

**A REGULAR MEETING**

Of The

**TRAVERSE CITY LIGHT AND POWER BOARD**

Will Be Held On

**TUESDAY, July 27, 2010**

At

**5:15 p.m.**

In The

**COMMISSION CHAMBERS**  
(2<sup>nd</sup> floor, Governmental Center)  
400 Boardman Avenue

Traverse City Light and Power will provide necessary reasonable auxiliary aids and services, such as signers for the hearing impaired and audio tapes of printed materials being considered at the meeting, to individuals with disabilities at the meeting/hearing upon notice to Traverse City Light and Power. Individuals with disabilities requiring auxiliary aids or services should contact the Light and Power Department by writing or calling the following.

Stephanie Tvardek,  
Administrative Assistant  
1131 Hastings Street  
Traverse City, MI 49686  
(231) 932-4543

Traverse City Light and Power  
1131 Hastings Street  
Traverse City, MI 49686  
(231) 922-4940

Posting Date: 07-23-10  
4:00 p.m.

**PLEDGE OF ALLEGIANCE**

**1. ROLL CALL**

**2. CONSENT CALENDAR**

*The purpose of the consent calendar is to expedite business by grouping non-controversial items together to be dealt with by one Board motion without discussion. Any member of the Board, staff or the public may ask that any item on the consent calendar be removed therefrom and placed elsewhere on the agenda for full discussion. Such requests will be automatically respected. If an item is not removed from the consent calendar, the action noted in parentheses on the agenda is approved by a single Board action adopting the consent calendar.*

- A. Consideration of approving minutes of the Regular Meeting of June 22, 2010.
- B. Consideration of approving minutes of the Human Resource Committee Meeting of June 30, 2010.
- C. Consideration of approving minutes of the Study Session of July 20, 2010.

**3. OLD BUSINESS**

None as of July 23, 2010

**4. NEW BUSINESS**

- A. Consideration of authorizing a Purchase Order for the LED Overhead Roadway Lighting Project. (Rollenhagen)
- B. Consideration of a Light and Power Bargaining Unit Economic Increase. (Rice)
- C. Consideration of a Net Metering Policy. (Abraitis)
- D. Consideration of authorizing Architectural Services for Hastings Street Facility Improvements. (Rice)

**5. REPORTS AND COMMUNICATIONS**

- A. From Legal Counsel:

None as of July 23, 2010

- B. From Staff:

- (1) Update re: the July 14, 2010 MPPA Meeting. (Rice)
- (2) Verbal Update re: study session scheduled for August 3, 2010 on Energy Optimization. (Rice)
- (3) Consideration of dates for Strategic Planning sessions. (Rice)

- C. From Board:

None as of July 23, 2010

**6. PUBLIC COMMENT**

/st

**TRAVERSE CITY  
LIGHT AND POWER BOARD**

Minutes of Regular Meeting  
Held at 5:15 p.m., Commission Chambers, Governmental Center  
Tuesday, June 22, 2010

**BOARD MEMBERS -**

Present: Mike Coco, Linda Johnson, John Welch, John Taylor, Ralph Soffredine,  
Jim Carruthers

Absent: John Snodgrass

**EX OFFICIO MEMBER -**

Present: R. Ben Bifoss

**OTHERS:** Ed Rice, Tim Arends, Stephanie Tvardek, Karen Feahr, Jessica Wheaton,  
Jim Cooper

The meeting was called to order at 5:15 p.m. by Chairman Coco.

Chairman Coco added an allotment of 15 minutes to Tom Karas during public comment.

**2. CONSENT CALENDAR**

Moved by Soffredine, seconded by Welch, that the following items, as recommended on the Consent Calendar portion of the agenda, be approved:

- A. Consideration of approving minutes of the Regular Meeting of June 8, 2010.
- B. Consideration of approving minutes of the Study Session of June 15, 2010.
- C. Consideration of adopting a Joint Resolution establishing a written policy regarding the operations and maintenance of the Street Lighting System within the Jurisdictional Boundaries of the City of Traverse City.

CARRIED unanimously.

**3. OLD BUSINESS**

None

**4. NEW BUSINESS**

None

**5. REPORTS AND COMMUNICATIONS**

B. From Staff:

- (1) Ed Rice spoke re: the MPPA monthly meeting.
- (2) Jessica Wheaton provided a reminder re: the Board Wind Turbine tour scheduled for June 23, 2010.
- (3) Karen Feahr spoke re: the Heritage Stoney Corners Wind Farm operations during the last week of May 2010.
- (4) Ed Rice spoke re: Natural Gas generation.

Chairman Coco called a 5 minute recess at 6:39 p.m.

Chairman Coco called the meeting to order at 6:46 p.m.

(5) Ed Rice spoke re: information provided by Marty Lagina.

**6. PUBLIC COMMENT**

- Presentation by Tom Karas, 8801 Section Line Road, Michigan Energy Alternatives Project, and Jeanne Carey, 120 Ferguson Street, Lansing, re: Solar Analysis
- Ross Richardson, 873 Washington Street

The meeting adjourned at 7:36 p.m.

/st

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Edward E. Rice, Secretary  
LIGHT AND POWER BOARD

**TRAVERSE CITY LIGHT AND POWER  
HUMAN RESOURCE COMMITTEE**

Minutes of Human Resource Committee Meeting  
Held at 4:00 p.m., TCL&P Service Center  
Wednesday, June 30, 2010

**COMMITTEE MEMBERS:**

Present: Ralph Soffredine, John Taylor

Absent: John Snodgrass

**OTHERS:** Ed Rice

The meeting was called to order at 4:00 p.m.

The possible economic adjustment to the Light and Power bargaining unit was discussed.

No action was taken.

The meeting was adjourned at 4:30 p.m.

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Edward E. Rice, Secretary  
LIGHT AND POWER BOARD

/st

**TRAVERSE CITY  
LIGHT AND POWER BOARD**

Minutes of Light and Power Board Study Session  
Held at 5:30 p.m., Governmental Center, Commission Chambers  
Tuesday, July 20, 2010

**LIGHT AND POWER BOARD MEMBERS -**

Present: Mike Coco, Linda Johnson, John Welch, John Taylor, Ralph Soffredine, Jim Carruthers

Absent: John Snodgrass

**EX OFFICIO MEMBER -**

Present: R. Ben Bifoss

**OTHERS:** Ed Rice, Stephanie Tvardek, Jim Cooper, Jessica Wheaton, Karen Feahr

The meeting was called to order at 5:30 p.m. by Chairman Coco.

**1. Presentation from MACTEC regarding their health analysis of emissions from wood biomass electric generation plants using gasification technology.**

**Questions to MACTEC from Public**

- Laura Shea, Ratepayer
- Peter Smith, Holiday Hills, Traverse City, Non-Ratepayer
- Richard Fishbeck, Elmwood, Traverse City, Ratepayer
- Jeff Smith, Cedar, Non-Ratepayer

**2. Public Comment**

- Laura Shea, Ratepayer
- Tom Karas, 8801 Section Line Road, Michigan Energy Alternatives Project, Non-Ratepayer
- Gail Seemer, Traverse City, Non-Ratepayer

Meeting adjourned at 7:24 p.m.

/st

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Edward E. Rice, Secretary  
LIGHT AND POWER BOARD



TRAVERSE CITY  
LIGHT & POWER

To: Light & Power Board  
From: Mark Rollenhagen *MWR*  
Date: July 19, 2010  
Subject: LED Overhead Roadway Lighting Project

Traverse City Light and Power received a grant for the purchase and installation of Light Emitting Diode (LED) high efficiency lighting. Roughly \$200,000 of the grant is allocated for overhead cobra head style lighting fixtures to replace High Pressure Sodium (HPS) lights currently in use. A detailed specification was prepared covering among other things light output equal to or greater than the existing HPS fixtures, passive cooling, light color temperature, warrantee and compliance with the American Recovery and Reinvestment Act (ARRA). Ten respondents submitted proposals. Of the ten respondents three were acceptable in meeting the specifications. Below is a summary of the acceptable respondents.

Respondent	Fixture	Price @
Champion Charter Sales	GE Evolve LED	\$632.00
Haverstock Koenig & Associates	LED Roadway Lighting SAT-72M	\$743.00
Robert C. Shaver Co., Inc.	Sunovia Evolucia	\$701.00*

Staff recommends awarding the purchase of 200 LED overhead cobra head style fixtures to Champion Charter Sales for the total price of \$126,400.

\*Blended price of \$751.00 each for the first 100, \$650.00 each for the second 100.

If the Board is in agreement, the following motion is recommended:

MOVED BY \_\_\_\_\_, SECONDED BY \_\_\_\_\_,  
THAT IN THE BEST INTEREST OF LIGHT AND POWER, THE BOARD AUTHORIZE  
THE ISSUANCE OF A PURCHASE ORDER TO CHAMPION CHARTER SALES FOR  
THE PURHCASE OF 200 LED OVERHEAD COBRA HEAD STYLE FIXTURES, IN  
THE AMOUNT OF \$126,400.00; AND TO AUTHORIZE THE EXECUTIVE DIRECTOR  
TO ADMINISTER AMENDMENTS AND CHANGE ORDERS THAT ARE IN THE BEST  
INTERESTS OF THE LIGHT AND POWER DEPARTMENT.



TRAVERSE CITY  
LIGHT & POWER

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To: Light and Power Board  
From: Ed Rice, Executive Director *Ed Rice*  
Date: July 7, 2010  
Subject: L&P Bargaining Unit Economic Adjustment

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The Light & Power bargaining unit employees, represented by Local 295 of the Utility Workers Union of America AFL-CIO, are currently working under a contract agreement with the Board that covers the period July 1, 2005 through June 30, 2008 that was subsequently extended two times through June 30, 2010 by Letters of Understanding (attached).

Neither the bargaining unit nor management exercised its option under Section 65 of the contract agreement to renegotiate the terms of the agreement which caused the current agreement to be automatically extended for another fiscal year to June 30, 2011. While the Board and management are not contractually obligated to offer any economic increase to the current wage rates (attached), I am recommending that the Board offer a new Third Letter of Understanding which will offer a 2% wage rate increase effective July 5, 2010.

This recommended increase is in line with increase percentages being offered to other employee groups throughout the city. I believe that approval of this recommendation would be in the best interests of the utility.

If the Board is in agreement with this recommendation the following motion would be appropriate:

**MOVED BY \_\_\_\_\_, SECONDED BY \_\_\_\_\_,**

**TO OFFER A THIRD LETTER OF UNDERSTANDING TO THE LIGHT & POWER BARGAINING UNIT THAT CALLS FOR A 2% INCREASE TO THE CURRENT WAGE RATES WITH AN EFFECTIVE DATE OF JULY 4, 2010.**

Please note: Because the bargaining agreement is 61 pages, a copy will be provided to board members upon request. Otherwise, it can be viewed on the City's website: [http://www.ci.traverse-city.mi.us/City\\_Departments/Human\\_Resources/](http://www.ci.traverse-city.mi.us/City_Departments/Human_Resources/)



Third Letter of Understanding  
Between  
City of Traverse City Light & Power  
and  
Utility Workers Union of America, Local 295

Re: Contract Extension

The parties agree as follows:

1. The collective bargaining agreement between the parties is hereby extended for one year, with the new expiration date being June 30, 2011, with no additional changes other than the following:
  - a) All of the wage rates listed in Section 4(C) of Appendix A of the parties' collective agreement (as adjusted by the Second Letter of Understanding) are increased by 2%, with an effective date of July 4, 2010.

The City of Traverse City  
Light and Power Board

The Utility Workers of America  
Local 295

By: \_\_\_\_\_ Date \_\_\_\_\_  
Mike Coco, Board Chairperson

By: \_\_\_\_\_ Date \_\_\_\_\_  
Corey Schichtel, President, Local 295

APPROVED AS TO SUBSTANCE:

By: \_\_\_\_\_ Date \_\_\_\_\_  
Edward E. Rice, Executive Director

**Traverse City Light & Power  
Bargaining Unit Wage Scale  
Effective 7/04/2010**

A/S 400 Coding	Grade	A	B	C	D	E	F
1	00	\$12.54	\$12.84	\$13.10	\$13.22	\$13.59	\$13.68
2	0	\$16.19	\$16.52	\$16.85	\$17.03	\$17.48	\$17.63
3	1	\$18.81	\$19.19	\$19.56	\$19.73	\$20.25	\$20.40
11	T 1	\$13.88	\$14.76	\$15.65	\$16.53	\$17.41	\$18.31
4	2	\$19.81	\$20.11	\$20.41	\$20.96	\$21.27	\$21.64
12	T 2	\$14.70	\$15.62	\$16.58	\$17.53	\$18.45	\$19.37
5	3	\$20.01	\$20.41	\$20.88	\$21.10	\$21.68	\$22.06
13	T 3	\$14.87	\$15.85	\$16.84	\$17.82	\$18.80	\$19.80
6	4	\$21.75	\$22.13	\$22.56	\$23.23	\$23.75	\$24.10
14	T 4	\$16.33	\$17.40	\$18.46	\$19.50	\$20.57	\$21.61
7	5	\$22.83	\$23.39	\$23.96	\$24.48	\$25.16	\$25.50
8	6	\$23.18	\$23.73	\$24.24	\$24.87	\$25.57	\$26.02
9	7	\$23.90	\$24.40	\$24.94	\$25.63	\$26.43	\$26.91
10	8	\$24.14	\$24.69	\$25.27	\$26.12	\$27.00	\$27.51
16	9	\$27.06	\$27.54	\$28.08	\$28.77	\$29.56	\$30.05
17	10	\$27.90	\$28.45	\$29.02	\$29.89	\$30.76	\$31.27

Second Letter of Understanding  
Between  
City of Traverse City Light & Power  
and  
Utility Workers Union of America, Local 295

The parties agree as follows:

1. The collective bargaining agreement between the parties shall remain unchanged in all respects with the following exception:

a) All of the wage rates listed in Section 4(C) of Appendix A of the parties' collective agreement (as adjusted by the Letter of Understanding) are increased by 2.0%, effective July 5, 2009.

The City of Traverse City  
Light and Power Board

BY Linda Johnson Date: 7/28/09  
Linda Johnson, Board Chairperson

The Utility Workers of America  
Local 295

BY Coy Schichtel Date: 7-16-09  
Coy Schichtel, President Local 295

APPROVED AS TO SUBSTANCE

BY Edward E. Rice Date: 7-16-09  
Edward E. Rice, Executive Director

**Traverse City Light & Power  
Bargaining Unit Wage Scale  
Effective 7/05/2009**

A/S 400 Coding	Grade	A	B	C	D	E	F
1	00	\$12.29	\$12.59	\$12.84	\$12.96	\$13.32	\$13.42
2	0	\$15.87	\$16.20	\$16.52	\$16.69	\$17.14	\$17.28
3	1	\$18.44	\$18.82	\$19.17	\$19.34	\$19.86	\$20.00
11	T 1	\$13.61	\$14.47	\$15.34	\$16.21	\$17.07	\$17.95
4	2	\$19.43	\$19.72	\$20.01	\$20.55	\$20.85	\$21.21
12	T 2	\$14.41	\$15.32	\$16.25	\$17.19	\$18.09	\$18.99
5	3	\$19.61	\$20.01	\$20.47	\$20.69	\$21.25	\$21.63
13	T 3	\$14.58	\$15.54	\$16.50	\$17.47	\$18.43	\$19.42
6	4	\$21.33	\$21.69	\$22.12	\$22.78	\$23.28	\$23.63
14	T 4	\$16.01	\$17.06	\$18.10	\$19.12	\$20.17	\$21.19
7	5	\$22.38	\$22.93	\$23.49	\$24.00	\$24.67	\$25.00
8	6	\$22.72	\$23.26	\$23.76	\$24.38	\$25.07	\$25.51
9	7	\$23.43	\$23.92	\$24.45	\$25.13	\$25.91	\$26.38
10	8	\$23.67	\$24.21	\$24.77	\$25.60	\$26.48	\$26.97
16	9	\$26.53	\$27.00	\$27.53	\$28.21	\$28.98	\$29.46
17	10	\$27.36	\$27.89	\$28.45	\$29.30	\$30.15	\$30.66

Letter of Understanding  
Between  
City of Traverse City Light & Power  
and  
Utility Workers Union of America, Local 295

Re: Contract Extension

The parties agree as follows:

1. The collective bargaining agreement between the parties is hereby extended for one year, with the new expiration date being June 30, 2009, with no additional changes other than the following:

a) All of the wage rates listed in Section 4(C) of Appendix A of the parties' collective agreement are increased by 3.0%, effective the first payday after July 1, 2008;

b) With respect to Section 36 of the collective bargaining agreement, effective July 1, 2008, the Priority 1 Health Care Plan will no longer be available as an insurance option. Instead, as an alternative, the Priority Co-Pay Alignment Plan will be available as an insurance option.

2. The Parties will continue to confer with each other to consider and explore other health insurance options.

The City of Traverse City  
Light and Power Board

The Utility Workers of America  
Local 295

BY Linda Johnson Date: 7/21/08  
Linda Johnson, Board Chairperson

BY Corey Schichtel Date: 7-22-08  
Corey Schichtel, President Local 295

APPROVED AS TO SUBSTANCE:

BY Edward E. Rice 7-22-08  
Edward E. Rice, Executive Director

**Traverse City Light & Power  
Bargaining Unit Wage Scale  
Effective 1st pay on or after 7/01/2008**

	A	B	C	D	E	F
00	\$12.05	\$12.34	\$12.59	\$12.71	\$13.06	\$13.15
0	\$15.56	\$15.88	\$16.19	\$16.37	\$16.80	\$16.94
1	\$18.08	\$18.45	\$18.80	\$18.96	\$19.47	\$19.61
T 1	\$13.34	\$14.18	\$15.04	\$15.89	\$16.74	\$17.60
2	\$19.04	\$19.33	\$19.62	\$20.15	\$20.45	\$20.80
T 2	\$14.13	\$15.02	\$15.93	\$16.85	\$17.74	\$18.62
3	\$19.23	\$19.62	\$20.06	\$20.28	\$20.84	\$21.21
T 3	\$14.30	\$15.23	\$16.18	\$17.13	\$18.07	\$19.03
4	\$20.91	\$21.27	\$21.68	\$22.33	\$22.82	\$23.16
T 4	\$15.70	\$16.73	\$17.75	\$18.75	\$19.78	\$20.78
5	\$21.94	\$22.48	\$23.03	\$23.53	\$24.18	\$24.51
6	\$22.28	\$22.80	\$23.30	\$23.91	\$24.58	\$25.01
7	\$22.97	\$23.45	\$23.97	\$24.64	\$25.40	\$25.86
8	\$23.21	\$23.73	\$24.29	\$25.10	\$25.96	\$26.44
9	\$26.01	\$26.47	\$26.99	\$27.66	\$28.41	\$28.88
10	\$26.82	\$27.35	\$27.89	\$28.73	\$29.56	\$30.06



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**To:** Light & Power Board  
**From:** Nicholas Abraitis, System Engineer  
**Date:** July 27, 2010  
**Subject:** Net Metering Policy

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Attached is a proposed Net Metering Policy for your consideration.

Recently there have been numerous discussions regarding local renewable generation. In response to this, TCL&P staff has developed a policy to provide a structured set of steps for all customers who qualify to install and operate their own local renewable generation for the purpose of offsetting a portion of, or all of their energy requirements. These types of generation projects must be undertaken while ensuring the general safety of the TCL&P employees and the public, while maintaining the integrity of the TCL&P Distribution System.

Customers will be allowed to submit a request to participate in the Net Metering Program. An Engineering Load Analysis will be conducted by staff. Upon completion, if Net Metering capacity is available for the particular project and location, the customer will receive a letter stating the Nameplate Capacity allowed for their project.

A bi-directional meter will be installed at all Customer Generator facilities to record the energy delivered to the customer by TCL&P and the energy delivered to TCL&P by the customer. Excess energy generated by the customer for the billing cycle will be banked and available for use in future billing cycles. Any unused accumulated energy after twelve consecutive months will be forfeited by the customer in the month of April without any compensation to the customer.

Generation facilities must be installed, owned, and operated by the customer, on property that is both owned by the customer and at a location that is the customer's primary full-time residence or business and be a customer of Light & Power with a metered account.

The customer's generation shall be limited to wind and solar inverter projects. In following the guidelines of the Michigan Public Service Commission, the available generation from the Net Metering Program will be allocated between all customer rate classes proportionately to their respective ratio of TCL&P's single day peak

load from the previous year. In order to maintain the integrity of the distribution grid and follow "Prudent Utility Practices", the total aggregated size of the Net Metering Program will be limited.

If the Board is in agreement with staff's recommendation to create a Net Metering Policy the following motion would be appropriate:

**MOVED BY \_\_\_\_\_, SECONDED BY \_\_\_\_\_,  
THAT THAT THE LIGHT AND POWER BOARD ADOPT A NET METERING POLICY  
AS PRESENTED TO BE EFFECTIVE IMMEDIATELY, SUBJECT TO APPROVAL AS  
TO FORM BY COUNCIL.**



Light and Power Department  
City of Traverse City, MI  
Adopted: \_\_\_\_\_

## NET METERING POLICY

### Purpose:

The purpose of the Net Metering Policy is to provide an opportunity for Traverse City Light & Power (TCL&P) customers to produce local renewable energy that may partially or fully offset their energy requirements while ensuring the general safety of the TCL&P employees, the Public, and maintaining the integrity of the TCL&P Distribution System.

### Availability:

Net Metering shall be available for TCL&P residential, commercial, and industrial customers on a “first come-first served” basis for those customers who meet all of the requirements within the provisions of the Net Metering and Interconnection and Operation Agreements.

The total aggregated participation in this program shall be limited to 150 kW for new projects (*new projects* are defined as those net metering facilities which were not operational in parallel with the TCL&P distribution system before the adoption of this policy) in the residential customer class, 320 kW for new projects in the commercial customer class, and 290 kW for new projects in the industrial customer class. The size of any individual project shall be limited to 80% of the customer’s calculated or metered electrical requirements.

Under no circumstances shall the output from a Net Metering facility be sold to a third party, credited to a third party, or any other TCL&P customer.

All Net Metering projects shall be located on property owned and occupied by the customer or affiliated entity. The project must be intended to offset a portion of the customer’s requirements for electricity.

The facility must operate in parallel with the TCL&P distribution system as determined by TCL&P. Acceptable forms of generation shall be limited to renewable inverter type generation.

The Net Metering customer shall be required to:

- Submit an application for review by the TCL&P Department
- Provide a One-Line Diagram of the proposed Net Metering facility.
- Enter into a Net Metering Agreement with TCL&P.
- Enter into an Interconnection and Operations Agreement with TCL&P.

The customer is required to pay a one-time, non-refundable \$100 application fee. If the generating facility is not approved by TCL&P, the application fee shall be refunded to the customer.

**Determining the Allowable Size of the Project:**

No single Net Metering project shall exceed a total nameplate capacity of 20 kW. Upon receiving an application from the customer, TCL&P shall determine the maximum nameplate capacity of the Net Metering facility allowed on the property.

**Equipment and Operation:**

The customer is responsible for the costs of construction, operation, and maintenance of an approved Net Metering generation facility such that it meets or exceeds all industry safety and performance standards, i.e. UL 1741 scope 1.1A, and IEEE Standard 1547.1.

Before connection to the TCL&P distribution system, the customer shall test the Net Metering facilities safety protection devices, in the presence of TCL&P personnel, and such testing shall be approved by the utility. TCL&P requires that the protection equipment be tested every two years, at the customer's expense, by qualified personnel, in a manner acceptable to TCL&P.

The customer shall provide an accessible safety disconnect switch located outside of the facility, in a visible location, and adjacent to TCL&P's metering equipment.

The safety switch shall be:

- Lockable in the open and closed position
- Accessible by TCL&P personnel on a 24/7 basis
- Of visible load break capability
- Located outside within five feet of the metering point (as allowed by code)

**Permits:**

The customer shall secure and maintain all necessary certificates and permits from municipal or other public authorities and comply with all national, state, and municipal laws, ordinances, and regulations as may be required.

**Metering:**

TCL&P shall install a bi-directional meter capable of registering the flow of energy in both directions. A monthly meter service fee may be charged to the customer. TCL&P shall own, operate, and maintain all required billing metering equipment.

**Customer Credits and Billing:**

If the electricity supplied by TCL&P exceeds the electricity generated by the customer during the monthly billing period, or any portion thereof, then the customer shall be billed the tariff rate under which the customer takes service for the net electricity supplied by TCL&P. In addition, the customer shall be billed any other charges billed to other customers in the same rate class for each meter.

If the electricity generated by the customer during the monthly billing period, or any portion thereof, exceeds the electricity supplied by TCL&P, then the customer:

- i. shall be billed for the appropriate Customer charge as other Customers in the same electrical tariff rate class for each meter and any other charges, such as Demand and reactive power charges and any applicable adjusting rates; and

- ii. shall be credited for the net excess kilowatt-hours generated during the billing period. The kilowatt-hour credit may be used to offset future consumption, but shall not be carried forward more than 12 monthly billing cycles.
  
- iii. shall grant to TCL&P without any compensation to the customer on the first billing cycle in April of each year, any unused energy (kWh) credits accumulated by the customer during a continuous twelve month period.

A customer shall be considered to be in violation of the TCL&P Net Metering Policy if the customer installs a generating facility with a nameplate capacity greater than that which was approved by TCL&P. All agreements shall immediately be void, the meter may be removed, and the project must be suspended or the customer may have the Net Metering Agreement terminated until the violation is corrected and approved by TCL&P.

All facilities existing before the adoption of this policy may be allowed to continue operating in parallel with the TCL&P distribution system with the written consent of the Executive Director.

Renewable Energy Credits (REC's) shall be owned by the customer unless stated otherwise in the Net Metering Agreement.

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Edward E. Rice  
Executive Director and Secretary  
Traverse City Light and Power Board



**TRAVERSE CITY  
LIGHT & POWER**

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**To:** Light and Power Board  
**From:** Ed Rice, Executive Director  
**Date:** July 22, 2010  
**Subject:** Hastings Street Facility – Architectural Services

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Attached is a proposal from AAI for architectural services related to the expansion of facilities at the Hastings Street Service Center, along with a preliminary design of the proposed building addition for your consideration of approval.

Over the past few years staff has recognized that the space requirements are inadequate at the facility and has included expansion in the utility's approved capital plan. There is a need for enclosed storage facilities, along with office/operations space for employees. Currently, 5 employees operate out of building C (the Weese house). Demolition of the house is planned and will be replaced with needed storage facilities; however, this will displace the 5 employees and their operations. This new expansion will facilitate the overall plan and is a logical first step.

AAI will perform architectural and structural services, prepare bid documents, and supervise construction of the expansion. AAI is qualified, has relative experience and was the architect for original site development in 2002. Their fee will be roughly equal to 8½ % of the estimated building addition cost of construction (\$461,300) plus expenses. The fee is fixed at \$39,200 and expenses are estimated to be \$4,700.

Based on the above, staff recommends that AAI be selected as architects of the Operations Facility Expansion Project and that the Board enter into an "Agreement Between Owner and Architect" with AAI in the fixed amount \$39,200 plus expenses for this project.

If the Board is in agreement with this recommendation the following motion would be appropriate:

**MOVED BY \_\_\_\_\_, SECONDED BY \_\_\_\_\_,**

**THAT THE BOARD AUTHORIZE THE CHAIRMAN AND SECRETARY TO EXECUTE AN "AGREEMENT BETWEEN OWNER AND ARCHITECT" WITH AAI, WITH THE ARCHITECT'S FEE BEING A FIXED FEE OF \$39,200 PLUS EXPENSES, FOR ARCHITECTURAL SERVICES FOR AN ADDITION TO THE HASTINGS STREET SERVICE CENTER; SUBJECT TO APPROVAL AS TO SUBSTANCE BY THE EXECUTIVE DIRECTOR AND AS TO FORM BY GENERAL COUNSEL, AND AUTHORIZE THE EXECUTIVE DIRECTOR TO ENTER INTO CHANGE ORDERS WITHIN HIS SPENDING LIMIT THAT ARE IN THE BEST INTERESTS OF THE UTILITY.**



architecture | artistry | interiors

June 24, 2010

Mr. Tim Arends  
Traverse City Light & Power  
1131 Hastings Street  
Traverse City, MI 49686

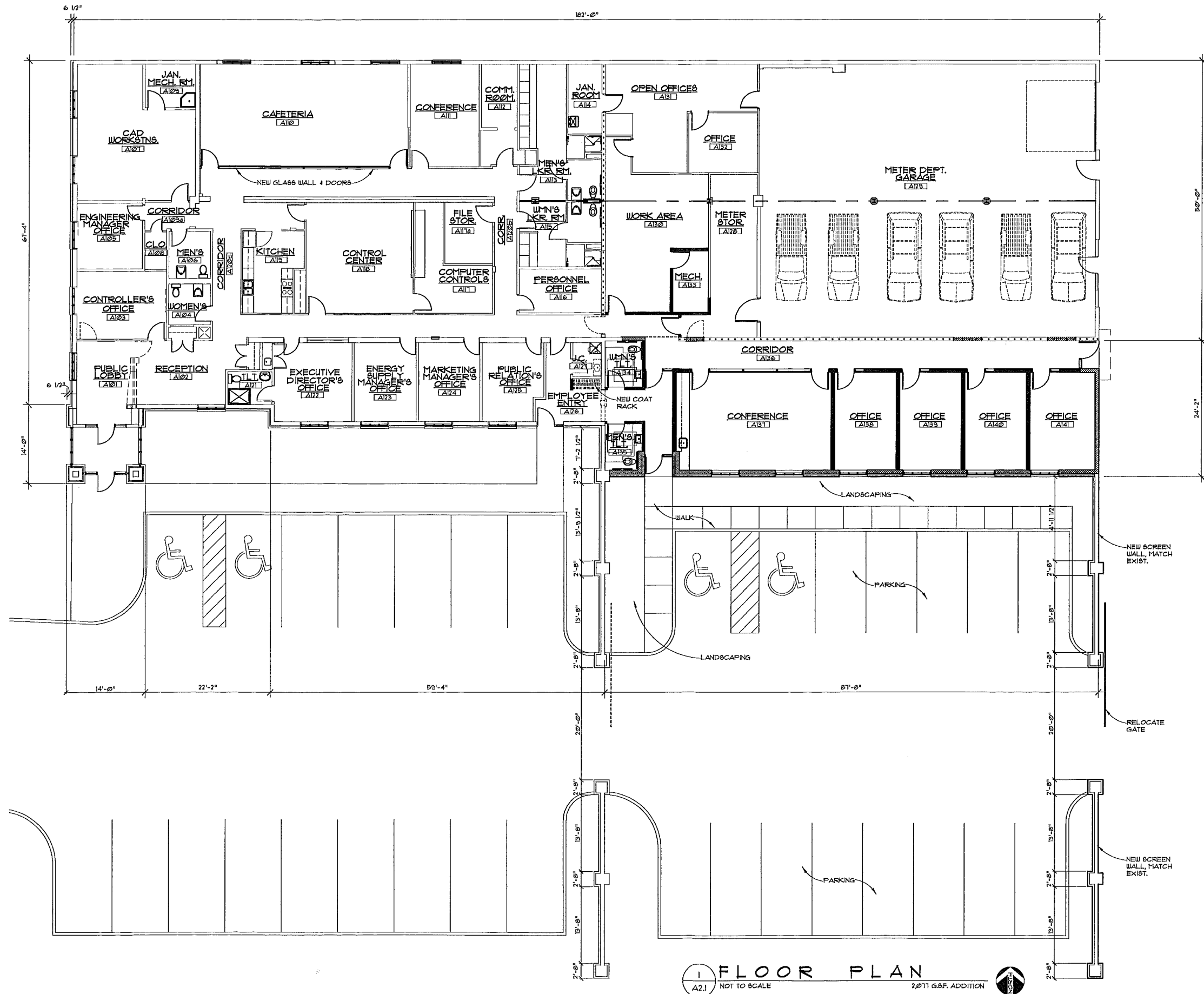
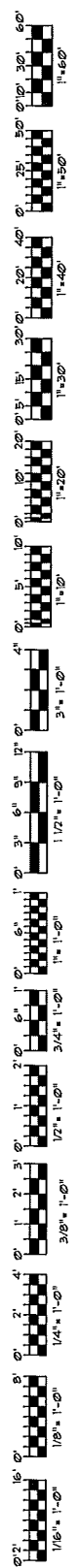
Proposed Addition to Hastings Street Facility  
Estimated A/E fee thru Construction Phase

Estimated Construction Cost – 2,104 s.f. x \$205/s.f. – Building....	\$431,300.00
Site.....	<u>30,000.00</u>
	\$461,300.00
Fee @ 8.5%.....	\$39,200.00
Estimated reimbursable expenses for printing/duplication of bidding documents, permit fees paid up front by AAI, Inc.....	<u>4,700.00</u>
Total Fee	\$43,900.00

Prepared by:

Robert J. Sommerville, AIAE

RJS:ss



**1 FLOOR PLAN**  
 A2.1 NOT TO SCALE 2011 G.S.F. ADDITION

date:	Issued for:
7-1-10	SCHEMATIC DESIGN
7-16-10	REVISED SCHEMATIC

drawn by: J.V.

checked by: J.V.

approved by: R.S.

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 interiors, inc.

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**ADDITION TO  
 HASTINGS ST.  
 FACILITY FOR  
 TCLP**

Traverse City, MI  
**FLOOR PLAN**

file number:  
 1010  
 sheet no.:  
**A2.1**


seal

1010-ADDITION TO HASTINGS ST. FACILITY FOR TRAVERSE CITY LIGHT & POWER



TRAVERSE CITY  
LIGHT & POWER

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**To:** Light & Power Board  
**From:** Ed Rice   
**Date:** July 22, 2010  
**Subject:** MPPA Meeting (7-14-2010) Update

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Karen Feahr, Mark Rollenhagen, Glen Dine and Ed Rice participated in the monthly MPPA meeting on July 14, 2010 during which two (2) significant items were discussed.

I) MISO Transmission Update:

The 16 member Board unanimously voted to support a MPPA legal intervention in the MISO Transmission Tariff filing with the FERC scheduled for July 16, 2010. There are two primary issues for MPPA members: 1) socialization of new electric transmission expenses which applies an unfair cost burden on all Michigan Electric Utilities; and 2) the intent to eliminate Grandfathered Agreements for transmission ownership. The legal cost was initially capped at \$45,000.

II) Granger Landfill Gas Renewable MPPA Project:

The MPPA has been attempting to replace the projected 50% short fall of energy and REC's that is projected by Granger. The MPPA staff has determined another possible landfill gas 10mw project that MAY become available. There was unanimous support from the project members to direct staff to attempt to acquire a commitment from the new source.