

**July 12, 2020**

**OFFICIAL NOTICE  
OF A  
REGULAR MONTHLY MEETING**

**The Kerrville Public Utility Board will hold its Regular Monthly Meeting on Wednesday, July 22, 2020, beginning at 8:30 a.m. The meeting will be held via WebEx teleconference event number 146 038 7958. A copy of the agenda is attached to this notice.**

**Click here to join meeting:**

<https://kpub.webex.com/kpub/onstage/g.php?MTID=e3e46e38d5546a00b237a591516ceb352>

**Join the meeting by phone by dialing: +1-408-418-9388**

**Access code: 146 038 7958**



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**Lidia S. Goldthorn, Assistant Secretary**

**AGENDA**  
**KERRVILLE PUBLIC UTILITY BOARD**  
**REGULAR MONTHLY MEETING**  
**WEDNESDAY JULY 22, 8:30 A.M.**

**WEBEX EVENT NUMBER 146 038 7958**

<https://kpub.webex.com/kpub/onstage/g.php?MTID=e3e46e38d5546a00b237a591516ceb352>

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**KPUB MEETING PROCEDURES DURING DISASTER PERIOD**

COVID-19 (Coronavirus) provides a unique concern in that gathering members of the public and KPUB staff within a physical setting constitutes a public health risk. The Texas Open Meetings Act (Ch. 552, Tx. Gov't Code) does not contemplate an instance where a governing body meeting might be completely virtual to avoid further spread of COVID-19. However, on March 16, 2020, the Texas Governor suspended certain requirements of the Open Meetings Act to permit open meetings to occur in a fully virtual setting (e.g., telephonic or videoconference meeting).

Pursuant to the City's Declaration of Disaster, as issued by the Mayor and approved by City Council and which may be found on the City's website, the City recommended that any public gatherings of 10 or more people in a single indoor location be canceled or postponed until further notice. Based upon this information and the Governor's most recent order, KPUB plans to hold board meetings only as necessary. When it is necessary for KPUB to hold a meeting, KPUB will convene in a virtual forum (e.g. webinar and/or teleconference) to avoid and mitigate the public health risks.

Based upon the above stated concerns and actions from the federal, state, and local governments:

1. Please be patient as KPUB implements the process and technology involved;
2. Understand that the process may change moving forward. If it does, KPUB will post such changes to its website and on the agendas; and
3. Should you wish to participate in a meeting, the earlier the better. For example, you may wish to email KPUB Staff prior to the meeting. Should you wish to address the Board, the earlier that you can call and line-up to speak the better.

Here then is the process that KPUB will use for its meeting:

1. KPUB Board meetings are recorded and future recordings will be posted on KPUB's website.
2. Any person who wishes to address the KPUB Board must join the meeting online or call in to the meeting by telephone between 8:00 a.m. and 8:15 a.m. A speaker must provide his/her first and last name, an address, and identify the item to address. Anyone calling after 8:15 a.m. will not be registered to speak. After registering, the speaker must remain on hold and the call will be muted until the appropriate time. The speaker will be able to hear the meeting. At some point, the speaker will be prompted to enter the discussion by stating his or her full name and address. The speaker may then speak to the Board for up to four minutes. Should the speaker get disconnected, it is the speaker's responsibility to call back.
3. A person may also submit a written comment on an agenda item, which comments will be read into the meeting record. Comments must include a name, address, and a reference to the relevant item. Comments that do not include such information will not be read and KPUB must receive all comments by 8:15 a.m.
  - a. Comments may be dropped off at the KPUB Utility Payments Drive Thru Drop-Box; or
  - b. Comments may be emailed to [lgoldthorn@kpub.com](mailto:lgoldthorn@kpub.com).

1. **CALL TO ORDER**

2. **PLEDGE OF ALLEGIANCE**

3. **APPROVAL OF MINUTES**

Discussion and consideration of the June 17, 2020, Regular Monthly Meeting Minutes .....

4. **CITIZEN/CONSUMER OPEN FORUM:**

Members of the public may address the Board. Prior to speaking, each speaker must sign in with their name, address and the topic to be addressed. The Board may not discuss or take any action on an item not on the agenda but may place the issue on a future agenda. The number of speakers will be limited to the first ten speakers and each speaker is limited to four minutes.

5. **ANNOUNCEMENTS OF COMMUNITY INTEREST:**

Announcements of community interest, including expressions of thanks, congratulations, or condolences; information regarding holiday schedules; honorary recognition of KPUB officials, employees; reminders about upcoming events sponsored by KPUB. No action taken.

*\*Please note: The August Regular Monthly Board Meeting is tentatively scheduled for Wednesday, August 19, 2020 at 8:30 a.m.*

6. **CONSIDERATION AND ACTION ON RESOLUTION NO. 20-14 – JILL SADBERRY, CFO:**

Discussion and consideration of a Resolution approving payments to various providers of services or supplies .....

7. **FINANCIAL REPORT – JILL SADBERRY, CFO:** .....

8. **DISCUSSION AND CONSIDERATION OF REVISED TARIFF ON CUSTOMER DEPOSIT REQUIREMENTS – JILL SADBERRY, CFO:** .....

9. **CONSIDERATION AND ACTION ON SCHEDULING WORKSHOP FOR FY 2020-2021 BUDGET – JILL SADBERRY, CFO:**

10. **APPROVAL AND REPORTING OF PURCHASES AND SALES:** .....

- A. Transmission Cost of Service Study – (Jill Sadberry, CFO)
- B. Quote No. 2732, Diesel and Gasoline – (Damon Richardson, Purchasing Agent)
- C. Report on Mutual Assistance/Storm Billing – (Mike Wittler, CEO)

11. **ENGINEERING AND OPERATIONS PROJECTS, CAPITAL BUDGET AND RELIABILITY REPORTS – RICARDO BERRIOS, DISTRIBUTION ENGINEER:** .....

12. **STATUS UPDATE ON CHANGE FOR CHARITY PROGRAM – ALLISON BUECHÉ,  
MARKETING MANAGER:** .....
13. **UPDATE AND DISCUSSION ON COVID-19 – TAMMYE RILEY, HR MANAGER:** .....
14. **ADJOURNMENT**



**MINUTES OF THE  
KERRVILLE PUBLIC UTILITY BOARD  
REGULAR MONTHLY MEETING  
WEDNESDAY, JUNE 17, 2020, AT 8:30 A.M.  
WebEx Event 146 050 4128**

**TRUSTEES PRESENT:**

Bill Thomas  
Philip Stacy  
Mark Cowden  
Larry Howard

**STAFF PRESENT:**

Mike Wittler, General Manager and CEO  
Jill Sadberry, Chief Financial Officer  
Robby McCutcheon, IT Manager *(Via Teleconference)*  
Tammye Riley, HR Manager  
Jo Anderson, Customer Service Manager  
Allison Bueché, Marketing Manager  
Adrian delaCruz, Sr. IT Tech *(Via Teleconference)*  
Vickie Finley, IT Tech *(Via Teleconference)*  
Lidia S. Goldthorn, Assistant Secretary to the Board

**TRUSTEES ABSENT:**

Mayor Bill Blackburn

**OTHERS PRESENT:**

Stephen Schulte, Legal Counsel

**1. CALL TO ORDER:**

Mr. Bill Thomas, Chairman, called the Regular Monthly Meeting to order at 8:31 a.m.

**2. PLEDGE OF ALLEGIANCE:**

**3. APPROVAL OF MINUTES:**

The Trustees reviewed the minutes of the May 20, 2020, Regular Monthly Board Meeting. Mark Cowden, Secretary, motioned to approve the minutes. Larry Howard, Treasurer, seconded the motion. Vote was by a show of hands. Motion carried 4 – 0.

**4. CITIZEN/CONSUMER OPEN FORUM:**

There were no citizens/consumers to speak, either through teleconference, phone calls, written statements, or emails.

**5. ANNOUNCEMENTS OF COMMUNITY INTEREST:**

Mr. Wittler gave a brief overview of the storm damages and outage issues adding that staff response across all departments was phenomenal. Board members also thanked staff for their hard work during the storms. Mr. Wittler advised that KPUB donated 50 box fans to the Salvation Army. Crews were out at Arcadia Live working on getting service connected there. KPUB will be hosting a community blood drive on Thursday, July 16<sup>th</sup> from 9:00 a.m. to 2:00 p.m., which will include free COVID-19 antibody testing. Mr. Wittler highlighted KPUB's monthly staff spotlight for June with Purchasing Agent, Damon Richardson who has been employed with KPUB for 16 years and does a great job. Mr. Wittler requested the next regular board meeting be moved to July 22, 2020 at 8:30 a.m., with no objections from the Board.

**6. CONSIDERATION AND ACTION ON RESOLUTION NO. 20-09 – JILL SADBERRY, CFO:**

Ms. Sadberry presented this month's wire transfers for operating expenses to the Board. Philip Stacy, Vice Chairman, motioned for approval of Resolution No. 20-09. Mr. Cowden seconded the motion. Vote was by a show of hands. Motion carried 4 – 0.

**7. CONSIDERATION AND ACTION ON RESOLUTION NO. 20-10 – JILL SADBERRY, CFO:**

The following Board Trustees and Management will be authorized as official signatories for the System per Resolution No. 20-10:

Bill Thomas, Chairman  
Philip Stacy, Vice-Chairman  
Mark Cowden, Secretary  
Larry Howard, Treasurer  
Mike Wittler, General Manager and Chief Executive Officer  
Jill Sadberry, Chief Financial Officer  
Gerald Bryla, Controller

Mr. Cowden made a motion to approve Resolution No. 20-10 authorizing the official signatories for the System as listed above. Mr. Stacy seconded the motion. Vote was by a show of hands. Motion carried 4 – 0.

**8. CONSIDERATION AND ACTION ON RESOLUTION NO. 20-11 – JILL SADBERRY, CFO:**

The Board discussed Resolution No. 20-11, which authorized the following Board Trustees and Management as official participants in the Participant Agreement between KPUB and the Texas Local Government Investment Cooperative ("LOGIC"):

Bill Thomas, Chairman  
Larry Howard, Treasurer  
Mike Wittler, General Manager and Chief Executive Officer  
Jill Sadberry, Chief Financial Officer  
Gerald Bryla, Controller

Mr. Howard made a motion to approve Resolution No. 20-11 amending the Participant Agreement between KPUB and the Local Government Investment Cooperative ("LOGIC"). Mr. Cowden seconded the motion. Vote was by a show of hands. Motion carried 4 – 0.

**9. CONSIDERATION AND ACTION ON RESOLUTION NO. 20-12 – JILL SADBERRY, CFO:**

The Board discussed Resolution No. 20-12, which authorized the following Board Trustees and Management as official participants in the Participant Agreement between KPUB and the Local Government Investment Pool (“TexPool”):

Bill Thomas, Chairman  
Larry Howard, Treasurer  
Mike Wittler, General Manager and Chief Executive Officer  
Jill Sadberry, Chief Financial Officer  
Gerald Bryla, Controller

Mr. Stacy made a motion to approve Resolution No. 20-12 amending the Participant Agreement between KPUB and the Texas Local Government Investment Pool (“TexPool”). Mr. Cowden seconded the motion. Vote was by a show of hands. Motion carried 4 – 0.

**10. FINANCIAL REPORT – JILL SADBERRY, CFO:**

Ms. Sadberry presented Financial Statements (unaudited) for the Fiscal Year 2020 through May 31, 2020. Ms. Sadberry reviewed the Statements and Balance Sheets for the month. She stated at May 31, 2020, operating expenses, excluding power cost, were below budget by \$288,266.69 or by 3.72%. The balance in the over-collected power cost was \$1,239,327.19. Ms. Sadberry noted the balance in the Rate Stabilization Fund was \$1,895,927.62. The Debt Service coverage was 14.17 for the month and 11.83 for the Fiscal Year. Ms. Sadberry advised that KPUB is in a better position than last month. She also advised that she is reviewing the current policy on commercial deposits.

**11. APPROVAL AND REPORTING OF PURCHASES AND SALES:**

Staff provided the Board an update on several purchasing activities:

**A. Report on Purchase Orders to LCRA (Mike Wittler, CEO)**

Mr. Wittler advised that under the terms of the Interlocal Agreement between KPUB and LCRA approved by the Board in December 2017, several purchase orders were recently issued for small construction and maintenance projects. The Interlocal Agreement was established for construction, maintenance and emergency services. These activities were budgeted under the O&M and Capital Budgets.

Purchase orders included: a) Harper Bus Tie Construction for \$146,754.00, which is a project that will install bus work that will connect the T2 and T3 transfer buses together so load can be moved in case of emergencies or breaker outages. This configuration is standard for all substations and Harper is the only one that is not configured this way. The bus tie will also include a switch to isolate the two buses during normal operations and add an isolation point for maintenance purposes. This addition will be an upgrade to our substation that will give us better loading options and reliability; b) Hunt Drawing Updates and PT conduit Design for \$16,000.00; c) Ingram Station Service Panel Replacement for \$14,000.00 and d) Stadium Substation Relay Coordination Corrections on T2 and T3 and KS40 Testing with the price to be determined.

B. Report on Mutual Assistance/Storm Billing (Mike Wittler, CEO)

Mr. Wittler advised that in response to extensive storm damage and outages on May 27<sup>th</sup>, a call for mutual assistance and contract support was issued and received help from Seguin, Boerne, Fredericksburg, Central Texas Electric Cooperative, Line Tech, James Power Line and Townsend Tree Service. To date an invoice from Seguin for \$25,083.97 has been received. It is anticipated that the total cost for the additional support will be in the neighborhood of \$500,000.00.

No action recommended by staff or taken by the Board.

12. **CONSIDERATION AND ACTION ON RESOLUTION NO. 20-13 – MIKE WITTLER, CEO; ALLISON BUECHE, MARKETING MANAGER; AND JO ANDERSON, CUSTOMER SERVICE MANAGER:**

Mr. Wittler advised that staff recommended establishing a new Change for Charity Program for bill payment assistance that would be exclusively for residential customers as a result of the COVID-19 health crisis. The program funding would be supplemented by a combination of rounding up the change on residential customers' bills and transfers from the Revenue Fund to achieve a funding level equivalent to the PUC Program. Mr. Wittler went over the requirements of a standard Round Up Program where funds would be collected by automatically rounding up the change on residential customers' monthly electric bills to the next whole dollar for the Change for Charity Program fund. The donation amount to the program fund will be shown on a residential customer's bill automatically. However, program participation would be optional. If a customer does not want to participate in the program, they can opt-out by contacting KPUB's Customer Service Department. Customer contributions are not expected to match up to the funding that would be produced by the PUC's standard program, so he recommended KPUB to provide an estimated contribution of \$4,000.00 - \$6,000.00 per month from the revenue fund. This would also include monthly status reporting to the Board and an anticipated discontinuation of the contribution when the City's Emergency Declaration is no longer in effect. Allison Bueche and Jo Anderson gave additional details on the plans to partner with a non-profit to administer the program, establish customer communications plans, and schedule a return to normal billing and collections.

Ms. Bueche advised that staff considered four different organizations as potential partners that have a history with helping community members when they are seeking financial aid for utility assistance – The Salvation Army of Kerrville, Christian Assistance Ministry, Community Council of South Central Texas and the Society of St. Vincent de Paul. She recommended KPUB partner with the Society of St. Vincent de Paul to oversee and administer the new utility bill assistance program. She advised this organization has had a good working relationship for many years with KPUB. They are 100% volunteer-run and have an excellent system in place for granting funds to community members in need who have met eligibility criteria in the form of bill payment vouchers. The criteria includes verifying that an income base with the total income and size meets a matrix within federal poverty guidelines. She added that community members can be eligible to receive utility assistance on a case-by-case emergency situation as well. Ms. Bueche advised aid will be granted exclusively to KPUB customers through the utility assistance program funds and would be administered by the Society of St. Vincent de Paul with no additional program costs. KPUB also has the authority to dictate additional eligibility criteria for the program funds if it is ever decided to do so. She included a draft of the initial "Change for Charity" Program for the Board's review.

Ms. Anderson advised if approved, the Change for Charity communication plan would begin July 1<sup>st</sup>. A special bill stuffer explaining the program will run in each billing cycle through the month of July. A link to the bill stuffer will be included via email to customers that are on paperless billing. In addition, an On Demand instant message introducing and explaining the program will go out to all customers with email addresses on file. She advised that information about the program will also be on the KPUB website, SmartHub, Facebook and Twitter pages, as well as radio and Facebook live interviews, with Ads and press releases to be printed in local newspapers. She added that all forms of communication will inform customers that they must contact KPUB to opt out of the program. Ms. Anderson reviewed the regular billing and collections process prior to the pandemic, and went over the procedures adopted on March 18<sup>th</sup>. Letters were mailed out on June 5<sup>th</sup> to accounts that had over 90, 60, 30 days past due balances, informing those customers that if they had not previously made payment arrangements, entered into a deferred payment agreement, or signed up for prepaid, they must contact KPUB by their July bill due. She advised Robo calls will be made to all customers with arrears as a friendly reminder that the account is past due. The calls will advise them of KPUB's plan to resume disconnections for non-payment and to contact Customer Service for needed arrangements. On Demand emails, notice on billing statements, and press releases will also notify customers that KPUB will resume the regular collection process on August 1<sup>st</sup>. Ms. Anderson went over recommended payment arrangements, stating that as long as payment arrangements or deferred payment agreements are in effect and payments are made in a timely manner, there will be no penalty or late fees assessed and service will not be discontinued. Deferred payments will be extended up to one year from the date agreement entered, and up to 18 months under special circumstances. Some accounts may need to be looked at on a case by case basis. She added that on prepaid deferred balances, 25% of payments would go toward the unpaid balance.

Mr. Stacy made a motion to approve Resolution No. 20-13 establishing a Utility Bill Assistance Program. Mr. Howard seconded the motion. Vote was by a show of hands. Motion carried 4 – 0.

**13. UPDATE AND DISCUSSION ON COVID-19 – TAMMYE RILEY, HR MANAGER:**

Ms. Riley gave a monthly update on KPUB's response to the COVID-19 pandemic. She advised that the lobby continues to remain closed. We are monitoring our COVID-19 response, have a committee meeting on a weekly basis, and are making adjustments as needed. A face mask/covering policy has been implemented for all employees and visitors that enter into KPUB offices. Visitors and vendors are currently allowed by appointment only and have to complete a health screen and temperature check prior to entering the building. Business travel has been suspended until August and we will re-evaluate closer to that time frame the need to extend or not. She advised distance and separation of staff is continuing. Currently there are 16 employees working remotely and staff that is reporting into the office are on staggered shifts and/or days when possible. Crews continue to report to separate substations each day with staggered shifts as well to access the yard to gather material and supplies. The drive thru was reopened on June 1<sup>st</sup> with one lane only at this time. Plexiglass dividers will be installed this month to allow for another employee to return back and work the second lane of the drive-thru. Ms. Riley added that social media reminders are being sent out to remind customers of ways to pay with no contact. All other efforts mentioned last month are still being in effect.

**14. ADJOURNMENT**

Chairman Thomas adjourned the Regular Board Meeting at 9:35 a.m.

**Date Approved:** \_\_\_\_\_

\_\_\_\_\_  
Bill Thomas, Chairman

**ATTEST**

\_\_\_\_\_  
Lidia S. Goldthorn, Assistant Secretary to the Board

## MEMORANDUM

TO: Bill Thomas  
Philip Stacy  
Mark Cowden  
Larry Howard  
Mayor Bill Blackburn

FROM: Jill Sadberry

DATE: July 15, 2020

SUBJECT: Agenda Item #6 - Resolution No. 20-14

Presented for your review, wire transfers for operating expenses.

I. WIRE TRANSFERS - Operating Expense

ERCOT-CRR Auction Invoice Paid June 10, 2020 Transfer from TexPool Investment Fund to ERCOT.	\$ 197,898.61
ERCOT-CRR Auction Invoice Paid June 24, 2020 Transfer from TexPool Investment Fund to ERCOT.	\$ 18,289.29
ERCOT-CRR Auction Invoice Paid July 09, 2020 Transfer from TexPool Investment Fund to ERCOT.	\$ 42,466.62
LCRA - Power Cost Billing 05/01/2020 to 05/31/2020 Paid June 30, 2020 Transfer from TexPool Investment Fund to LCRA.	\$ 496,336.74
CPS ENERGY - Power Cost Billing 05/01/2020 to 05/31/2020. Paid June 30, 2020 Transfer from TexPool Investment Fund to CPS ENERGY.	\$ 916,453.51
NEXTERA - Power Cost Billing 05/01/2020 to 05/31/2020. Paid June 22, 2020 Transfer from TexPool Investment Fund to NEXTERA.	\$ 485,088.00

CITY OF GARLAND - Power Cost Billing 05/01/2020 to 05/31/2020.

Paid June 30, 2020 Transfer from TexPool Investment Fund  
to CITY OF GARLAND. \$ 252,396.90

DG TEXAS SOLAR, LLC - Power Cost Billing 05/01/2020 to 05/31/2020.

Paid June 23, 2020 Transfer from TexPool Investment Fund  
to DG TEXAS SOLAR, LLC. \$ 55,916.94

II. WIRE TRANSFERS – Investments

A. Transfer from Centennial Bank Revenue Fund to TexPool Investment Fund:

<u>Date</u>	<u>Principal</u>
June 15, 2020	\$ 600,000.00
June 19, 2020	400,000.00
June 22, 2020	200,000.00
June 27, 2020	400,000.00
June 29, 2020	200,000.00
July 07, 2020	400,000.00

III. WIRE TRANSFERS - Payroll

Automated Clearing House for Pay Periods Ending:

June 12, 2020	\$ 175,054.40
June 26, 2020	\$ 104,479.62
July 12, 2020	\$ 104,605.67

IV. WIRE TRANSFERS - Payroll - Federal Reserve Bank

Federal Withholding and FICA for Period Ending:

June 12, 2020	\$ 46,595.48
June 26, 2020	\$ 37,823.48
July 12, 2020	\$ 37,388.97

V. WIRE TRANSFER - Comptroller of Public Accounts

2020 - Sales and Use Tax – Paid 07/15/2020 \$ 70,262.88

VI. WIRE TRANSFER - TML

Texas Municipal League (TML)

Monthly Premium - Medical, Dental, Vision and Life  
for the month of June – Paid 07/01/2020 \$ 57,137.06

Texas Municipal Retirement System (TMRS)

Monthly Premium - Medical, Dental, Vision and Life  
for the month of May – Paid 06/11/2020 \$ 98,811.54



Texas Municipal Retirement System (TMRS)

Monthly Premium - Medical, Dental, Vision and Life  
for the month of June – Paid 07/06/2020

\$ 82,437.06

If you have any questions on the items presented for payment, I will be happy to answer them at your convenience.

Sincerely,

Jill Sadberry  
Chief Financial Officer

**RESOLUTION NO. 20-14**

**A RESOLUTION OF THE KERRVILLE PUBLIC UTILITY BOARD CONFIRMING AND AUTHORIZING THE PAYMENTS OF INVOICES AS APPROVED AND PRESENTED BY THE CHIEF FINANCIAL OFFICER AND GENERAL MANAGER / CEO.**

**WHEREAS**, the providers of services or material have submitted invoices for payment;  
and

**WHEREAS**, the Chief Financial Officer or General Manager/CEO has reviewed the invoices and approved payments for services rendered or material received.

**WHEREAS**, the items marked "Paid" have been previously approved by the Board and are included in this Resolution for information; now, therefore,

**BE IT RESOLVED BY THE KERRVILLE PUBLIC UTILITY BOARD THAT:**

**Section 1.** That the Kerrville Public Utility Board review payment of the items set forth on the preceding Schedule.

**Section 2.** That the Kerrville Public Utility Board instructs the General Manager/CEO or his designee to make said payments and ratifies the payment of the items marked "Paid."

**Section 3.** This Resolution shall take effect immediately from and after its passage.

**PASSED, APPROVED AND ADOPTED on this 22<sup>th</sup> day of July, 2020**

\_\_\_\_\_  
**Bill Thomas, Chairman**

**ATTEST:**

\_\_\_\_\_  
**Mark Cowden, Secretary**

## MEMORANDUM

To: Bill Thomas  
Philip Stacy  
Mark Cowden  
Larry Howard  
Mayor Bill Blackburn

From: Jill Sadberry

Date: July 15, 2020

Re: Agenda Item No. 7 — Financial Report

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Operating loss for the month of June is \$2,259.11, which is below budget by \$258,143.11. Net income for the month is \$16,878.77, which is below budget by \$286,276.23. Year to date operating income is above budget by \$385,962.28 and net income is above budget by \$279,142.97.

For the year, kWh sales are below budget by 2,852,456 kWhs, or by 0.83%.

At June 30, 2020, operating expenses, excluding power cost, are below budget by \$325,632.95 or by 3.73%.

The balance in the over collected power cost at June 30, 2020 was \$867,277.13.

The balance in the Rate Stabilization Fund is \$1,896,249.66.

Debt service coverage for June is 7.80. The coverage factor for the fiscal year is 11.39.

Sincerely,

Jill Sadberry  
Chief Financial Officer



Kerrville Public Utility Board  
Statement of Revenues, Expenses and Changes in Retained Earnings  
June 30, 2020  
(UNAUDITED)

	Comparison to Budget				Comparison to Last Year		
	Current Month	Current Month Budget Amount	Increase (Decrease)	Percentage Increase (Decrease)	Current Month Last Year Amount	Increase (Decrease)	Percentage Increase (Decrease)
<b>OPERATING REVENUES:</b>							
Residential	1,848,733.27	1,923,426.00	(74,692.73)	-3.88%	1,916,004.02	(67,270.75)	-3.51%
Commercial/Industrial	1,370,695.21	1,741,385.00	(370,689.79)	-21.29%	1,713,399.34	(342,704.13)	-20.00%
Sales to Public Authorities	23,062.62	23,500.00	(437.38)	-1.86%	23,086.03	(23.41)	-0.10%
Other	8,536.64	40,900.00	(32,363.36)	-79.13%	31,236.65	(22,700.01)	-72.67%
<b>TOTAL OPERATING REVENUES</b>	<b>3,251,027.74</b>	<b>3,729,211.00</b>	<b>(478,183.26)</b>	<b>-12.82%</b>	<b>3,683,726.04</b>	<b>(432,698.30)</b>	<b>-11.75%</b>
<b>OPERATING EXPENSES:</b>							
Purchased Power	2,308,041.11	2,490,715.00	(182,673.89)	-7.33%	2,272,798.61	35,242.50	1.55%
Distribution	224,712.82	267,512.00	(42,799.18)	-16.00%	215,505.87	9,206.95	4.27%
Customer Accounting	56,443.91	65,000.00	(8,556.09)	-13.16%	54,808.81	1,635.10	2.98%
Customer Service & Informational	21,518.73	27,800.00	(6,281.27)	-22.59%	18,415.17	3,103.56	16.85%
Administrative Expenses	347,959.34	330,800.00	17,159.34	5.19%	315,522.05	32,437.29	10.28%
Franchise Fees - Ingram	2,160.56	2,700.00	(539.44)	-19.98%	2,477.40	(316.84)	-12.79%
Depreciation	292,572.54	292,000.00	572.54	0.20%	235,790.91	56,781.63	24.08%
Other	(122.16)	(3,200.00)	3,077.84	-96.18%	(16,418.65)	16,296.49	-99.26%
<b>TOTAL OPERATING EXPENSES</b>	<b>3,253,286.85</b>	<b>3,473,327.00</b>	<b>(220,040.15)</b>	<b>-6.34%</b>	<b>3,098,900.17</b>	<b>154,386.68</b>	<b>4.98%</b>
<b>OPERATING INCOME/(LOSS)</b>	<b>(2,259.11)</b>	<b>255,884.00</b>	<b>(258,143.11)</b>	<b>-100.88%</b>	<b>584,825.87</b>	<b>(587,084.98)</b>	<b>-100.39%</b>
<b>NONOPERATING REVENUES (EXPENSES):</b>							
Revenue Fund, Constr, Emerg	10,912.07	35,808.00	(24,895.93)	-69.53%	38,583.90	(27,671.83)	-71.72%
Interest & Sinking Fund	42.04	479.00	(436.96)	-91.22%	509.98	(467.94)	-91.76%
Reserve Fund	-	-	-	-	-	-	-
Interest Inc-City of Kerrville	15,000.00	15,000.00			15,000.00		
Interest Expense	(11,215.55)	(11,216.00)	0.45	0.00%	(11,859.08)	643.53	-5.43%
AFUDC - Borrowed Funds	4,042.15	2,500.00	1,542.15	61.69%	2,594.16	1,447.99	55.82%
Other - net	357.17	4,700.00	(4,342.83)	-92.40%	330.68	26.49	8.01%
<b>TOTAL NONOPERATING REVENUES (EXPENSES):</b>	<b>19,137.88</b>	<b>47,271.00</b>	<b>(28,133.12)</b>	<b>-59.51%</b>	<b>45,159.64</b>	<b>(26,021.76)</b>	<b>-57.62%</b>
<b>NET INCOME/(LOSS)</b>	<b>16,878.77</b>	<b>303,155.00</b>	<b>(286,276.23)</b>	<b>-94.43%</b>	<b>629,985.51</b>	<b>(613,106.74)</b>	<b>-97.32%</b>
<b>RETAINED EARNINGS AT BEGINNING OF MONTH</b>							
Plus: Contributions in Aid of Constr	55,542.36	9,000.00	56,542.36	628.25%	128,819.61	(63,277.25)	-49.12%
Less: General Fund Transfer - Reg	92,347.18	113,000.00	(20,652.82)	-18.28%	126,910.27	(34,563.09)	-27.23%
Less: General Fund Transfer - Spec							
<b>RETAINED EARNINGS AT END OF MONTH</b>	<b>68,811,631.17</b>				<b>67,840,894.56</b>		
<b>Percent of Net Income to Operating Reven:</b>	<b>0.52%</b>				<b>17.10%</b>		

Kerrville Public Utility Board  
Statement of Revenues, Expenses and Changes in Retained Earnings  
June 30, 2020  
(UNAUDITED)

	Comparison to Budget				Comparison to Last Year		
	Year to Date	Year to Date Budget Amount	Increase (Decrease)	Percentage Increase (Decrease)	Year to Date Last Year Amount	Increase (Decrease)	Percentage Increase (Decrease)
OPERATING REVENUES:							
Residential	17,192,612.47	16,619,842.00	572,770.47	3.45%	17,459,679.38	(267,066.91)	-1.53%
Commercial/Industrial	12,484,414.01	13,108,416.00	(624,001.99)	-4.76%	13,151,150.00	(666,735.99)	-5.07%
Sales to Public Authorities	208,768.37	211,500.00	(2,731.63)	-1.29%	199,216.57	9,551.80	4.79%
Other	208,541.55	494,650.00	(286,108.45)	-57.84%	431,581.99	(223,040.44)	-51.68%
TOTAL OPERATING REVENUES	30,094,336.40	30,434,408.00	(340,071.60)	-1.12%	31,241,627.94	(1,147,291.54)	-3.67%
OPERATING EXPENSES:							
Purchased Power	20,403,351.07	20,803,752.00	(400,400.93)	-1.92%	20,663,542.77	(260,191.70)	-1.26%
Distribution	2,310,743.81	2,374,956.00	(64,212.19)	-2.70%	2,044,618.42	266,125.39	13.02%
Customer Accounting	480,397.42	576,400.00	(96,002.58)	-16.66%	610,667.15	(130,269.73)	-21.33%
Customer Service & Informational	157,986.97	246,600.00	(88,613.03)	-35.93%	150,369.57	7,617.40	5.07%
Administrative Expenses	2,867,438.91	2,933,000.00	(65,561.09)	-2.24%	2,532,586.23	334,852.68	13.22%
Franchise Fees - Ingram	21,186.89	22,200.00	(1,013.11)	-4.56%	22,284.56	(1,097.67)	-4.93%
Depreciation	2,584,553.25	2,610,000.00	(25,446.75)	-0.97%	2,108,644.37	475,908.88	22.57%
Other	(13,584.20)	(28,800.00)	15,215.80	-52.83%	(26,400.19)	12,815.99	-48.55%
TOTAL OPERATING EXPENSES	28,812,074.12	29,538,108.00	(726,033.88)	-2.46%	28,106,312.88	705,761.24	2.51%
OPERATING INCOME	1,282,262.28	896,300.00	385,962.28	43.06%	3,135,315.06	(1,853,052.78)	-59.10%
NONOPERATING REVENUES (EXPENSES):							
Revenue Fund	251,838.65	322,272.00	(70,433.35)	-21.86%	358,706.07	(106,867.42)	-29.79%
Interest & Sinking Fund	1,718.94	4,311.00	(2,592.06)	-60.13%	3,400.20	(1,681.26)	-49.45%
Reserve Fund	-	-	-	-	-	-	-
Interest Inc-City of Kerrville	135,000.00	135,000.00	-	0.00%	135,000.00	-	-
Interest Expense	(101,583.48)	(101,586.00)	2.52	0.00%	(107,057.41)	5,473.93	-5.11%
AFUDC - Borrowed Funds	27,661.31	22,500.00	5,161.31	22.94%	23,628.77	4,032.54	17.07%
Other - net	3,342.27	42,300.00	(38,957.73)	-92.10%	625.40	2,716.87	434.42%
	317,977.69	424,797.00	(106,819.31)	-25.15%	414,303.03	(96,325.34)	-23.25%
NET INCOME	1,600,239.97	1,321,097.00	279,142.97	21.13%	3,549,618.09	(1,949,378.12)	-54.92%
RETAINED EARNINGS AT BEGINNING OF YEAR	67,949,736.54				64,988,632.92		
Plus: Contributions in Aid of Constr	206,029.52	81,000.00	125,029.52	154.36%	316,287.47	(110,257.95)	-34.86%
Less: General Fund Transfer - Reg	894,374.86	817,520.00	76,854.86	9.40%	989,143.92	(94,769.06)	-9.58%
Less: General Fund Transfer - Spec	50,000.00	45,920.00	4,080.00		24,500.00	25,500.00	104.08%
RETAINED EARNINGS AT END OF YEAR	68,811,631.17				67,840,894.56		
	5.32%				11.36%		



Kerrville Public Utility Board  
Balance Sheets  
June 30, 2020

Assets	June 30, 2020 (Unaudited)	October 1, 2019	Liabilities and Equity	June 30, 2020 (Unaudited)	October 1, 2019
<b>Utility Plant:</b>			<b>Equity:</b>		
Electric Plant in Service	84,434,008.38	80,570,016.90	Retained Earnings - Unreserved	68,811,631.17	67,949,781.81
Less: Accumulated Depreciation	(40,673,500.64)	(38,511,913.89)			
	43,760,507.74	42,058,103.01	<b>Total Equity</b>	<b>68,811,631.17</b>	<b>67,949,781.81</b>
Construction Work in Progress	3,177,281.98	4,204,554.83			
Net Utility Plant	46,937,789.72	46,262,657.84			
<b>Restricted Assets:</b>			<b>Liabilities:</b>		
Cash and Cash Equivalents:			Long-Term Debt:		
Customer Deposits	543,466.00	538,441.01	2013 Revenue Bonds		
Total Cash and Cash Equivalents	543,466.00	538,441.01	Net of Current Portion	3,680,000.00	4,081,000.00
			Plus: Unamortized Premium	-	-
<b>Investments:</b>			Less: Unamortized Refunding Charge	-	-
2013 Bond Construction Fund	-	-			
Interest and Sinking Fund	289,806.47	443,403.47	Pension Liability	3,534,559.00	3,534,559.00
Emergency, Repair, Replace, Conting Fund	3,533,284.26	3,513,053.00	<b>Total Long-Term Debt</b>	<b>7,214,559.00</b>	<b>7,615,559.00</b>
L.T. Rate Stabilization Fund:	633,351.12	540,000.00			
Total Investments	4,456,441.85	4,496,456.47			
<b>Total Restricted Assets</b>	<b>4,999,907.85</b>	<b>5,034,897.48</b>	<b>Current Liabilities Payable</b>		
<b>Current Assets:</b>			from Restricted Assets:		
Revenue Fund:			Current Portion of 2013 Revenue Bonds	401,000.00	392,000.00
Cash and Cash Equivalents	290,355.50	374,685.93	Accrued Interest Payable	22,431.10	59,295.42
Investments - Less: Customer Deposits	9,683,428.87	11,408,481.71	Accounts Payable 2013 Bond Fund	-	-
Total Revenue Fund	9,973,784.37	11,783,167.64	Customer Deposits	543,466.00	532,451.01
				966,897.10	983,746.43
Construction Fund:			<b>Current Liabilities:</b>		
Cash and Cash Equivalents	5,064.50	5,020.01	Accounts Payable - Power Suppliers	2,237,442.49	2,009,744.93
Investments	2,552,939.42	1,666,500.10	Accounts Payable and Accrued Liab's	683,963.64	1,199,839.07
Total Construction Fund	2,558,003.92	1,671,520.11	Over Collection of Power Cost Adj Revs	867,277.13	2,340,093.92
				3,788,683.26	5,549,677.92
Rate Stabilization Fund:					
Cash and Cash Equivalents	-	-	<b>Total Liabilities</b>	<b>11,970,139.36</b>	<b>14,148,983.35</b>
Investments	1,896,249.66	1,885,402.35			
Total Rate Stabilization Fund	1,896,249.66	1,885,402.35	<b>Deferred Credits</b>		
			Deferred Inflows of Resources-Pension	1,253,434.00	1,253,434.00
ERCOT CRR Auction Funds	157,536.99	157,536.99			
Customer Accounts Receivable,			<b>Total</b>	<b>82,035,204.53</b>	<b>83,352,199.16</b>
Net of Allowances	3,201,358.04	4,279,221.69			
Materials and Supplies	1,086,429.49	1,151,297.03			
Other	988,693.96	891,047.50			
Total Current Assets	19,862,056.43	21,819,193.31			
<b>Deferred Debits</b>					
Deferred Outflow of Resources	2,735,450.53	2,735,450.53			
Advance to City of Kerrville	7,500,000.00	7,500,000.00			
Total	82,035,204.53	83,352,199.16			

Kerrville Public Utility Board  
Detail of Fund Balances from Funds Invested in Government Securities For the Month Of  
June 30, 2020

						Restricted			
		Revenue	Construction	Rate	Long Term	Debt	Interest &	Emergency,	
		Fund	Fund	Stabilization	Rate Stabil.	Reserve	Sinking	Repair, Replace	
				Fund	Fund	Fund	Fund	& Contingency Fund	
								Total	
								Funds	
								Invested	
Beginning of the Month Balance		10,026,628.11	2,554,826.89	1,895,927.62	633,243.56	-	244,626.19	3,545,977.94	18,901,230.31
Maturities and/or Withdrawals:									-
									-
TEXPOOL-TML Insurance	6/1/2020	(58,496.51)							(58,496.51)
TEXPOOL-TMRS	6/11/2020	(98,811.54)							(98,811.54)
TEXPOOL-TMRS (employee)									-
TEXPOOL-LCRA	6/30/2020	(496,336.74)							(496,336.74)
TEXPOOL-CPS Energy	6/30/2020	(916,453.51)							(916,453.51)
TEXPOOL-NextEra	6/22/2020	(485,088.00)							(485,088.00)
TEXPOOL-ERCOT	6/12/2020	(197,898.61)							(197,898.61)
TEXPOOL-ERCOT	6/24/2020	(18,289.29)							(18,289.29)
TEXPOOL-City of Garland	6/30/2020	(252,396.90)							(252,396.90)
TEXPOOL-DG Southwest Solar LLC	6/23/2020	(55,916.94)							(55,916.94)
									-
									-
Hunt Emergency Transformer Replacement	6/30/2020	-							-
									-
Investments:									-
TEXPOOL	6/1/2020	200,000.00							200,000.00
TEXPOOL	6/4/2020	400,000.00							400,000.00
TEXPOOL	6/5/2020	200,000.00							200,000.00
TEXPOOL	6/8/2020	200,000.00							200,000.00
TEXPOOL	6/15/2020	600,000.00							600,000.00
TEXPOOL	6/19/2020	400,000.00							400,000.00
TEXPOOL	6/22/2020	200,000.00							200,000.00
TEXPOOL	6/26/2020	400,000.00							400,000.00
TEXPOOL	6/29/2020	200,000.00							200,000.00
TEXPOOL									-
									-
									-
Transfer City Interest Payment		10,246,940.07	2,554,826.89	1,895,927.62	633,243.56	-	244,626.19	3,545,977.94	19,121,542.27
Allocation of:									
mo int earned to the separate funds		1,873.07	433.95	322.04	107.56	-	42.04	602.32	3,380.98
Transfer of interest to I & S Fund									
Interest Receivable (accrued on CD)		5,864.39						1,643.84	7,508.23
Interest Receivable (accrued on CD)									-
									-
Tot Fund Bal after int allocation & Xfer		10,254,677.53	2,555,260.84	1,896,249.66	633,351.12	-	244,668.23	3,548,224.10	19,132,431.48
Interfund transfers	6/25/20	(44,577.79)					44,577.79		-
Total Fund Balance at End of Month		10,210,099.74	2,555,260.84	1,896,249.66	633,351.12	-	289,246.02	3,548,224.10	19,132,431.48

**Kerrville Public Utility Board  
Computation of the Monthly and Year to Date Debt Service Coverage  
For the Month Ended June 30, 2020**

<b>Description</b>	<b>Current Month</b>	<b>Fiscal Year</b>	<b>Previous Twelve Months</b>
<b>Net Income</b>	<b>16,878.77</b>	<b>1,600,239.97</b>	<b>3,411,011.58</b>
<b>Plus:</b>			
<b>Interest Expense (net of amortizations)</b>	<b>7,173.40</b>	<b>73,922.17</b>	<b>103,472.36</b>
<b>Depreciation Expense</b>	<b>292,572.54</b>	<b>2,584,553.25</b>	<b>3,716,922.37</b>
<b>Miscellaneous Amortizations</b>	<b>-</b>	<b>-</b>	<b>-</b>
 <b>Numerator</b>	 <b>316,624.71</b>	 <b>4,258,715.39</b>	 <b>7,231,406.31</b>
 <b>DIVIDED BY:</b>			
 <b>Interest Expense (net of amortizations)</b>	 <b>7,173.40</b>	 <b>73,922.17</b>	 <b>103,472.36</b>
<b>Principal Payment Due</b>	<b>33,416.67</b>	<b>300,000.00</b>	<b>398,000.00</b>
 <b>Denominator</b>	 <b>40,590.07</b>	 <b>373,922.17</b>	 <b>501,472.36</b>
 <b>Debt Service Coverage Ratio</b>	 <b>7.80</b>	 <b>11.39</b>	 <b>14.42</b>
 <b>Minimum Requirement per Bond Covenant</b>		<b>1.35</b>	<b>times Debt Service</b>
<b>Minimum Requirement Established by KPUB Board for Good Business Practices</b>		<b>1.65</b>	<b>times Debt Service</b>



Kerrville Public Utility Board  
Summary of Selected Financial and Operating Ratios

June-20

1) Revenue per Kilowatt-hour (dollars):

- Definition: a) All Retail Classes - The ratio of total electric operating revenues from sales to ultimate customers to total kilowatt-hour sales. This ratio measures the amount of revenue for each kilowatt-hour of electricity used by all classes of customers.
- b) Residential - The ratio of residential revenues to residential sales. This ratio measures the amount of revenue received for each kilowatt-hour of electricity used by residential customers.
- c) Commercial - The ratio of commercial revenues to commercial sales. This ratio measures the amount of revenue received for each kilowatt-hour of electricity used by commercial customers.

	Revenue	kWh Sales	Revenue Per kWh	Non-Gen. Utilities	APPA S. W. Region	APPA 20,000-50,000 Customers	APPA 50,000 Cust. S. W. Region	Owne Utilities (U.S.
All Retail Cus FY 2011	46,960,677	494,571,058	0.095	0.089	0.086	0.086	N/A	0.086
FY 2012	42,927,648	492,342,590	0.087	0.089	0.086	0.087	N/A	0.079
FY 2013	37,178,226	460,974,578	0.081	0.090	0.089	0.085	N/A	
FY 2014	39,512,239	496,392,874	0.080	0.094	0.087	0.099	N/A	
FY 2015	42,463,400	495,885,573	0.086	0.097	0.088	0.940		
FY 2016	33,961,264	479,917,532	0.071	0.098	0.095	0.098		
FY 2017	39,685,883	466,665,272	0.085	0.098	0.091	0.096		
FY 2018	42,208,338	500,063,719	0.084					
FY 2019	41,913,910	504,939,128	0.083					
FY 2020	30,094,336	339,601,146	0.089					
All Residential FY 2011	26,498,167	265,000,877	0.100	0.097	0.091	0.094	N/A	
FY 2012	23,870,503	259,951,293	0.092	0.098	0.095	0.097	N/A	
FY 2013	20,130,407	243,190,541	0.083	0.098	0.100	0.096	N/A	
FY 2014	21,665,694	271,751,425	0.080	0.103	0.098	0.104	N/A	
FY 2015	23,662,827	269,571,423	0.088	0.106	0.100	0.102		
FY 2016	18,472,374	255,942,839	0.072	0.106	0.105	0.107		
FY 2017	21,423,482	245,964,874	0.087	0.106	0.105	0.106		
FY 2018	23,605,191	272,787,300	0.087					
FY 2019	23,338,018	278,703,036	0.084					
FY 2020	17,192,612	192,094,841	0.090					
All Commercial FY 2011	19,938,590	229,570,181	0.087	0.094	0.085	0.087	N/A	
FY 2012	18,547,551	232,391,297	0.080	0.098	0.087	0.098	N/A	
FY 2013	16,437,879	217,784,037	0.075	0.097	0.087	0.095	N/A	
FY 2014	17,227,506	224,641,449	0.077	0.102	0.088	0.105	N/A	
FY 2015	18,219,622	226,314,150	0.081	0.095	0.088	0.101		
FY 2016	14,693,500	223,974,693	0.066	0.100	0.094	0.102		
FY 2017	17,325,564	220,700,398	0.079	0.093	0.092	0.103		
FY 2018	17,768,280	227,276,419	0.078					
FY 2019	17,678,626	226,236,092	0.078					
FY 2020	12,484,414	147,506,305	0.085					

2) Revenue per Customer (dollars):

Definition: a) All Retail Classes - The ratio of total electric operating revenues from sales to ultimate customers to the average number of customers. This ratio measures the average amount of revenue received from each retail customer from any class.  
b) Residential - The ratio of residential revenues to the average number of residential customers. This measures the average amount of revenue received from each residential customer.  
c) Commercial - The ratio of commercial revenues to the average number of commercial customers. This ratio measures the average amount of revenue received from each commercial customer.

	Revenue	Average # of Customers	Revenue per Customer	(A) Non-Gen. Utilities	(A) S. W. Region	20,000-50,000 Customers	APPA 50,000 Cust. S. W. Region
All Retail Cla:							
FY 2011	46,960,677	21,551	2,179	N/A	N/A	N/A	N/A
FY 2012	42,927,648	21,796	1,970	N/A	N/A	N/A	N/A
FY 2013	37,178,226	21,929	1,695	N/A	N/A	N/A	N/A
FY 2014	39,512,239	22,033	1,793	N/A	N/A	N/A	N/A
FY 2015	42,463,400	22,207	1,912	N/A	N/A	N/A	N/A
FY 2016	33,961,264	22,419	1,503	N/A	N/A	N/A	N/A
FY 2017	39,685,883	22,639	1,753				
FY 2018	42,208,338	22,825	1,849				
FY 2019	41,913,910	22,993	1,823				
FY 2020	30,094,336	23,047	1,741				
Residential:							
FY 2011	26,498,167	17,834	1,486	N/A	N/A	N/A	N/A
FY 2012	23,870,503	17,970	1,328	N/A	N/A	N/A	N/A
FY 2013	20,130,407	18,125	1,111	N/A	N/A	N/A	N/A
FY 2014	21,665,694	18,173	1,193	N/A	N/A	N/A	N/A
FY 2015	23,662,827	18,258	1,296	N/A	N/A	N/A	N/A
FY 2016	18,472,374	18,609	993	N/A	N/A	N/A	N/A
FY 2017	21,423,482	18,811	1,139				
FY 2018	23,605,191	18,948	1,246				
FY 2019	23,338,018	19,081	1,223				
FY 2020	17,192,612	19,162	1,196				
Commercial:							
FY 2011	19,938,590	3,718	4,869	N/A	N/A	N/A	N/A
FY 2012	18,547,551	3,731	4,971	N/A	N/A	N/A	N/A
FY 2013	16,437,879	3,738	4,398	N/A	N/A	N/A	N/A
FY 2014	17,227,506	3,742	4,604	N/A	N/A	N/A	N/A
FY 2015	18,219,621	3,743	4,868	N/A	N/A	N/A	N/A
FY 2016	14,693,500	3,793	3,874	N/A	N/A	N/A	N/A
FY 2017	17,325,564	3,829	4,525				
FY 2018	17,768,280	3,877	4,584				
FY 2019	17,678,626	3,913	4,518				
FY 2020	12,484,414	3,885	4,285				

3) Debt to Total Assets:

Definition: The ratio of long-term debt, plus current and accrued liabilities, to total assets and other debits. This ratio measures a utility's ability to meet its current and long-term liabilities based on the availability of assets.

FY	Debt	Total Assets	Ratio	(A) Non-Gen. Utilities	(A) S. W. Region	20,000-50,000 Customers	APPA 50,000 Cust. S. W. Region
FY 2011	14,615,074	53,838,448	0.27	0.285	0.419	0.271	N/A
FY 2012	9,465,415	52,665,518	0.18	0.300	0.381	0.296	N/A
FY 2013	8,606,205	54,199,106	0.16	0.243	0.502	0.342	N/A
FY 2014	15,563,923	64,047,153	0.24	0.273	0.442	0.333	N/A
FY 2015	17,207,394	72,656,742	0.24	0.259	0.411	0.271	
FY 2016	19,705,180	75,699,704	0.26	0.255	0.386	0.336	
FY 2017	11,199,945	76,559,475	0.15	0.230	0.393	0.308	
FY 2018	11,640,480	78,150,416	0.15				
FY 2019	14,148,983	83,352,199	0.17				
FY 2020	11,970,139	82,035,205	0.15				

4) Operating Ratio:

Definition: The ratio of total electric operation and maintenance expenses to total electric operating revenues. This ratio measures the proportion of revenues received from electricity sales, rate adjustments and other electric activities required to cover the operation and maintenance costs associated with producing and selling electricity. (excludes depreciation)

FY	O & M Expenses	Operating Revenues	Operating Ratio	(A) Non-Gen. Utilities	(A) S. W. Region	20,000-50,000 Customers	APPA 50,000 Cust. S. W. Region
FY 2011	42,539,909	46,960,677	0.906	0.896	0.839	0.858	N/A
FY 2012	35,593,689	42,927,648	0.829	0.896	0.816	0.859	N/A
FY 2013	31,296,713	37,178,232	0.842	0.917	0.722	0.870	N/A
FY 2014	33,636,603	39,512,239	0.851	0.894	0.866	0.859	N/A
FY 2015	37,394,087	42,463,400	0.881	0.893	0.806	0.874	
FY 2016	28,958,536	33,961,264	0.853	0.874	0.833	0.867	
FY 2017	33,868,590	39,685,883	0.853	0.888	0.807	0.860	
FY 2018	36,212,407	42,208,338	0.858				
FY 2019	35,220,014	41,913,910	0.840				
FY 2020	26,227,521	30,094,336	0.872				

5) Current Ratio:

Definition: The ratio of total current and accrued assets to total current and accrued liabilities.

This ratio is a measure of the utility's short-term liquidity, that is, the ability to pay its bills.

The current ratio takes a snapshot of the utility's liquidity at a point in time and thus may vary considerably at other times of the year.

FY	Current & Accrued Assets	Current & Accrued Liab.	Current Ratio	(A) Non-Gen. Utilities	(A) S. W. Region	20,000-50,000 Customers	APPA 50,000 Cust. S. W. Region
FY 2011	18,560,105	7,874,419	2.36	N/A	3.54	2.85	N/A
FY 2012	15,035,462	3,525,649	4.26	N/A	3.60	2.71	N/A
FY 2013	20,744,315	6,615,132	3.14	N/A	2.19	2.51	N/A
FY 2014	20,193,162	7,340,412	2.75	N/A	3.54	2.48	N/A
FY 2015	34,334,939	11,260,816	3.05	N/A	3.55	2.70	N/A
FY 2016	33,658,598	11,268,403	2.99	N/A	3.49	1.90	N/A
FY 2017	27,743,927	3,221,448	8.61	N/A	4.01	3.08	N/A
FY 2018	25,591,381	5,858,456	4.37				
FY 2019	24,948,633	5,173,869	4.82				
FY 2020	19,862,056	3,788,683	5.24				

6) Net Income per Revenue Dollar (dollars):

Definition: The ratio of net electric utility income to total electric operating revenues. This ratio measures the amount of income remaining, after accounting for operation and maintenance expenses, depreciation, taxes, and tax equivalents, and contributions and services, to every dollar received from sales of electricity.

FY	Net Income	Operating Revenues	Net Income Per Revenue Dollar	(A) Non-Gen. Utilities	(A) S. W. Region	20,000-50,000 Customers	APPA 50,000 Cust. S. W. Region
FY 2011	2,399,199	46,960,677	0.051	N/A	0.056	0.048	N/A
FY 2012	4,983,577	42,927,648	0.116	N/A	0.080	0.043	N/A
FY 2013	3,630,026	37,178,226	0.098	N/A	0.098	0.039	N/A
FY 2014	3,604,128	39,512,239	0.091	N/A	0.054	0.041	N/A
FY 2015	2,681,736	42,463,400	0.063	N/A	0.053	0.097	N/A
FY 2016	2,208,549	33,961,264	0.065	N/A	0.083	0.116	N/A
FY 2017	2,979,022	39,685,883	0.075		0.048	0.070	
FY 2018	2,420,526	42,208,338	0.057				
FY 2019	3,996,518	41,913,910	0.095				
FY 2020	1,600,240	30,094,336	0.053				

6a) Net Income per Revenue Dollar (dollars) (continued):

In order to be comparable to other utilities, Net Income must be reduced by the amount of the transfer to the City of Kerrville General Fund. The resulting ratios appear below:

FY	Net Income Less Transfer	Operating Revenues	Net Income Per Revenue Dollar	(A) Non-Gen. Utilities	(A) S. W. Region	20,000-50,000 Customers	APPA 50,000 Cust. S. W. Region
FY 2011	955,589	46,960,677	0.020	N/A	0.056	0.048	N/A
FY 2012	3,663,835	42,927,648	0.085	N/A	0.080	0.043	N/A
FY 2013	2,417,251	37,178,226	0.065	N/A	0.098	0.039	N/A
FY 2014	2,312,206	39,512,239	0.059	N/A	0.054	0.041	N/A
FY 2015	1,169,602	42,463,400	0.028	N/A	0.053	0.097	N/A
FY 2016	1,098,213	33,961,264	0.032	N/A	0.083	0.116	N/A
FY 2017	1,746,181	39,685,883	0.044	N/A	0.048	0.070	N/A
FY 2018	1,073,831	42,208,338	0.025				
FY 2019	2,630,486	41,913,910	0.063				
FY 2020	705,865	30,094,336	0.023				

7) Debt Service Coverage Ratio:

Definition: The ratio of net revenues available for debt service to long-term debt service for the year.

Net income has non-cash costs, such as depreciation, and debt service costs, such as interest and principal payments, added back to calculate the numerator. The denominator consists of principal, interest, and amortization of debt discount. The ratio measures the cash available from operations to meet the debt service requirements. KPUB's Bond ordinance requires it to maintain a 1.35 to 1 debt service coverage ratio.

FY	Net Income + Debt Service & non-cash	Debt Service	Debt Service Coverage	(A) Non-Gen. Utilities	(A) S. W. Region	20,000-50,000 Customers	APPA 50,000 Cust. S. W. Region
FY 2011	5,879,328	2,256,874	2.61	N/A	2.87	2.46	N/A
FY 2012	7,267,396	2,613,683	2.78	N/A	2.88	2.48	N/A
FY 2013	5,879,328	2,256,874	2.61	N/A	2.33	3.86	N/A
FY 2014	6,004,370	583,468	10.29	N/A	2.84	1.97	N/A
FY 2015	5,077,773	529,098	9.60	N/A	4.34	4.34	N/A
FY 2016	5,202,893	531,907	9.78	N/A	3.09	3.80	N/A
FY 2017	6,652,372	531,470	12.52	N/A	2.16	4.36	N/A
FY 2018	6,528,367	521,953	12.51				
FY 2019	7,350,510	504,395	14.57				
FY 2020	4,258,715	373,922	11.39				

8) Total Operation and Maintenance Expense per Kilowatt-hour Sold (dollars):

Definition: The ratio of total electric utility operation and maintenance expenses, less depreciation, including the cost of generated and purchased power, to total kilowatt-hour sales to ultimate and resale customers. This ratio measures average total operation and maintenance expenses associated with each kilowatt-hour of electricity sold, either for resale or to ultimate customers.

FY	O & M Expenses	kWh Sales	Cost per kWh	(A) Non-Gen. Utilities	(A) S. W. Region	20,000-50,000 Customers	APPA 50,000 Cust. S. W. Region
FY 2011	42,539,909	494,571,058	0.086	0.067	0.066	0.074	N/A
FY 2012	35,720,991	495,882,331	0.072	0.075	0.060	0.067	N/A
FY 2013	42,539,909	494,571,058	0.086	0.084	0.061	0.069	N/A
FY 2014	33,636,603	496,392,874	0.068	0.086	0.070	0.077	N/A
FY 2015	37,394,087	495,885,573	0.075	0.087	0.071	0.077	N/A
FY 2016	28,958,536	479,917,532	0.060	0.085	0.071	0.086	N/A
FY 2017	33,868,590	466,665,272	0.073	0.088	0.073	0.083	
FY 2018	36,212,407	500,063,719	0.072				
FY 2019	35,220,014	504,939,128	0.070				
FY 2020	26,227,521	339,601,146	0.077				

9) Total Operation and Maintenance Expense (Excluding Power Supply Expense) per Retail Customer (dollars):

Definition: The ratio of total electric utility operation and maintenance expenses, less depreciation, excluding all costs of power supply, to the total number of ultimate customers.

FY	O & M Expense less Purchased Powe	Number of Customers	Cost per Customer	(A) Non-Gen. Utilities	(A) S. W. Region	20,000-50,000 Customers	APPA 50,000 Cust. S. W. Region
FY 2011	6,200,533	21,612	287	N/A	418	412	N/A
FY 2012	5,893,288	21,796	270	N/A	431	399	N/A
FY 2013	6,464,816	21,929	295	N/A	599	472	N/A
FY 2014	7,477,068	22,033	339	N/A	541	487	N/A
FY 2015	8,232,153	22,207	371	N/A	504	501	N/A
FY 2016	6,946,877	22,597	307	N/A	526	499	N/A
FY 2017	7,116,752	22,681	314	N/A	574	573	N/A
FY 2018	7,293,939	22,968	318				
FY 2019	7,786,676	23,018	338				
FY 2020	5,824,170	23,075	337				

10) Total Power Supply Expense per Kilowatt-hour Sold (dollars):

Definition: The ratio of total costs of power supply to total sales to both ultimate and resale customers. This ratio measures all power supply costs, including generation and purchased power, associated with the sale of each kilowatt-hour of electricity.

FY	Purchased Power Expense	kWh Sales	Cost per kWh	(A) Non-Gen. Utilities	(A) S. W. Region	20,000-50,000 Customers	APPA 50,000 Cust. S. W. Region
FY 2011	36,339,376	494,571,058	0.073	0.067	0.053	0.057	N/A
FY 2012	29,700,401	492,342,590	0.060	0.069	0.055	0.056	N/A
FY 2013	24,831,897	460,974,578	0.054	0.071	0.043	0.054	N/A
FY 2014	26,159,535	496,392,874	0.053	0.074	0.054	0.063	N/A
FY 2015	29,161,935	495,885,573	0.059	0.072	0.056	0.060	N/A
FY 2016	22,011,659	479,917,532	0.046	0.071	0.055	0.063	N/A
FY 2017	26,751,838	466,665,272	0.057	0.074	0.054	0.062	N/A
FY 2018	29,918,468	500,063,719	0.060				
FY 2019	27,433,339	504,939,128	0.054				
FY 2020	20,403,351	339,601,146	0.060				

11) Purchased Power Cost per Kilowatt-hour (dollars):

Definition: The ratio of the cost of purchased power to the amount of kilowatt-hours purchased. This ratio measures the purchased power component of power supply costs.

FY	Purchased Power Expense	kWh Purchased	Cost per kWh	(A) Non-Gen. Utilities	(A) S. W. Region	20,000-50,000 Customers	APPA 50,000 Cust. S. W. Region
FY 2011	36,339,376	528,148,925	0.069	0.062	0.056	0.053	N/A
FY 2012	29,700,401	508,561,630	0.058	0.064	0.051	0.052	N/A
FY 2013	24,831,897	494,069,520	0.050	0.068	0.050	0.050	N/A
FY 2014	26,159,535	526,606,627	0.050	0.070	0.053	0.061	N/A
FY 2015	29,161,935	528,997,459	0.055	0.070	0.052	0.055	N/A
FY 2016	22,011,659	503,332,985	0.044	0.068	0.050	0.058	N/A
FY 2017	26,751,838	501,525,275	0.053	0.074	0.051	0.059	N/A
FY 2018	29,918,468	530,832,591	0.056				
FY 2019	27,433,339	530,542,081	0.052				
FY 2020	20,403,351	364,290,933	0.056				

12) Equity to Capital Ratio:

Definition: The ratio of the total equity to KPUB's total bond debt plus total equity. This ratio was identified by Fitch Ratings in its rating of KPUB in August 2001.

FY	Total Debt	Total Equity	(D) Equity/ Capitalization %	(D) ERCOT Non-Gen. Utilities	(D) ERCOT Gen. Utilities	(D) Fitch 'AA' Non-Gen. Utilities	(D) Ratec Fitch 'A' Non-Gen. Utilities	Rated
FY 2011	4,445,655	39,223,374	0.8982	N/A	N/A	N/A	N/A	
FY 2012	2,047,140	43,200,103	0.9548	N/A	N/A	N/A	N/A	
FY 2013	N/A	45,592,901		N/A	N/A	N/A	N/A	
FY 2014	5,984,000	47,922,127	0.9213	N/A	N/A	N/A	N/A	
FY 2015	5,612,000	55,449,347	0.9452	N/A	N/A	N/A	N/A	
FY 2016	5,237,000	55,994,524	0.9491	N/A	N/A	N/A	N/A	
FY 2017	4,858,000	65,359,529	0.9538	N/A	N/A	N/A	N/A	
FY 2018	4,473,000	64,988,633	0.9583					
FY 2019	4,081,000	67,949,782	0.9629					
FY 2020	3,680,000	68,811,631	0.9628					

13) Administrative and General Expenses per Retail Customer (dollars):

Definition: The ratio of total electric administrative and general expenses to the total number of retail customers.

FY	A and G Expenses	Number of Customers	Cost per Customer	(A) Non-Gen. Utilities	(A) S. W. Region	20,000-50,000 Customers	APPA 50,000 Cust. S. W. Region	(B) Invtr Own Utilities
FY 2011	2,850,748	21,612	131.91	149	135	148	N/A	N/A
FY 2012	2,664,423	21,796	122.24	150	150	153	N/A	N/A
FY 2013	2,904,140	21,929	132.43	140	239	168	N/A	N/A
FY 2014	3,902,527	22,033	177.12	145	178	159	N/A	N/A
FY 2015	4,510,222	22,207	203.35	156	170	149	N/A	N/A
FY 2016	3,448,412	22,597	152.60	164	170	152	N/A	N/A
FY 2017	3,518,863	22,681	155.13	162	234	182	N/A	N/A
FY 2018	3,594,348	22,968	156.49					
FY 2019	3,737,997	23,018	162.39					
FY 2020	2,867,439	23,075	165.69					



14) Customer Accounting, Customer Service & Informational Expenses per Retail Customer (dollars):

Definition: The ratio of total customer accounting, customer service, and sales expenses to the total number of retail customers. This ratio measures the average expenses incurred by the utility in handling each customer's account. This includes the costs of obtaining and servicing all retail customers. Uncollectible accounts and meter reading expenses are included in this ratio.

FY	Customer Accounting, Customer Service & Sales Expenses	Number of Customers	Cost per Customer	(A) Non-Gen. Utilities	(A) S. W. Region	20,000-50,000 Customers	APPA 50,000 Cust. S. W. Region	(B) Invtr Owne Utilities
FY 2011	999,927	21,551	46.40	N/A	64	55	N/A	N/A
FY 2012	1,087,721	21,701	50.12	N/A	60	62	N/A	N/A
FY 2013	1,041,196	21,863	47.62	N/A	86	80	N/A	N/A
FY 2014	1,131,679	21,915	51.64	N/A	48	62	N/A	N/A
FY 2015	1,145,573	22,002	52.07	N/A	49	59	N/A	N/A
FY 2016	942,242	22,402	42.06	N/A	52	59	N/A	N/A
FY 2017	1,051,982	22,639	46.47	N/A	64	58	N/A	N/A
FY 2018	1,139,861	22,825	49.94					
FY 2019	1,040,759	22,993	45.26					
FY 2020	638,384	23,047	36.93					

15) Distribution Operation and Maintenance Expenses per Retail Customer (dollars):

Definition: The ratio of total distribution operation and maintenance expenses to the total number of retail customers. This ratio measures the average distribution expense associated with delivering power to each retail customer.

FY	Distribution Operation and Maintenance Expenses	Avg Number of Customers	Cost per Customer	(A) Non-Gen. Utilities	(A) S. W. Region	20,000-50,000 Customers	APPA 50,000 Cust. S. W. Region	(B) Invtr Owne Utilities
FY 2011	2,383,448	21,551	110.60	N/A	156	144	N/A	N/A
FY 2012	2,187,394	21,701	100.80	N/A	170	152	N/A	N/A
FY 2013	2,555,693	21,863	116.90	N/A	129	177	N/A	N/A
FY 2014	2,488,855	21,915	113.57	N/A	165	161	N/A	N/A
FY 2015	2,597,130	22,002	118.04	N/A	173	167	N/A	N/A
FY 2016	2,584,162	22,402	115.35	N/A	175	162	N/A	N/A
FY 2017	2,570,837	22,639	113.56	N/A	122	200	N/A	N/A
FY 2018	2,568,044	22,825	112.51					
FY 2019	3,005,119	22,993	130.70					
FY 2020	2,310,744	23,047	133.69					

16) Days Cash On Hand:

Definition: Unrestricted Cash & Cash equivalents divided by Operating Expenses less Depreciation times 365.

				(D)	(D)	(D)	(D)
				ERCOT	ERCOT	Fitch	Fitch
				Non-Gen.	Gen.	'AA' Rated	'A' Rated
FY	Unrestricted Cash and Investments	Operating Expenses less Depreciation	Days Cash On Hand	Utilities	Utilities	Non-Gen. Utilities	Non-Gen. Utilities
FY 2011	8,896,887	42,539,909	77	N/A	N/A	N/A	N/A
FY 2012	8,805,915	35,593,689	91	N/A	N/A	N/A	N/A
FY 2013	11,092,134	31,296,713	129	N/A	N/A	N/A	N/A
FY 2014	14,199,201	33,636,603	154	N/A	N/A	N/A	N/A
FY 2015	27,008,347	37,538,638	263	N/A	N/A	N/A	N/A
FY 2016	20,882,642	28,958,536	264	N/A	N/A	N/A	N/A
FY 2017	21,394,727	33,868,590	263	N/A	N/A	N/A	N/A
FY 2018	19,037,581	36,212,407	192				
FY 2019	19,393,143	35,220,014	201				
FY 2020	18,594,673	26,227,521	194				

17) Energy Loss Percentage:

Definition: The ratio of total energy losses to total sources of energy.

					(A)	(A)	
				%	Non-Gen.	S. W.	20,000-50,000
FY	Purchased Kwh	kWh Sold	% Sales	Line Loss	Utilities	Region	Customers
FY 2011	528,148,925	494,571,058	0.9364	6.36%	0.0294	0.043	0.0362
FY 2012	508,561,630	488,605,371	0.9608	3.92%	0.0391	0.043	0.0377
FY 2013	494,069,520	460,974,578	0.9330	6.70%	0.0367	0.088	0.0379
FY 2014	526,606,827	496,392,874	0.9426	5.74%	0.0330	0.038	0.0314
FY 2015	528,997,459	495,885,573	0.9374	6.25%	0.0308	0.040	0.0338
FY 2016	503,332,952	479,917,532	0.9535	4.65%	0.0395	0.041	0.0382
FY 2017	501,525,275	466,665,272	0.9305	6.95%	0.0367	0.041	0.0348
FY 2018	530,832,591	500,063,719	0.9420	5.80%			
FY 2019	530,542,081	504,939,128	0.9517	4.83%			
FY 2020	364,290,933	339,601,146	0.9322	6.78%			

18) Working Capital Balance:

Definition: The total of the current assets less the current liabilities.

FY	Current Assets	Current Liabilities	Working Capital
FY 2011	15,047,052	7,097,889	7,949,163
FY 2012	13,777,249	4,297,090	9,480,159
FY 2013	17,231,262	6,058,593	11,172,669
FY 2014	23,265,453	8,438,634	14,826,819
FY 2015	30,821,886	10,725,481	20,096,405
FY 2016	22,918,733	10,557,349	12,361,384
FY 2017	24,211,847	3,691,117	20,520,730
FY 2018	22,078,328	4,893,729	17,184,598
FY 2019	22,359,193	5,549,678	16,809,515
FY 2020	19,862,056	3,788,683	16,073,373

19) Customer Accounts Receivable Recap:

Definition: A recap of the customer accounts receivable, account write-offs net of collections, the bad debt allowance, the bad debt allowance as a percent of receivables, the ratio of the writeoffs to receivables and the ratio of writeoffs to sales:

FY	Balance of Customer Accounts Receivable Including Unbilled Sales Estimate	Unbilled Accounts Receivable	Balance of Bad Debt Allowance	Account Write-offs Net of Collection	Allowance as a % of Receivables	Writeoffs as a % of Receivables	Writeoffs as a % of Operating Rev.
FY 2011	7,021,458	4,529,890	91,241	84,473	0.0130	0.0120	0.0018
FY 2012	6,959,804	4,400,760	90,000	67,387	0.0129	0.0097	0.0016
FY 2013	4,926,079	3,019,839	73,159	49,333	0.0149	0.0100	0.0013
FY 2014	5,261,521	3,352,658	43,500	48,678	0.0083	0.0093	0.0012
FY 2015	5,932,335	4,133,604	70,100	88,186	0.0119	0.0149	0.0021
FY 2016	4,211,272	2,561,150	53,857	18,728	0.0128	0.0044	0.0006
FY 2017	4,791,603	2,849,936	76,419	46,547	0.0159	0.0097	0.0012
FY 2018	4,431,069	2,310,201	86,344	58,000	0.0195	0.0131	0.0014
FY 2019	4,248,616	2,390,972	73,244	55,000	0.0172	0.0129	0.0238
FY 2020	3,311,394	1,992,817	110,036	40,000	0.0332	0.0121	0.0013

	Q 4 TOTAL	Q 1 TOTAL	Q 2 TOTAL	April	May	June	GRAND TOTAL
CITY OF KERRVILLE	379,723.05	345,731.09	325,366.36	96,712.64	78,605.08	95,595.84	1,321,734.06
SPX TRANSFORMER SOLUTIONS INC	-	696,920.00	-				696,920.00
LOWER COLORADO RIVER AUTHORITY	183,495.71	19,001.94	402,208.02	312.00			605,017.67
TEXAS ELECTRIC COOPERATIVES INC	139,137.29	68,387.76	95,212.38	46,041.20	32,161.14	92,497.99	473,437.76
LINETEC SERVICES LLC	388,719.20	-	-	1,869.00			390,588.20
NISC INC	129,927.21	60,359.09	82,740.64	27,818.08	26,088.77	26,297.96	353,231.75
NATIONAL TREE EXPERT CO INC	169,477.42	79,955.75	75,473.13	3,955.60			328,861.90
BRANDT INDUSTRIAL	300,577.04	-	-				300,577.04
GREENSTONE ELECTRICAL SERVICES LLC	-	13,943.00	215,588.69	35,133.80			264,665.49
TECHLINE INC	112,990.94	29,164.51	46,375.86	9,661.65	45,648.75	7,912.23	251,753.94
ANIXTER INC	1,739.08	62,639.68	74,230.31	344.15	32,255.43	8,033.21	179,241.86
SCHNEIDER ENGINEERING INC	34,021.50	60,402.84	32,112.66	9,752.50	13,301.25	25,450.00	175,040.75
TESSCO ENERGY SERVICES	159,504.31	-	-				159,504.31
TOWNSEND TREE SERVICE COMPANY LLC			41,237.93	41,957.58	26,525.91	45,511.07	155,232.49
CARD SERVICE CENTER	57,343.00	33,732.56	40,769.56	9,624.79	-	2,962.69	144,432.60
GDS ASSOCIATES	23,672.90	14,983.15	44,950.41	22,640.16	27,928.70		134,175.32
DELLMARKETING LP	48,369.98	39,042.61	2,195.00	36,782.39	-	230.00	126,619.98
KEN STOEPEL FORD	30,166.15	-	94,784.93				124,951.08
LANDIS+GYR TECHNOLOGY INC	-	-	24,000.00	12,249.00	77,500.00	3,069.36	116,818.36
KBS ELECTRICAL DISTRIBUTORS INC	10,095.00	27,268.75	61,277.82		16,051.50	1,973.75	116,666.82
DAVEY RESOURCE GROUP	-	105,000.00	-				105,000.00
MCFARLAND CASCADE	86,634.00	-	-				86,634.00
COMPUER SOLUTIONS	14,721.60	59,400.64	867.20	1,609.78			76,599.22
DAVIDSON TROILO REAM & GARZA	1,479.50	3,469.73	31,843.03	-	23,164.38	5,992.50	65,949.14
MAXEY ENERGY COMPANY	20,095.33	17,729.33	17,861.04		9,541.80		65,227.50
CITY OF INGRAM	30,360.34	-	32,045.28				62,405.62
VERDEK	44,775.00	-	15,740.00	80.00			60,595.00
OSMOSE UTILITIES SERVICES INC	1,780.00	34,445.29	-	495.00	74.29	20,958.46	57,753.04
COOPERATIVE RESPONSE CENTER INC	14,088.78	13,205.94	11,740.51	3,952.88	4,442.47	7,230.21	54,660.79
KERRVILLE ECONOMIC DEVELOPMENT CORP	-	50,000.00	-				50,000.00
KRAUSS GARAGE	16,393.18	4,750.55	8,339.53	15,805.73	-	1,773.36	47,062.35
STUART C IRBY COMPANY	6,225.95	6,471.88	28,046.46	617.50	300.00	4,796.00	46,457.79
SHI GOVERNMENT SOLUTIONS INC	4,051.59	28,779.52	8,928.42	1,797.00	1,797.00		45,353.53
COOPER POWER SYSTEMS	-	-	-			44,609.29	44,609.29
SECUREWORKS INC	7,837.50	-	33,481.00				41,318.50
WESCO DISTRIBUTION INC	7,001.97	5,824.02	19,959.61	539.54	-	5,229.69	38,554.83
USIC LOCATING SERVICES INC	11,452.24	5,945.34	9,292.42	3,097.71	3,489.92	3,249.96	36,527.59
BOLINGER, SEGARS, GILBERT & MOSS LLP	9,000.00	25,500.00	2,000.00				36,500.00
KERRVILLE PUBLIC UTILITY BOARD-ELECTRIC	16,853.34	4,934.97	7,572.94	2,093.89	2,290.71	225.14	33,970.99
AMERICAN FIDELITY ASSURANCE CO	10,226.94	5,590.59	8,419.26	2,806.42	2,806.42	2,806.42	32,656.05
US PAYMENTS, LLC				31,563.97			31,563.97
INCEPTION CONCEPTS LLC	17,286.25	5,256.40	-	3,324.56	87.18	3,845.84	29,800.23
METROPOLOTAN LIFE INS CO	8,910.68	4,441.25	9,087.10	2,446.98	2,370.18	2,359.82	29,616.01
RAPID7 LLC	-	23,875.00	4,938.00				28,813.00
UTILITY RESTORATION SERVICES INC	28,414.00	-	-				28,414.00
WINDSTRAM COMMUNICATIONS	5,340.57	7,920.71	7,936.65	2,711.37	2,563.72	1,937.27	28,410.29
PRIESTER-MELL & NICHOLSON INC	26,914.00	-	367.05	1,075.70	-	-	28,356.75
VERIZON WIRELESS	8,393.13	4,187.07	7,203.41	2,687.21	2,187.94	2,462.07	27,120.83
JUAN JOSE MARTINEZ JR	8,850.00	6,000.00	6,000.00	2,000.00	2,000.00	2,000.00	26,850.00

C & M CONCRETE PRECAST CO	24,570.00	1,728.00	-				26,298.00
CITY OF SEGUIN						25,083.97	25,083.97
SURVALENT TECHNOLOGY INC	-	23,800.00	-				23,800.00
AMERICAN PUBLIC POWER ASSN CORP	1,935.00	50.00	785.00	20,213.49			22,983.49
WAINWRIGHT ELECTRIC LLC				21,900.00			21,900.00
TEXAS PUBLIC POWER ASSOC	17,757.00	-	3,475.00				21,232.00
ECOMPLIANCE INC	-	-	-			20,263.95	20,263.95
D W ELECTRIC CO., INC.	424.57	581.05		9,081.29	9,650.00		19,736.91
MCCORD ENGINEERING INC			13,908.55	4,359.29			18,267.84
CALEB BECKERD MIZELL	17,146.00	-	-				17,146.00
MAC CONSULTING	918.00	15,933.30	-				16,851.30
SOLARWINDS	210.00	14,891.34	-				15,101.34
HILL COUNTRY TELEPHONE COOPERATIVE INC	3,475.89	3,368.76	3,336.84	1,111.28	2,257.95	276.38	13,827.10
M&S ENGINEERING	3,267.50	-	3,752.00	-	5,621.10	850.00	13,490.60
ALL POINTS COMMUNICATIONS, INC.	1,992.50	535.31	6,532.83	365.00	3,690.62	293.75	13,410.01
FR DEPOT	1,535.99	2,502.37	9,323.74				13,362.10
STROEHER & OLFERS INC	9,250.32	758.40	2,057.28				12,066.00
KEL-CO LANDSCAPING & LAWN SERVICE	3,600.00	1,800.00	2,700.00	900.00	900.00	900.00	10,800.00
BAT CITY, INC.	4,350.89	4,560.00	927.56	-	492.50	-	10,330.95
FEDRESULTS INC	10,000.00	-	-				10,000.00
	2,676,479.33	2,044,769.49	1,976,991.41	491,490.13	455,794.71	466,678.18	8,112,203.25

07/10/2020 11:33:42 AM

# Accounts Payable Check Register

Page 1

04/01/2020 To 06/30/2020

Bank Account: 1 - BANK 1

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
1019 04/02/2020	DD	1145	GREENSTONE ELECTRICAL SERVICES,	RB50 UNDERGROUND-FINAL INVOICING	35,133.80
1029 04/09/2020	DD	108	CITY OF KERRVILLE	KPUB 3% GROSS REVENUES FEES-MARCH	96,530.29
1045 04/16/2020	DD	25169	NISC, INC.	SOFTWARE SUPPORT/MAPPING & STAKING-MARCH	26,568.08
1048 04/16/2020	DD	1531	TOWNSEND TREE SERVICE COMPANY	TREE TRIMMING SERVICES NTX23-WE02152020	16,628.18
1056 04/23/2020	DD	1531	TOWNSEND TREE SERVICE COMPANY	TREE TRIMMING SERVICES NTX22-WE03072020	25,329.40
1061 04/30/2020	DD	18391	TEXAS ELECTRIC COOPERATIVES, INC.	METERS-FM12S/SDFMCL200/CL100/2SCL200 240	39,966.00
1067 05/07/2020	DD	70	TECHLINE INCORPORATED	#1/0 AL 15KV CABLE	32,710.70
1072 05/14/2020	DD	108	CITY OF KERRVILLE	3% GROSS REVENUES FEE-APRIL	78,444.13
1075 05/14/2020	DD	45	KBS ELECTRICAL DISTRIBUTORS INC.	FIBERGLASS/POLY CONCRETE ASSEMBLY	16,051.50
1078 05/14/2020	DD	5415	SCHNEIDER ENGINEERING, INC.	ENERGY SUPPLY/FINANCIAL MANAGEMENT	11,375.00
1081 05/14/2020	DD	18391	TEXAS ELECTRIC COOPERATIVES, INC.	TRANSFORMER MOUNTKVA PAD 7200 480/277 3P	17,664.50
1092 05/21/2020	DD	1531	TOWNSEND TREE SERVICE COMPANY	TREE TRIMMING SERVICES NTX22-WE03142020	22,028.81
1094 05/28/2020	DD	1166	ANIXTER INC	URD 50KVA TRANSFORMERS	31,616.43
1098 05/28/2020	DD	1272	LANDIS+GYR TECHNOLOGY INC	DISTRIBUTION AUTOMATION DEPLOYMENT	77,500.00
1099 05/28/2020	DD	25169	NISC, INC.	SOFTWARE SUPPORT/MAPPING & STAKING-APRIL	16,860.24
1109 06/04/2020	DD	18391	TEXAS ELECTRIC COOPERATIVES, INC.	25KVA TRANSFORMERS	29,408.97
1113 06/11/2020	DD	108	CITY OF KERRVILLE	GROSS REVENUES 3% FEE-MAY	95,431.99
1121 06/11/2020	DD	5415	SCHNEIDER ENGINEERING, INC.	GENERAL SUBSTATION ENGINEERING	18,693.75
1125 06/11/2020	DD	18391	TEXAS ELECTRIC COOPERATIVES, INC.	TRIPLEX WIRE	11,658.22
1126 06/11/2020	DD	1531	TOWNSEND TREE SERVICE COMPANY	TREE TRIMMING SERVICES NTX22 WE05022020	32,938.38
1132 06/18/2020	DD	25169	NISC, INC.	SOFTWARE SUPPORT/MAPPING & STAKING	25,078.08
1136 06/18/2020	DD	18391	TEXAS ELECTRIC COOPERATIVES, INC.	MINI WEDGES/WILDLIFE BUSHING/INSULATOR	37,504.78
1146 06/25/2020	DD	18391	TEXAS ELECTRIC COOPERATIVES, INC.	POLYCONCRETE BOX	13,728.02
1147 06/25/2020	DD	1531	TOWNSEND TREE SERVICE COMPANY	TREE TRIMMING SERVICES NTX22 WE05232020	12,572.69
131346 04/02/2020	CHK	96	AMERICAN PUBLIC POWER ASSN. COR	ANNUAL DUES-2020	20,213.49
131389 04/09/2020	CHK	1541	WAINWRIGHT ELECTRIC LLC	ARCADIA SECONDARY REROUTE	21,900.00
131408 04/16/2020	CHK	8804	DELL MARKETING L.P.	DELL LAPTOPS/CHARGING DOCKS	36,782.39
131409 04/16/2020	CHK	20989	GDS ASSOCIATES	REQUISITION 2043-TCOS PUCT REGULATORY	19,216.10
131415 04/16/2020	CHK	89445	U.S. PAYMENTS, LLC	KPUB PAYMENT KIOSKS	31,563.97
131460 05/07/2020	CHK	20989	GDS ASSOCIATES	PHASE II OF PUC TCOS FILING	27,928.70

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# Accounts Payable Check Register

Page 2

04/01/2020 To 06/30/2020

Bank Account: 1 - BANK 1

Check / Tran Date	Pmt Type	Vendor	Vendor Name	Reference	Amount
131462 05/07/2020	CHK	5833	DAVIDSON TROILO REAM & GARZA	LEGAL SERVICES RE:GENERAL-2009 FORWARD	17,228.38
131561 06/04/2020	CHK	1155	ECOMPLIANCE INC	ANNUAL SUBSCRIPTION RENEWAL	20,263.95
131596 06/11/2020	CHK	1550	CITY OF SEGUIN	STORM RESTORATION 5/28/20-5/30/20	25,083.97
131597 06/11/2020	CHK	21325	COOPER POWER SYSTEMS	150A VOLTAGE REGULATOR(3)	44,609.29
131644 06/25/2020	CHK	21343	OSMOSE UTILITIES SERVICES, INC	WOOD POLE INSPECTION-10/24/19-11/19/19	16,381.70
Total for Bank Account - 1 :					(35) 1,102,593.88
Grand Total :					(35) 1,102,593.88

## MEMORANDUM

To: Bill Thomas  
Philip Stacy  
Mark Cowden  
Larry Howard  
Mayor Bill Blackburn

From: Jill Sadberry

Date: July 16, 2020

Re: Agenda Item No. 8 — Revised Tariff on Customer Deposit Requirements

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Attached for your review is a rewritten KPUB customer deposit tariff. The goal of collecting a deposit from our customers is to protect KPUB, and thus the ratepayers as a whole, from unpaid balances. Many of our customers are not a risk and therefore are given the opportunity to forego the deposit requirement based on established criteria.

To summarize our current deposit tariff (which is attached for your review):

Residential:

Amount will be the greater of \$120 or 1/6 of the estimated annual billings.  
Returned after 12 months of good pay.  
Deposit not required with good credit history, aged 65 and above, or a co-signer.

Non-residential:

Amount shall not exceed an amount equivalent to 1/6 of the estimated annual billings.  
Returned after 24 months of good pay.  
Deposit not required with “satisfactory credit”.

My direction from Mike was to look at Non-residential customers, particularly high risk customers, such as crypto currency mining. I did research on both residential and non-residential tariffs from some of our neighbors and similar cities.

Some points to discuss are:

For Residential Customers:

1. Added statement regarding Prepaid Metering not requiring a deposit.
2. Removed the \$120 maximum deposit.

For Non-residential customers:

1. How much to collect.
2. How long to keep the deposit.



3. Bankruptcies-replaced wording with attorney's suggested wording.
4. High Risk customers-new class of deposit.
5. Paying interest on deposits.

Sincerely,

Jill Sadberry  
Chief Financial Officer

## Deposits

### Establishment of Credit for Permanent Residential Applicants

KPUB may require a residential applicant for service to satisfactorily establish credit, but such establishment of credit shall not relieve the Customer from complying with rules for prompt payment of bills. Credit history shall be applied equally for a reasonable period of time to a spouse or a former spouse who shared the service. Credit history maintained by one must be applied equally to the other without additional qualifications not required of the other.

Subject to the following, a residential applicant shall not be required to pay a deposit:

1. If the residential applicant has been a Customer of any utility for the same kind of service within the last two years and is not delinquent in payment of any such utility service account and during the last twelve (12) consecutive months of service did not have more than two occasions in which a bill for such utility service was paid after becoming delinquent and never had service disconnected for nonpayment; or
2. If the residential applicant furnishes in writing a satisfactory guarantee to secure payment of bills for the service required; or
3. If the residential applicant demonstrates a satisfactory credit rating by other appropriate means, or
4. An applicant for permanent residential service who is sixty-five (65) years of age or older will be considered as having established credit if such applicant does not have an outstanding account balance with KPUB or another utility for the same utility service which accrued within the last two years;
5. A KPUB Customer with established credit ("co-signer") signs an agreement to guarantee payment of Customer's bills. The term of guaranty is until Customer establishes credit with KPUB as provided in these Rules.
6. The customer enrolls in Prepaid Metering.

### Amount of Deposit for Permanent Residential

The required deposit for Residential Service will be an amount equivalent to one-sixth (1/6) of the estimated annual billings.

KPUB reserves the right to periodically review and revise deposit requirements based on:

1. The customer's billing payment history;
2. Changes in the location of Customer's service;
3. Customer's credit rating or score as reported by credit agency of KPUB's choice
4. Any other changes in Customer's Account or Service Agreement status,
5. Actual usage being at least three times the amount of the estimated billings, and current usage exceeds \$150 and 150% of the security held.

The Customer is subject to disconnection of service if the customer does not comply with the new deposit requirement within 10 days request, provided a written disconnect notice has been issued to the Customer.

#### Refund of Permanent Residential Deposit

If service is not connected, or after disconnection of service, KPUB shall promptly and automatically refund the Customer's deposit in excess of unpaid bills for service furnished. A transfer of service from one premise to another within the service area of KPUB shall not be deemed a disconnection within the meaning of these rules, and no additional deposit may be demanded unless permitted by these Rules. When the Customer has paid bills for service for twelve (12) consecutive residential billings without having service disconnected for nonpayment of bill and without having more than two occasions on which a bill was delinquent, and when the Customer is not delinquent in the payment of the current bills, KPUB shall promptly and automatically refund the deposit to the Customer in the form of a credit to the Customer's bill, or cash if requested; or void and return the guarantee. No interest will be paid on deposits refunded. If the Customer does not meet these refund criteria, the deposit may be retained. Deposits will only be refunded to the owner of the account.

#### Non-Residential Services--

Subject to the following, a non-residential applicant shall not be required to pay a deposit:

1. If the customer enrolls in Prepaid Metering where available;
2. If the applicant has been a Non-Residential Customer of any utility for the same kind of service within the last two years and is not delinquent in payment of any such utility service account and during the last twenty-four (24) consecutive months of service did not have more than two occasions in which a bill for such utility service was paid after becoming delinquent and never had service disconnected for nonpayment; or
3. If the applicant furnishes in writing, a satisfactory guarantee to secure payment of bills for the service required, such as a surety bond or irrevocable letter of credit from a bank that is approved by KPUB management; or
4. If the applicant demonstrates a satisfactory credit rating by other appropriate means.

#### Amount of Deposit for Non-Residential Service

In the case of non-residential services, if the credit of an applicant for service has not been established satisfactorily to KPUB, the applicant shall be required to make a deposit. The required deposit for all non-residential services will be an amount equivalent to one-sixth (1/6) of the estimated annual billings.

KPUB reserves the right to periodically review and revise deposit requirements based on:

1. The customer's billing payment history;
2. Changes in the location of Customer's service;
3. Customer's credit rating or score;
4. Any other changes in Customer's Account or Service Agreement status.

5. Actual usage being at least three times the amount of the estimated billings, and current usage exceeds \$150 and 150% of the security held.

The Customer is subject to disconnection of service if the customer does not comply with the new deposit requirement within 10 days request, provided a written disconnect notice has been issued to the Customer.

#### Refund of Commercial Deposit

If service is not connected, or after disconnection of service, KPUB shall promptly and automatically refund the Customer's deposit in excess of unpaid bills for service furnished. A transfer of service from one premise to another within the service area of KPUB shall not be deemed a disconnection within the meaning of these rules, and no additional deposit may be demanded unless permitted by these Rules. When the Customer has paid bills for service for twenty-four (24) consecutive billings without having service disconnected for nonpayment of bill and without having more than two occasions on which a bill was delinquent, and when the Customer is not delinquent in the payment of the current bills, KPUB shall promptly and automatically refund the deposit to the Customer in the form of a credit to the Customer's bill, or cash if requested; or void and return the guarantee. No interest will be paid on deposits refunded. If the Customer does not meet these refund criteria, the deposit may be retained. Deposits will only be refunded to the owner of the account.

#### Other Service Type Deposit Requirements

##### Deposits for Temporary or Seasonal and for Weekend Residences

KPUB may require a deposit sufficient to reasonably protect it against assumed risk for temporary, weekend, or seasonal service, provided such policy is applied in a uniform and nondiscriminatory manner. Mobile homes located on nonpermanent foundations shall be deemed temporary service for the purpose of this Section.

##### Deposit Requirements for High Load Factor Services

The required deposit for High Load Factor (above system average) services, such as crypto currency mining or server farms, will be an amount equivalent to one-sixth (1/6) of the estimated annual billings, based upon the size of service requested. Upon termination of service, the deposit will be applied to the Final Bill. Deposits greater than the final bill will be refunded to the Customer. No interest will be paid on deposits refunded.

##### Re-establishment of Credit

Every applicant who previously has been a Customer of KPUB and whose service has been discontinued for nonpayment of bills or meter tampering or bypassing of meter shall be required before service is rendered to pay all amounts due for such service or execute a deferred payment agreement, if offered, and re-establish credit as provided in these Rules.

If a customer files a bankruptcy petition, the customer's existing account(s) will be closed and a

new account(s) established. Any existing deposit will be applied to unpaid charges prior to the date the customer filed for bankruptcy protection. Adequate assurance of payment will be required on any new account(s) opened after the customer filed for bankruptcy protection. If adequate assurance of payment, in the form a deposit or other security, is not received and 20 days have passed following the customer's bankruptcy filing (30 days if the customer has filed for bankruptcy protection under Chapter 11 of the Bankruptcy Code), the new account(s) will be disconnected.

#### Records of Deposits

KPUB shall keep records to show:

1. The name and address of each depositor;
2. The amount and date of the deposit; and
3. Each transaction concerning the deposit.

KPUB shall issue a receipt of deposit to each applicant from whom a deposit is received and shall provide means whereby a depositor may establish claim if the receipt is lost.

A record of each unclaimed deposit must be maintained for at least three years, during which time KPUB shall make reasonable effort to return the deposit.



## OBTAINING ELECTRIC SERVICE

### **Application for Electric Service**

Customer is required to make applications as specified by KPUB to obtain electric service. At the option of KPUB, a written application to obtain electric service may be required. Any Customer taking electric service from KPUB, in consideration of KPUB supplying electric service and regardless whether or not such Customer has made application for such electric service, is bound by these Rules and is liable to KPUB for payment for such electric service under the applicable rate schedule.

### **Refusal of Service**

KPUB may decline to provide electric service to an applicant until such applicant has complied with the state and municipal regulations and these Rules governing the service applied for or for the following reasons:

1. If the applicant's installation or equipment is known to be hazardous or of such character that satisfactory service cannot be given; or
2. If the applicant is indebted to KPUB for any kind of service; provided, however, that in the event the indebtedness of the applicant for service is in dispute, the applicant shall be served upon complying with the deposit requirements of these Rules.
3. For refusal to make a deposit if the applicant is required to make a deposit under the Rules.
4. Failure to pay the bill of another Customer at the same address when KPUB determines that the change of Customer identity is being made to avoid or evade payment of a bill. This applies to an applicant who is benefiting from the service of a current Customer who is indebted to KPUB for the electric service at the same address. A supervisory review may be requested by the applicant in the event KPUB determines that evasion has occurred and refuses to provide service.
5. Failure to provide proper identification satisfactory to KPUB.
6. Failure to meet the minimum age requirement of 18 years, unless the minor's disabilities have been removed.

In the event that KPUB shall refuse to serve an applicant under the provisions of these rules, KPUB will inform the applicant of the basis of its refusal of service. The applicant may file a complaint with the General Manager of KPUB.

### **Deposits**

#### **Establishment of Credit for Permanent Residential Applicants**

KPUB may require a residential applicant for service to satisfactorily establish credit, but such establishment of credit shall not relieve the Customer from complying with rules for prompt payment of bills. Credit history shall be applied equally for a reasonable period of time to a spouse or a former spouse who shared the service. Credit history maintained by one must be applied equally to the other without additional qualifications not required of the other.

Subject to the following, a residential applicant shall not be required to pay a deposit:

1. If the residential applicant has been a Customer of any utility for the same kind of service within the last two years and is not delinquent in payment if any such utility service account and during the last twelve (12) consecutive months of service did not have more than two occasions in which a bill for such utility service was paid after becoming delinquent and never had service disconnected for nonpayment; or
2. If the residential applicant furnishes in writing a satisfactory guarantee to secure payment of bills for the service required; or
3. If the residential applicant demonstrates a satisfactory credit rating by other appropriate means; or
4. An applicant for permanent residential service who is sixty-five (65) years of age or older will be considered as having established credit if such applicant does not have an outstanding account balance with KPUB or another utility for the same utility service which accrued within the last two years.
5. A KPUB Customer with established credit("co-signer") signs an agreement to guarantee payment of Customer's bills. The term of guaranty is until Customer establishes credit with KPUB as provided in these Rules.

#### Re-establishment of Credit

Every applicant who previously has been a Customer of KPUB and whose service has been discontinued for nonpayment of bills or meter tampering or bypassing of meter shall be required before service is rendered to pay all amounts due for such service or execute a deferred payment agreement, if offered and re-establish credit as provided in these Rules.

#### Commercial Services

In the case of commercial services, if the credit of an applicant for service has not been established satisfactorily to KPUB, the applicant may be required to make a deposit.

#### Amount of Deposit for Permanent Residential, Commercial Service and Exemption from Deposit

The required deposit for Residential Service shall not exceed the greater of \$120.00 or an amount equivalent to one-sixth (1/6) of the estimated annual billings. The required deposit for all other services shall not exceed an amount equivalent to one-sixth (1/6) of the estimated annual billings. During the first twelve months of service, if actual usage is at least three times the amount of the estimated billings, and current usage exceeds \$150 and 150% of the security held, a new deposit requirement may be calculated and the request therefor issued to the Customer in writing indicating that the Customer may elect to pay the current usage in lieu of the additional deposit. The Customer is subject to disconnection of service if he does comply within 10 days request, provided a written disconnect notice has been issued to the Customer.

#### Deposits for Temporary or Seasonal and for Weekend Residences

KPUB may require a deposit sufficient to reasonably protect it against assumed risk for temporary, weekend, or seasonal service, provided such policy is applied in a uniform and

nondiscriminatory manner. Mobile homes located on nonpermanent foundations shall be deemed temporary service for the purpose of this Section.

These deposits shall be returned according to guidelines set out below.

#### Records of Deposits

KPUB shall keep records to show:

1. The name and address of each depositor;
2. The amount and date of the deposit; and
3. Each transaction concerning the deposit.

KPUB shall issue a receipt of deposit to each applicant from whom a deposit is received and shall provide means whereby a depositor may establish claim if the receipt is lost.

A record of each unclaimed deposit must be maintained for at least four years, during which time KPUB shall make reasonable effort to return the deposit.

#### Refund of Deposit

If service is not connected or after disconnection of service, KPUB shall promptly and automatically refund the Customer's deposit in excess of unpaid bills for service furnished. A transfer of service from one premises to another within the service area of KPUB shall not be deemed a disconnection within the meaning of these rules, and no additional deposit may be demanded unless permitted by these Rules.

When the Customer has paid bills for service for twelve (12) consecutive residential billings or for twenty-four (24) consecutive commercial or industrial billings without having service disconnected for nonpayment of bill and without having more than two occasions on which a bill was delinquent, and when the Customer is not delinquent in the payment of the current bills, KPUB shall promptly and automatically refund the deposit to the Customer in the form of cash or credit to a Customer's bill, or void and return the guarantee. No interest will be paid on deposits refunded. If the Customer does not meet these refund criteria, the deposit may be retained.

## **EXTENSION OF ELECTRIC SERVICE**

#### Ownership

KPUB shall have, at all times, complete ownership and control of the entire line constructed to serve any Customer, and shall have the right to serve other Customers from said line and/or any extension thereof, without obligation to refund any part of the payment for Contribution In Aid of Construction paid by Customer.

All meters, transformers, regulators, services, fixtures, etc., which are installed by KPUB upon the Customer's premises for the purpose of delivering electricity to the Customer remain the property of KPUB and may be repaired, replaced or removed by KPUB at any time.



## MEMORANDUM

To: Bill Thomas  
Philip Stacy  
Mark Cowden  
Larry Howard  
Mayor Bill Blackburn

From: Jill Sadberry

Date: July 14, 2020

Re: Agenda Item No. 10 – Approval and Reporting of Purchases and Sales

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Presented for your consideration and review are the recommendations for purchase of goods or services.

- A. Transmission Cost Of Service Study.** KPUB is incurring additional costs for the ongoing Transmission Cost of Service (TCOS) Study required by the PUCT. Our consultant, GDS Associates, Inc. anticipates an additional \$25,000.00 in costs at this time. The PUCT has so far sent six sets of questions since the study began a year ago, requiring more billable hours than first anticipated. As stated before, most of these costs will be recoverable through TCOS pass through in the rates. Thsu far we have paid GDS \$144,726.87 through June billing. Staff is requesting a Purchase Order for \$25,000.00 for additional PUCT TCOS study expenses.

Please let me know if you have any questions or concerns.

Sincerely,

Jill Sadberry  
Chief Financial Officer

## MEMORANDUM

To: Bill Thomas  
Philip Stacy  
Mark Cowden  
Larry Howard  
Mayor Bill Blackburn

From: Damon Richardson

Date: July 6, 2020

Re: Agenda Item No. 10 – Approval and Reporting of Purchases and Sales

---

Presented for your consideration and review are the recommendations for purchase of goods or services.

**B. Quote No. 2732: Diesel and Gasoline.** Staff is recommending that this purchase be awarded to the low bidder, Golden West (formerly Johnson Oil), for a total not to exceed \$93,480.00, with a two-year agreement, and 2 one-year extension options. Estimated annual need of 15,000 gallons of 87 octane unleaded and 15,000 gallons of low sulfur diesel. Total dollars are estimated from the last 12-month average price from Energy Information Administration, actual purchase price will be the daily OPIS/Rack price plus taxes and quote delivery/mark up at time of order. Bids were solicited from three vendors, and we received two responses. Bid documents are attached for reference.

Please let me know if you have any questions or concerns.

Sincerely,

Damon Richardson  
Purchasing Agent

Kerrville Public Utility Board

Bid for fuel bid # 2732, June 30, 2020

For purposes of calculating the current price per gallon, use the following formula:

Diesel Fuel # 2 and Regular unleaded 87 Octane

Rack Price\* + Freight + Markup = Price

Today price calculation for 06/24/2020  $1.1984 + .0583 + .0725 = 1.3292$

State and Federal taxes are added if applicable. Base on full load delivery.

	Diesel Fuel #2	Regular Unleaded 87 Octane
Average Price Per Gallon	1.1978	1.2582
State Excise Tax	.2000	.2000
Federal Excise Tax	.0000	.0000
Bid Freight and Markup	.1308	.1231
Total Price Per Gallon	1.5286	1.5813

\*Rack Price is the "average unbranded price" Published each day as DTN Fast Racks, San Antonio, Texas.

Any small deliveries for local Kerrville bulk plant will be charge at the same formula, but with And additional .0750 cent per gallon added for a minimum bobtail truck delivery of 500 gallons.

In case of emergencies outages or supply shortages, fuel will be made available thru our local Convenience stores in the Kerrville area or thru our Maxey gas card system.



W. Merlin Maxey

Maxey Energy Company

Golden West

Bid #2732  
June 30, 2020

Kerrville Public Utility Board is seeking proposals for fuel purchase/delivery. Proposal will be for purchase and delivery of approximately 15,000 gallons of diesel and 15,000 gallons of Unleaded in one year time. Delivery will be as needed basis, full tanker truck combination of diesel and unleaded equaling approximately 8,000 gallons.

We are seeking a two year agreement with two one year extensions possible with negotiated price increase, not to exceed 3%.

	Low sulfur No. 2 Diesel Fuel	Regular 87 Octane Unleaded Gasoline
OPIS branded average rack price per gallon	1.21	1.49 excludes tax
Sales Tax	.0020	.0020
Federal Tax	N/A	N/A
Bid Price above OPIS	.015	.015 * Penny + half above rack
Total per Gallon	\$ 1.6953	\$ 1.9437
	1.227	1.507
	.4683	.4367
		.015
		.4517

06/19/2020 1:40:46 pm

**MATERIAL INVENTORY  
TRANSACTION ACTIVITY**

Page: 1

06/19/2019 To 06/19/2020  
Item Summary

Item	Description	Period	Activity	Quantity	Amount
2002	Gasoline Regular Unleaded	JUN 2019	Charge	-409.900	-1,032.26
		JUL 2019	Charge	-1,398.400	-3,377.01
		AUG 2019	Charge	-1,378.700	-3,458.61
		SEP 2019	Charge	-1,059.900	-2,658.84
		OCT 2019	Charge	-1,229.400	-2,859.10
		NOV 2019	Charge	-1,002.000	-2,272.57
		DEC 2019	Charge	-1,088.700	-2,469.28
		JAN 2020	Charge	-1,023.200	-2,289.64
		FEB 2020	Charge	-958.600	-2,108.92
		MAR 2020	Charge	-1,150.000	-2,530.00
		APR 2020	Charge	-1,445.700	-3,180.54
		MAY 2020	Charge	-1,813.400	-2,762.74
<b>Grand Total:</b>				-13,957.900	\$ -30,999.51

06/19/2020 1:41:26 pm

# MATERIAL INVENTORY TRANSACTION ACTIVITY

Page: 1

06/19/2019 To 06/19/2020  
Item Summary

Item	Description	Period	Activity	Quantity	Amount
2000	Diesel Fuel # 2	JUN 2019	Charge	-469.700	-1,084.98
		JUL 2019	Charge	-1,285.300	-2,985.09
		AUG 2019	Charge	-1,494.100	-3,748.81
		SEP 2019	Charge	-1,063.900	-2,669.41
		OCT 2019	Charge	-1,093.200	-2,734.86
		NOV 2019	Charge	-914.600	-2,288.03
		DEC 2019	Charge	-827.400	-2,069.89
		JAN 2020	Charge	-777.500	-1,874.23
		FEB 2020	Charge	-765.000	-1,837.35
		MAR 2020	Charge	-1,112.200	-2,671.30
		APR 2020	Charge	-1,517.000	-3,643.52
		MAY 2020	Charge	-1,861.000	-3,719.21
<b>Grand Total:</b>				-13,180.900	\$ -31,326.68

<b>Unleaded</b>	<b>Maxey</b>	<b>Golden West</b>	<b>McBryde</b>
Rack Price	\$2.8000	\$2.8000	No Response
State Tax	\$0.2000	\$0.2000	
Federal Tax	\$0.0010	\$0.0010	
Markup/Freight	\$0.1231	\$0.0150	
Total	\$3.1241	\$3.0160	
<b>Diesel</b>	<b>Maxey</b>	<b>Golden West</b>	<b>McBryde</b>
Rack Price	\$3.0000	\$3.0000	
State Tax	\$0.2000	\$0.2000	
Federal Tax	\$0.0010	\$0.0010	
Markup/Freight	\$0.1308	\$0.0150	
Total	\$3.3318	\$3.2160	

## MEMORANDUM

To: Bill Thomas  
Philip Stacy  
Mark Cowden  
Larry Howard  
Mayor Bill Blackburn

From: Mike Wittler

Date: July 17, 2020

Re: Agenda Item 10 – Approval and Reporting of Purchases and Sales

---

I would like to provide the Board an update on purchasing activities.

- C. Report on Mutual Assistance/Storm Billing: In response to extensive storm damage and outages on May 27<sup>th</sup>, we issued a call for mutual assistance and contract support and received help from the following organizations.

Organization	Personnel Provided
Seguin	5
Boerne	4
Fredericksburg	5
Central Texas Electric Cooperative	7
Line Tech	12
James Power Line	32
Townsend Tree Service	15

The table below summarizes the storm response costs to date.

Category	Cost	Notes
Labor	\$ 129,710.73	
Material	\$ 35,367.83	
Overhead	\$ 80,261.22	Includes Labor OH and Fleet
Services	\$ 211,250.85	Mutual Aid, Contractors, Meals, Misc.
Total	\$ 456,590.63	



Invoicing received so far for mutual assistance and contractors include:

- James Power Line \$140,353.60
- City of Seguin \$ 25,083.97
- Townsend Tree \$ 57,924.52

We have not received invoices from Fredericksburg, CTEC, and Line Tech.

Please let me know if you would like additional information or have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Mike Wittler", with a stylized flourish at the end.

Mike Wittler

## MEMORANDUM

To: Bill Thomas  
Philip Stacy  
Mark Cowden  
Larry Howard  
Mayor Bill Blackburn

From: Ricardo Berrios Jr.

Date: July 15, 2020

Re: Agenda Item No. 11 — Quarterly Reports: Engineering and Operations  
Projects - Capital Budget Summary, and Reliability Report

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Attached for your consideration and review are quarterly reports and updates as requested by the Board.

A. Engineering and Operations Projects – Capital Budget Summary

The attached spreadsheet summarizes spending for the Capital Budget through the third quarter of fiscal year end 2020. A summary of status updates for the projects will be presented at that time.

B. Reliability

Attached you will find quarterly reliability reports summarizing industry performance indices by substation, feeder, and entire system by month. In the monthly summary, total number of customers connected is also reflected. Service summary also identifies common outage causes and Major Event Day threshold including the day the event occurred.

Please let me know if you have any questions or concerns.

Sincerely,



Ricardo Berrios, Interim Manager of Engineering

CAPITAL BUDGET REPORT  
FISCAL YEAR OCTOBER 1, 2019 - SEPTEMBER 30, 2020

As of June 30, 2020										
Budget No.	Description	Budget Amount	Qtr 1 (Oct-Dec)	Qtr 2 (Jan-Mar)	April Actual	May Actual	June Actual	Qtr 3 (Apr-June)	Qtr 4 (July-Sep)	YTD Total
0	Retirement W/O Replacement		\$ -	\$ 22,358.00	\$ -	\$ 678.10	\$ 44,946.00	\$ 45,624.10	\$ -	\$ 67,982.10
40701	Existing AMR Systems	\$ 61,890	\$ 4,008.00	\$ 10,438.28	\$ 35,816.00	\$ -	\$ 884.00	\$ 36,700.00	\$ -	\$ 51,146.28
40714	Customer Extensions	\$ 924,058	\$ 102,414.39	\$ 101,078.44	\$ 18,406.57	\$ 34,030.23	\$ 43,981.28	\$ 96,418.08	\$ -	\$ 299,910.91
40721	Street Lights	\$ 114,720	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -
40722	Contingency Development	\$ 102,500	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -
40723	Padmount Refurbish & Replacements	\$ 236,520	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -
40724	Misc. Improvement Projects	\$ 380,625	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -
40725	Dodge 5500 Bucket Truck Replace Unit 3236	\$ 280,000	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -
40726	3/4 Ton 4X4 Ex. Cab Pickup Replace Unit 3225	\$ 40,000	\$ -	\$ 36,710.85	\$ -		\$ -	\$ 3,209.50	\$ -	\$ 39,920.35
40727	1/2 Ton 4X4 Ex. Cab Pickup Replace Unit 3226	\$ 40,000	\$ -	\$ 33,688.38	\$ 3,209.50	\$ 3,494.87	\$ -	\$ 9,980.10	\$ -	\$ 43,668.48
40730	Ordinary Replacements	\$ 102,500	\$ 3,302.75	\$ 27,747.75	\$ 6,485.23	\$ 99.68	\$ 68.90	\$ 2,726.75	\$ -	\$ 33,777.25
40731	System Improvements	\$ 1,139,300	\$ 20,832.59	\$ 5,750.81	\$ 2,558.17	\$ 14,393.64	\$ 15,451.12	\$ 29,844.78	\$ -	\$ 56,428.16
40732	Power factor Improvements/Control Replacement	\$ 39,775	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
40733	Pole Inspection Replacements	\$ 600,000	\$ 28,806.55	\$ 7,173.68	\$ -	\$ 7,332.62	\$ 10,288.45	\$ 17,621.07	\$ -	\$ 53,601.30
40734	Reliability Improvements	\$ 153,750	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -
40747	Hunt Emergency Xfmr Replacement	\$ 1,250,000	\$ 8,875.54	\$ 126,350.00	\$ -		\$ -	\$ -	\$ -	\$ 135,225.54
40748	DA Equipment Deployment	\$ 200,000	\$ -	\$ -	\$ -	\$ 354.64	\$ 5,430.69	\$ 5,785.33	\$ -	\$ 5,785.33
40749	SCADA Upgrades	\$ 75,000	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -
40750	Minor Substations Improvements	\$ 150,000	\$ 4.30	\$ 53,951.16	\$ -		\$ 13,249.99	\$ 13,249.99	\$ -	\$ 67,205.45
40760	IT Normal Replacements (set up extra WO as needed)	\$ 65,000	\$ 40,680.61	\$ 6,225.62	\$ 15,463.64	\$ 1,797.00	\$ 230.00	\$ 17,490.64	\$ -	\$ 64,396.87
40761	Network Infrastructure	\$ 65,000	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -
40763	Email System Upgrade	\$ 45,000	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -
40764	Access System Upgrade ( HQ and DR)	\$ 95,000	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -
40765	Server Infrastructure	\$ 50,000	\$ 28,779.52	\$ -	\$ -		\$ -	\$ -	\$ -	\$ 28,779.52
40766	VM Ware	\$ 50,000	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -
40767	Phone System	\$ 20,000	\$ 5,256.40	\$ 5,064.00	\$ -		\$ -	\$ -	\$ -	\$ 10,320.40
40768	UPS	\$ 35,000	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -
40769	Fiber Optic Communications	\$ 275,000	\$ 3.85	\$ 30,000.00	\$ -		\$ -	\$ -	\$ -	\$ 30,003.85
40774	Office Furniture	\$ 37,220	\$ -	\$ 8,320.90	\$ -		\$ -	\$ -	\$ -	\$ 8,320.90
40775	Facilities Improvements	\$ 52,000	\$ -	\$ 6,709.00	\$ -		\$ -	\$ -	\$ -	\$ 6,709.00
40776	Misc. Building Improvements	\$ 50,000	\$ -	\$ -	\$ 7,440.00		\$ -	\$ 7,440.00	\$ -	\$ 7,440.00
40778	Demonstration EE Projects (EV,PV, & LED)	\$ 30,000	\$ -	\$ -	\$ 419.51	\$ 4,556.16	\$ 1,098.78	\$ 6,074.45	\$ -	\$ 6,074.45
40779	Misc. Capital Tools/Radios	\$ 20,500	\$ 6,744.82	\$ 5,743.01	\$ -		\$ -	\$ -	\$ -	\$ 12,487.83
	Prior Years Distribution			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	Prior Years Customer Extensions			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	Prior Years Pole Inspection/Replacements			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	Prior Years Street Lights			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	Prior Years IT			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	Prior Years Fleet			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	Prior Years Facilities			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	Prior Years Energy Efficiency			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	Prior Years Tools/Equipment			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	Prior Years Substation			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	<b>Totals:</b>	<b>\$ 6,780,358</b>	<b>\$ 249,709</b>	<b>\$ 487,310</b>	<b>\$ 89,799</b>	<b>\$ 66,737</b>	<b>\$ 135,629</b>	<b>\$ 292,165</b>	<b>\$ -</b>	<b>\$ 1,029,184</b>
	<b>Percent of Total Budget:</b>		<b>3.7%</b>	<b>7.2%</b>	<b>1.3%</b>	<b>1.0%</b>	<b>2.0%</b>	<b>4.3%</b>	<b>0.0%</b>	<b>15.2%</b>

Service Quality Report - April 1, 2020 to June 30, 2020

31 Fdrs -- Major Events

Sub	Fdr	SAIFI	SAIDI	CAIDI	ASAI	MAIFI	Nbr-Cons-Out	Consumer Minutes	Consumer Hours	Total Served
HARPER	20	4.225	1904.402	450.729	0.98531	1.839	5273	2376693.82	39611.56	1248
HARPER	30	0.395	382.265	966.805	0.99705	0.001	669	646792.22	10779.87	1692
HARPER	60	0.448	353.583	789.543	0.99727	0.001	661	521887.87	8698.13	1476
HARPER	70	0.236	173.931	738.318	0.99866	0	147	108532.77	1808.88	624
HUNT	20	0.033	15.02	451.106	0.99988	0	29	13082.07	218.03	871
HUNT	30	0.998	131.275	131.479	0.99899	0	642	84409.77	1406.83	643
HUNT	50	1.008	266.955	264.856	0.99794	0	636	168448.7	2807.48	631
INGRAM	20	0.117	60.059	513.769	0.99954	0	92	47266.72	787.78	787
INGRAM	40	0.045	52.934	1177.081	0.99959	0	38	44729.08	745.48	845
JACK FURMAN	70	0.111	2.272	20.483	0.99998	0	62	1269.97	21.17	559
LEGION	20	0.414	144.094	347.723	0.99889	0.066	334	116139.55	1935.66	806
LEGION	30	1.002	471.45	470.559	0.99636	0	529	248925.68	4148.76	528
LEGION	40	0.072	34.724	483.964	0.99973	0	32	15486.85	258.11	446
LEGION	50	0.004	3.388	952	0.99997	0	1	952	15.87	281
R. F. BARKER	20	1.012	172.752	170.662	0.99867	0	992	169296.67	2821.61	980
R. F. BARKER	40	0.009	8.552	983.533	0.99993	0	1	983.53	16.39	115
RIM ROCK	10	0.148	146.551	992.676	0.99887	0	106	105223.62	1753.73	718
RIM ROCK	40	0.133	379.009	2842.567	0.99708	0	2	5685.13	94.75	15
RIM ROCK	50	1.269	769.415	606.241	0.99406	0.042	1971	1194901.38	19915.02	1553
RIM ROCK	60	1.02	134.217	131.585	0.99896	0	255	33554.25	559.24	250
STADIUM	0	1.015	124.597	122.8	0.99904	0	3744	459763.2	7662.72	3690
STADIUM	20	0.387	324.456	838.889	0.9975	0.001	456	382533.27	6375.55	1179
STADIUM	40	1.142	236.421	206.947	0.99818	0	746	154382.77	2573.05	653
STADIUM	50	0.112	116.534	1040.81	0.9991	0	102	106162.65	1769.38	911
STADIUM	60	0.109	122.747	1128.56	0.99905	0	103	116241.72	1937.36	947
TRAVIS	10	1.02	110.595	108.408	0.99915	0	1568	169983.93	2833.07	1537
TRAVIS	20	0.074	52.929	710.766	0.99959	0	70	49753.65	829.23	940
TRAVIS	60	0.063	32.915	524.863	0.99975	0	37	19419.93	323.67	590
TRAVIS	70	0.013	14.449	1117.406	0.99989	0	12	13408.87	223.48	928
<b>Entire System</b>		<b>0.834</b>	<b>318.691</b>	<b>382.142</b>	<b>0.99754</b>	<b>0.104</b>	<b>19317</b>	<b>7381842.27</b>	<b>123030.7</b>	<b>23163</b>

## WHAT ARE SAIFI, SAIDI AND MAIFI? ON RELIABILITY ISSUES

SAIFI, SAIDI, MAIFI are some of the indices used to measure distribution system reliability. Before explaining them a little on the subject of reliability.

Reliability can be defined as the ability of the power system components to deliver electricity to all points of consumption, in the quantity & with the quality demanded by the consumer. Reliability is often measured by the outage indices defined in one international standard called IEEE 1366. (IEEE is the Institution of Electrical & Electronics Engineers, the biggest professional body of Electrical & Electronics Engineers. IEEE has its head office in the USA & has presence in most countries). These outage indices are based on the duration of each power supply interruption & the frequency of interruption. It is clear that all three major functional components of the power system – generation, transmission & distribution contribute to reliability. As far as the consumer is concerned, transmission & distribution outages are important. In fact, surveys (in developed countries) show that 80-90% of the outages experienced by consumers are caused by distribution outages.

A power supply outage is an unplanned event & can be described in terms of the frequency, duration & amount of load (or consumers) affected. A momentary outage is defined as an outage lasting less than 5 minutes, corresponding to the time taken by automatic re-closure schemes to restore temporary faults; a sustained outage lasts longer than 5 minutes (NERC 1996). IEEE standard 1366 gives the definition for outage indices. These indices are calculated using details of consumer interruptions collected from past year's or several year's data. Definitions of few of the indices are given below:

### **System Average Interruption Frequency Index (SAIFI)**

SAIFI is the average number of sustained interruptions per consumer during the year. It is the ratio of the annual number of interruptions to the number of consumers.

$$\text{SAIFI} = (\text{Total number of sustained interruptions in a year}) / (\text{Total number of consumers})$$

### **System Average Interruption Duration Index (SAIDI)**

SAIDI is the average duration of interruptions per consumers during the year. It is the ratio of the annual duration of interruptions (sustained) to the number of consumers. If duration is specified in minutes, SAIDI is given as consumer minutes.

$$\text{SAIDI} = \text{Total duration of sustained interruptions in a year} / \text{total number of consumers}$$

SAIFI & SAIDI are the most used pair of reliability indices. A North American survey showed SAIFI figure of 1.1 (indicating 1.1 interruption/year/consumer) & SAIDI of 1.5 hours. Singapore is reported to have a SAIDI of 3 minutes. For comparison, the NDPL tariff submission for 2005-06 gives SAIDI figure of 38 hours for 2003-04 & a target of 30 hours for 2004-05 (23)

### **Consumer Average Interruption Frequency Index (CAIFI)**

CAIFI is the average number of interruptions for consumers who experience interruptions during the year. It is the ratio of the annual number of interruptions to the number of consumers affected by interruptions during the year. Consumer is counted only once regardless of the number of interruptions.

$CAIFI = \text{Total number of sustained interruptions in a year} / \text{Total number of consumers affected.}$

### **Consumer Average Interruption Duration Index (CAIDI)**

CAIDI is the average duration of an interruption, calculated based on the total number of sustained interruptions in a year. It is the ratio of the total duration of interruptions to the total number of interruptions during the year.

$CAIDI = \text{Total duration of sustained interruptions in a year} / \text{total number of interruptions.}$

It can also be seen that  $CAIDI = SAIDI/SAIFI$

### **Momentary Average Interruption Frequency Index (MAIFI)**

MAIFI is the average number of momentary (less than 5 minutes) interruptions per consumer during the year. It is the ratio of the annual number of momentary interruptions to the number of consumers.

$MAIFI = (\text{Total number of momentary interruptions in a year}) / (\text{Total number of consumers})$

The AP regulation suggests using 3 supply reliability indices SAIFI (System Average Interruption Frequency Index), SAIDI (System Average Interruption Duration Index) & MAIFI (Momentary Average Interruption Frequency Index). These are typical reliability indices related to consumer supply, calculated using annual field data. The AP regulation (and as seen subsequently, all other State regulations) use these indices in the feeder context, with some change in the formula for calculations. Thus SAIFI, SAIDI & MAIFI refer to 11 kV feeder interruptions (not consumer interruptions) & the index is calculated using one month data (not annual data). The interruption is also given a weight age, based on the connected load on the respective feeder. To illustrate using the case of SAIFI.

$SAIFI = (\text{Total connected load on all feeders})$

It can be seen that this is not an average value, since the total number of interruptions is not used in the calculation. SAIFI as calculated here is the weighted total number of feeder interruptions, i.e the sum of individual feeder interruption weighted by the proportion of load it carries. Thus, it cannot be used to compare reliability figures of two utilities which have different number of feeders.

Indices for rural & urban feeders are to be calculated separately. Feeders serving predominantly agriculture loads are excluded from the calculation & indices for those are also to be separately calculated. Since these calculations are now, the regulation does not suggest any target values for these indices.

Considering the lack of reliable data on consumer interruptions, it is a good idea the SoP regulation suggests using feeder interruption data to calculate reliability. But then, it was perhaps not necessary to employ jargon like SAIFI, SAIDI etc, especially since the formula suggested are not as per the standard. Calculating the average duration & frequency of 11 kV feeder interruptions, calculating the per km interruption of 11 kV feeders etc would have been easier & sufficient to assess system reliability.



## MEMORANDUM

To: Bill Thomas  
Philip Stacy  
Mark Cowden  
Larry Howard  
Mayor Bill Blackburn

From: Allison Bueché

Date: July 17, 2020

RE: Agenda item #12—Change for Charity program fund update

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The Kerrville Public Utility Board (KPUB) Change for Charity program fund was launched this month, with programming being complete in SmartHub on Thursday, July 9, 2020.

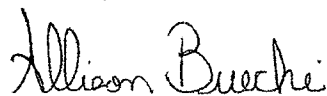
Email communications went out to our customers on July 7 informing them of the upcoming program. A full-page bill stuffer began being included in billing cycles this past week and will continue until all four billing cycles are completed. KPUB has conducted live interviews on local radio stations and the Kerrville Daily Times' Facebook live show to discuss the program and how it works. We will continue social media and print campaigns in newspapers over the course of this month about the program as well.

Overall, the Change for Charity program fund has been well received with our customers. We have had 111 residential customers opt-out of the program as of July 16, 2020. However, the CSRs are also getting requests for customers that would like to customize their rounded-up donation to a more significant contribution. One notable donation is a customer who has asked to contribute \$45 as a recurring monthly donation to the program.

The partnership with St. Vincent de Paul is going well. As of July 17, St. Vincent de Paul has granted \$10,483.22 in bill payment assistance with Change for Charity program funds to 94 of our residential customers' households.

Please let me know if you have any questions or concerns.

Sincerely,



Allison Bueché  
KPUB Marketing Manager



## MEMORANDUM

To: Bill Thomas  
Philip Stacy  
Mark Cowden  
Larry Howard  
Mayor Bill Blackburn

From: Tammye Riley

Date: July 17, 2020

Re: Agenda Item No. 13 –COVID-19 Update

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I would like to take a moment to provide the monthly update on KPUB's efforts to slow the spread of the COVID-19 virus. While there are not many changes to report this month, it is important to mention that we are still enforcing the recommendations of the CDC and our state and local governments, which have been reported to you monthly over the past few months. Our commitment to maintain a strong workforce with minimal interruptions to our operations, has not changed.

Below you will find this month's update:

- As our community cases have increased, a need was recognized to develop protocols for employees to return to work when there has been COVID-19 exposure or symptoms. With guidance from APPA and other utilities, we have those protocols in place when needed.
- A Plexiglas divider was installed at our drive-thru work stations on Thursday June 16<sup>th</sup>, which allows more opportunities to provide service for the 2<sup>nd</sup> lane of the drive-thru, while providing a safe work environment inside for our employees.
- Lobby continues to remain closed, we monitor the needs of that department weekly.
- A face mask/covering is still required to be worn properly in all public/open indoor areas in the facilities, especially when physical distancing cannot be maintained.
- Visitors and vendors by appointment only.
- Business travel still suspended, weekly reviews are ongoing.
- We continue to distance and separate staff when possible. This is being done by having a portion of our staff working at remote locations and staggering shifts and/or days for the staff reporting to the buildings.
- Crews continue to report to separate substation, with staggered shifts to access the yard to gather material and supplies.

I'll be happy to answer any questions you have at the meeting on July 22<sup>nd</sup>.

Sincerely,



Tammye Riley  
Manager of Human Resources, Safety and Training