



**Metro District Energy System Advisory Board
Regularly Scheduled Meeting of
November 15, 2007**

Minutes of Meeting

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

Facilitator: Harry Ragsdale, DES Project Contract Administrator, and TEG Staff as Assigned

Board Members Present:

Phil Ryan
Tom Thompson

Board Members not Present:

Charles Harrison
Joe Sweat
Yuri Cunza
Thomas Turner
Nancy Whittemore
Richard Riebeling

Others Present: Joe Hooper, Kevin Jacobs, Jon Belcher, Tim Hestle, and Michael Bradley

The meeting began at 10:10 A.M.

Mr. Bradley opened the meeting by suggesting that the approval of the minutes of the August meeting be deferred since there was not a quorum present at today's meeting. This was agreed upon by those present. Mr. Bradley stated that the vacancy on the Board created by Mr. Loring's departure would need to be filled by a Mayoral appointment from the Council membership. In addition, an election of Chairman and Vice Chairman will need to be conducted by the Board, perhaps at the next meeting.

Mr. Ragsdale reviewed with the Board the summary of unit costs for the first quarter of FY 2007-2008. The review included a discussion of the comparison costs and unit costs for steam and chilled water and information regarding gas price increases during the comparative periods.

Mr. Jacobs reviewed information on the operating contractor performance, and discussed the results of the monitoring activities. There was some discussion of the performance guarantees. Improvements have been made in boiler operation efficiency and the performance guarantees appear to be appropriately set. Water use is down significantly following repairs to chilled water main near the Courthouse. Mr. Belcher then discussed the results of the "walk-through" inspection of the EGF. The facility and facility grounds are being maintained in good condition. There was discussion of the need to review the security of the manholes access.

There was a discussion of information on natural gas purchasing and projections of costs for next budget year. Prices are expected to be lower than last year and the hedging policy is in place.



Mr. Ragsdale then reviewed financial reports including budget vs. actual expenditures for the 1st quarter of FY 2008. There was discussion of the customer contract capacity reviews presently being conducted.

Mr. Belcher gave a review of capital projects and remaining funds in both the 2002 bond fund and the 2005 bond fund. A review was also given on the capital projects in progress for FY 2007.

A motion for adjournment was made by Mr. Ryan and was unanimously seconded and passed by the Board. Without further discussion the meeting was adjourned at 11:10 A.M.

The next Board Meeting will be held Thursday, February 21, 2008.

Prepared by: _____ Approved: _____
Michael Bradley Chairman

Date: _____ Date: _____