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**TOWN OF EASTON, MARYLAND**  
**Easton Town Hall**  
**14 S. Harrison Street**  
**Easton Utilities Commission**  
**Electric Service Rate Revision Workshop**

July 21, 2008

**PRESENT AT CONVENING**

Mayor Robert C. Willey  
President of Council John Ford  
Councilmember Maureen Scott-Taylor  
Councilmember Leonard E. Wendowski, Sr.

Ms. Jackson-Amis was excused.

**IN ATTENDANCE**

Also in attendance were the Town Manager Mr. Karge, Town Attorney Mr. Kehoe and Town Clerk Mrs. Ruf. Present from Easton Utilities were President and CEO Mr. Grunden, Director of Marketing and Communications Mr. Oxnam and Vice President and CFO Mr. Moeller.

**CONVENING**

At 6:12 p.m., the President of the Council, Mr. Ford called the meeting to order.

**WORKSHOP**

Mr. Grunden detailed the reason for the electric service base rate revisions. He stated that base rates have not been increased since November 1, 1998 and the increase prior to that was in 1989. Mr. Grunden introduced Mr. Moeller.

Mr. Moeller stated that the primary reasons for the proposed rate increase relate to higher operating expenses incurred to support their growing customer base, general increases in operating and maintenance expenses and increases in the return requirement for investments in electric utility plant. He discussed the electric tariff revisions which have not been updated for many years. They propose to update the tariff to be more consistent with existing electric utility industry practice. Mr. Moeller stated that EUC proposes to increase electric base revenue by \$1,638,001 which equates to a 5.6% increase in total revenue collected from customers or about \$6 per month in their monthly bill. The increase would provide Easton Utilities an opportunity to earn a 4.73% rate of return on their investments. Mr. Moeller discussed rate design revisions to the current rate structures based upon a cost of service study completed by Mr. Paul M. Normand of Management Applications Consulting, Inc.

Mr. Moeller compared electric rates for residential customers. Easton Utilities' total monthly electric charge (1,000 kWh per month) \$132.76; Choptank Electric \$145.87 and Delmarva Power & Light \$146.06.

Mr. Moeller addressed Council questions.

**ADJOURNMENT**

The President of the Council adjourned the regularly scheduled meeting at 6:51 p.m.

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Kathy M. Ruf, Town Clerk