large
- Dave Siebert to Category C—government representative

Add a second member to the Municipal/Cooperative model

- Discussion

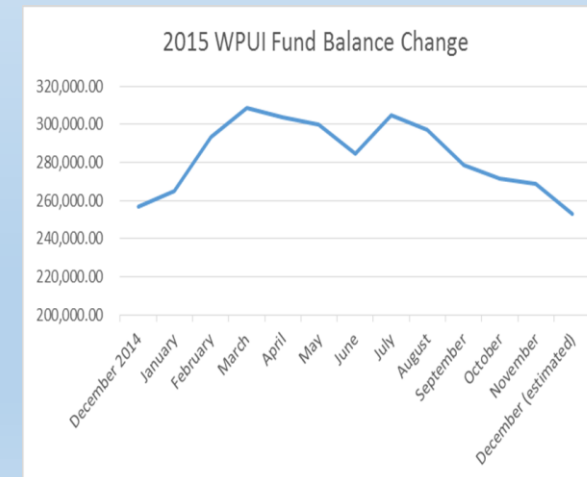
Missing a Representative From DG

- Discussion

Finance

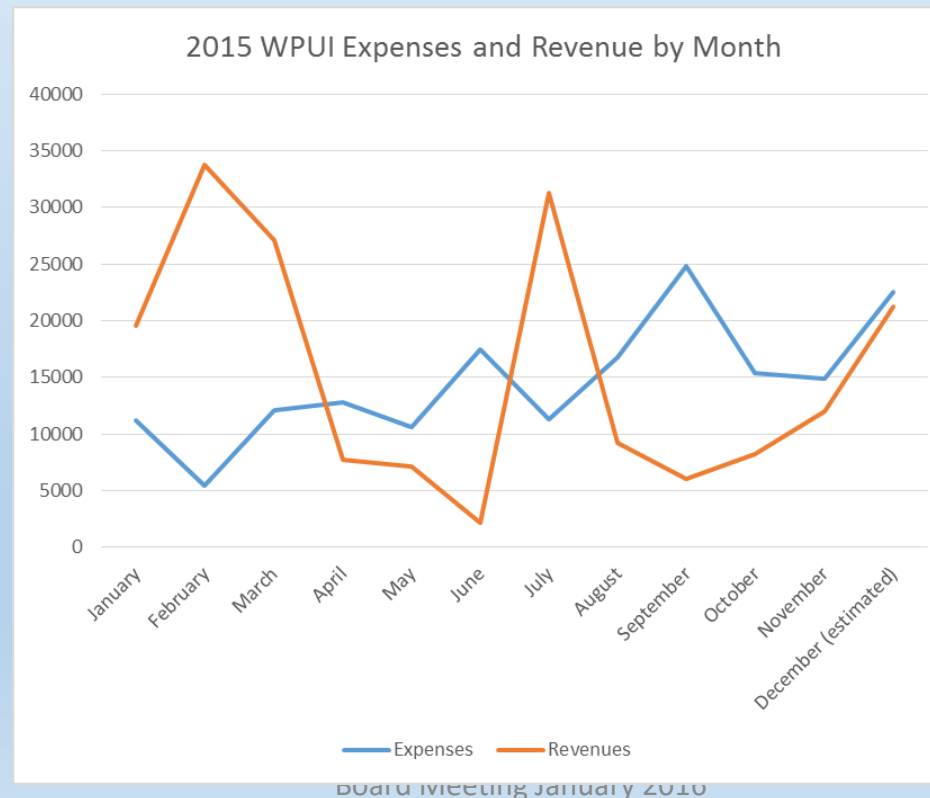
WPUI Account Total for Calendar Year 2015 (1/1/15 - 12/31/15)

- Starting balance 256,733.52
- Ending balance (with estimates) 275,375.88
- Net (increase) 18,642.36



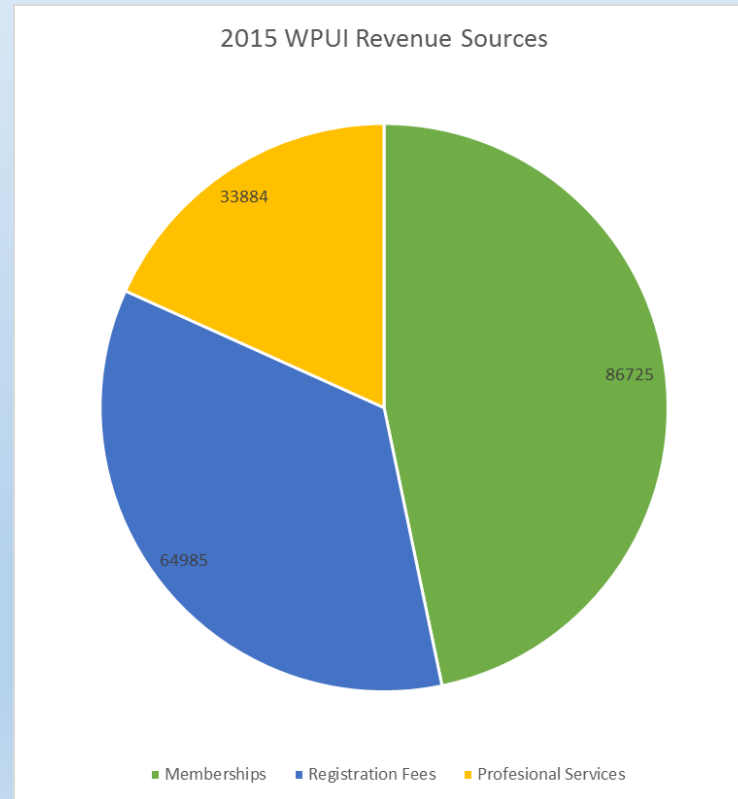
Expenses and Revenues by Month

Revenue vs Expenses		Actual thru Nov	With Estimates for Dec
	Revenue	164,343.76	185,593.76
	Expenses	152,536.40	184,493.73



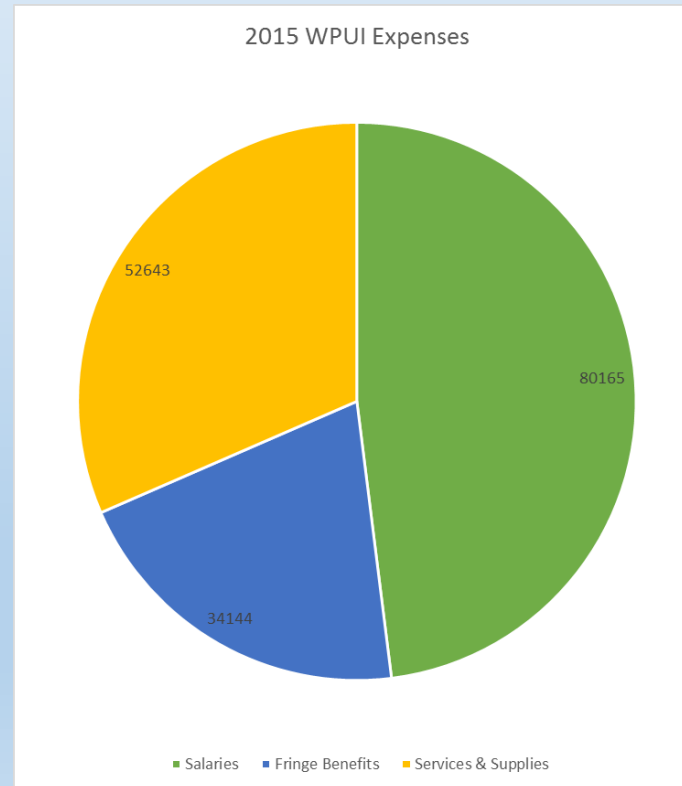
Revenues

Breakdown of Revenues		Actual thru Nov	With Estimates for Dec
	Memberships	77,974.84	86,724.84
	Registration Fees	64,985.00	64,985.00
	Professional Services	21,383.92	33,883.92



Expenses

Breakdown of Expenses		Actual thru Nov	With Estimates for Dec
	All Salaries	73,589.87	80,164.87
	Fringe Benefits	31,303.59	34,143.59
	Services & Supplies	47,642.94	52,642.94



WPUI FY16 Estimated Budget

Fixed Monthly Expenses:

Salaries per month	7,381
Fringes	<u>3,247</u>
Monthly Total:	= 10,628
	<u>x 12</u>
<u>Total Fixed for Year</u>	= 127,536

Annual Variable Expenses 52,000

Annual Budget

• Salaries	88,572
• Fringes	38,964
• Services/Supplies	<u>52,000</u>
Annual Total:	= 179,536

Consider Change to Membership Dues

- Current dues have not been changed in 10 years
- Consolidation of utilities
- Cuts to our budget to support UW budget cuts
 - 10% surcharge to all expenditures
- Proposed 15% increase (see next slide)

Membership Dues:

Membership Level

2005-2015

Proposed for 2016

• Sustaining	\$7,000	\$8050
• Contributing	\$3,500	\$4025
• Associate	\$1,750	\$2010 <small>(actual 15% would be \$2012.50)</small>
• Sponsor	\$1000	\$1150
• Standard	\$875	\$1000 <small>(actual 15% would be \$1006.25)</small>

Upcoming Programs

WPUI:

- Community-based Solar
- Bar Association
- Energy Utility Basics
- New Series: Market Inflection Drivers

Revenue Generating Courses:

- EEI Rates Course
- EEI Transmission (may not come back)

Dates

Thur. 2/25

Tues. 3/1

Mon. 9/26 – Fri. 9/30

TBD (see upcoming slides)

Sun 7/24 - Wed. 7/27

Unknown

Process for New “Market Inflection Drivers” Series:

- Program Committee met and laid out general ideas
- One program committee member is the lead for each program
- I am meeting and talking with others who might be good speakers or have contacts for good speakers—Eric Callisto, Jeff Ripp, Kira Loehr, Deb Erwin, Nathan Zolick, PSC staff, Rob Crain
- Sub-topics:
 - Trends
 - Capital Investment Effects
 - Pricing
 - Customer Perspective

Market Inflection Drivers

- A four part series to explore the physical, investment, pricing and customer effects of a market undergoing massive change.

Trends

- Advisors: Frank Greb and Kevin Vesperman
- Who, what, why and where are trends in the industry happening
- What is the prediction for the trend, and what does past history suggest?
- Trends in power sales
- Trends in regulation
- Trends in customer perceptions of electric utility companies

Capital Investment Effects

- Advisor: Sarah Justus
- Investment response to changes in trends
- Cost of capital
- Effects on CAP X projects for transmission, distribution and generation including technologies such as solar

Pricing

- Advisors: Matt Bromley and John Sumi
- Strategies for dealing with trends in the market
- How has gas been able to weather the bumpy past
- MC, RTP, CPP incentives to encourage conservation and recovery of needed costs for a healthy industry

Customer Perspective

- Advisor: Kira Loehr
- At what point do we see that fixed charges become so burdensome that people will not do anything to conserve energy. (This assumes that price is the direct and only driver of customer response)

Your Role:

To make these programs relevant and revenue generating, we need your help.

- For each program, send us key contacts in your company who should be attending the program(s).
- If you have any speakers who should be invited, please let me know.
- If you have an idea for a topic that we should include, please send that to me immediately.

Update on new relationships

- NARUC
- League of Wisconsin Municipalities
- MEUW
- WPPI
- Legislature

Energy and Water: Presentation

Dean Amhaus

President and Chief Executive Office, The Water Council

247 Freshwater Way, #500, Milwaukee WI 53204

(414) 988-8750

damhaus@thewatercouncil.com