

Annual Report of Association Activities
IAMU Business Meeting - Friday, February 10, 2010

The following are some of the accomplishments IAMU members have achieved through IAMU since last year's business meeting:

- ❑ When we met last February, we had just received the draft report of an assessment of cost-effective energy efficiency potential for each of our utilities. Since then, the report we completed and each of our utilities set goals and spending levels for at least the next three years. On January 31, IAMU staff filed a report of those goals with the Iowa Utilities Board for 191 utilities – a huge accomplishment. The Board of Directors asked members to set goals that were defensible and members came through. We can all take pride in this successful undertaking.

- ❑ This last year was also remarkable for record success in energy-related grant writing:
 - A smart grid investment grant will bring in \$5 million to help 75 utilities reduce the cost of generation and transmission.
 - Another smart grid grant for \$210,000 will result in development of time of use rates and implementation using smart meter technology.
 - We received a \$20,000 grant to conduct two whole town audits.
 - The Iowa Power Fund also approved 17 whole town audits for more than \$100,000.
 - Our staff also assisted other communities in their grant writing. Woodbine, Osage, and Maquoketa were all successful in being selected for energy efficiency and renewable energy grants.

- ❑ The Iowa Agency for Municipal Wind made progress on its nearly 100 MW project, advancing to the front of the MISO interconnection study queue. IAMU filed an application for use of Clean Renewable Energy Bonds and IAMWind received authority to issue \$121 million in these bonds.

- ❑ This last year saw the introduction of a new web-based publication, Connections, which bring members feature stories, including stories of local successes.

- ❑ For years, we have pursued the right to invest in transmission projects. Ownership of transmission is proving to be a much more effective investment than we first assumed.

Cedar Falls reports that earnings on its transmission investments is 42 percent higher than anticipated, with recent earnings of 19 percent on equity and 14 percent on debt. This year saw the first joint financing of municipal transmission investments related to MidAmerican Energy's 161 kV Grimes to Granger line.

- ❑ Not all our successes have been in the energy field. Recently, the Iowa Department of Natural Resources renewed a contract with IAMU to provide viability assistance to small water utilities. So far, the Association has assisted 75 water systems with plans to ensure continued service.
- ❑ Cooperation with other organizations resulted in the merging of what were previously three conferences. A new Iowa Water Conference combines what was our annual stormwater conference with two other annual events – the Agriculture and Environment Conference and DNR's Source Water Protection event.
- ❑ Our staff also secured grant funds to support a new initiative called the Rainscaping Iowa Program. As part of that effort, grant funds also enabled the installation of a rain garden demonstration project at IAMU.
- ❑ Other water-related successes included the purchase of two spectrophotometers for our water training lab.
- ❑ New GPS technology gives staff the ability to locate facilities within inches of accuracy. Software and a new printer-plotter allow us to precisely map them.
- ❑ There were a number of improvements on the training field, including expansion of a 69kV transmission line and the first steps toward installation of a transmission substation. Milford donated a substation transformer for the project.
- ❑ This last year also saw the first of many webinars that save time and money in delivering important information to members. A new phone system in the Board Room has improved our technical capability to present webinars and conduct conference calls.
- ❑ A credit card transaction system adds another member convenience

In short, we have had a good year in which much was accomplished. The association is in good financial shape. We hope you will agree that membership in IAMU remains a good value for our utilities.