



# Metro Nashville DISTRICT ENERGY SYSTEM

Metro District Energy System Advisory Board  
Regularly Scheduled Meeting of  
February 16, 2012

## Minutes of Meeting

The meeting was held at the Energy Generation Facility at 90 Peabody Street Nashville, TN 37210

**Facilitators:** Harry Ragsdale, DES Project Contract Administrator and Kevin Jacobs, Thermal Engineering Group

### Board Members Present:

Karen Bennett  
Joy Harris  
Lannie Holland *on behalf of Richard Riebeling*  
Phil Ryan  
Dianna Stephens *on behalf of Nancy Whittemore*  
Brian Taylor  
Tom Turner

### Board Members not Present:

Yuri Cunza  
Richard Riebeling  
Tom Thompson  
Nancy Whittemore

### Others Present:

Tim Hestle, CEPS General Manager  
Robin Lamborn, DES Advisory Board Secretary

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The meeting was called to order by the Chair and began at 10:04 A.M.

A motion to approve the minutes of the November 17, 2011 Board Meeting was made, seconded and approved by the Board.

At the request of the Chair, Mr. Ragsdale proceeded with the presentation to the Board.

Mr. Ragsdale and Mr. Jacobs discussed the customer cost comparison for the previous twelve (12) months. On an aggregate basis, the steam costs were down 12.37% due to a significant decrease in fuel prices. Chilled water costs had a slight increase of 4.60% due to the higher time of use energy rates.

Mr. Ragsdale and Mr. Jacobs discussed the sales and energy comparison for chilled water and steam for the previous twelve (12) months. By using chilled water produced with a district cooling system instead of an air-cooled chiller, the annual electricity savings are 6,749,820 kWhrs, which is enough energy to supply 185 homes. By using steam produced with natural gas instead of electricity, the annual energy savings are 227,865 mmBTUs, which is enough energy to supply 1,840 homes.

Mr. Jacobs discussed the review of the contractor's performance for the second quarter of FY12 and reviewed the conversion tables for electricity, water, and plant efficiency. The contractor's performance continues to remain excellent in all areas.



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**DISTRICT ENERGY SYSTEM**

Mr. Ragsdale and Mr. Jacobs reviewed the results of the inspections of both the Energy Generating Facility (EGF) and the Energy Distribution System (EDS). Continuing areas of focus include: water infiltration, corrosion of the structural metal components, and safety items.

Mr. Ragsdale and Mr. Jacobs provided an update on the FY12 gas spending and budget comparison. As of the end of the second quarter, actual fuel costs were 29.6% lower than was budgeted due the unit cost of fuel remaining low.

Mr. Ragsdale and Mr. Jacobs reviewed the FY12 costs to date report. Through the end of this period of operations, approximately 42.22% of the FY12 budget (\$8,768,144) has been expended.

Mr. Jacobs and Mr. Ragsdale provided the Board with an update on capital expenditures. Bond fund expenditures and available balances were reported and summarized. The total remaining balance as of 01/18/12 was \$5,065,474.

Mr. Ragsdale and Mr. Jacobs provided the Board with updates on the various active DES capital projects, including the Thermal Storage System project. The Board also received updates on capital projects that are closing-out, including the Music City Convention Center.

Mr. Ragsdale and Mr. Jacobs discussed potential opportunities to gain new DES customers. Mr. Ragsdale indicated that negotiations with the Nashville Hyatt Place representatives continue to go well and they are close to finalizing an agreement. The Medical Mart project continues to move forward. DES will continue to monitor project developments and pursue opportunities to sign as a customer. The Omni Hotel has decided against becoming a DES customer.

A motion to approve the minutes of the November 17, 2011 Board Meeting was made, seconded and approved by the Board.

Without further discussion, and upon a motion, the meeting was adjourned by the Chair.

The next Board Meeting will be held Thursday, May 17, 2012 at 10:00 A.M.

Prepared by: Robin Lamborn

**Robin Lamborn, DES Advisory Board Secretary**

Approved: Karen Bennett

**Karen Bennett, Chair, DES Advisory Board**

Date: 05/17/12

Date: 5/17/12

Approved: Bob Lackey

**Bob Lackey, DES Liaison**

Date: 5/17/12