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INTERVIEW TRANSCRIPT

Recent AMP Seven Hats Award Recipients

As American Municipal Power, Inc. (AMP) marks its 50th anniversary in 2021, we are connecting with former and current leaders and seeking their insights on how AMP's founders achieved key victories that strengthened public power and how they knew that they were *Stronger Together*.

In 1984, AMP initiated the AMP Seven Hats Award, mirrored after the American Public Power Association's award of the same name, to recognize utility managers who serve smaller communities, and whose management duties extend well beyond the scope of a manager in a larger system. Award winners show skill in seven areas: planning and design, administration, public relations, field supervision, accounting, personnel or employee direction, and community leadership. While the many public power systems across the United States have obvious geographical differences, one common denominator among them is that they embody the ideal of local people working together to meet local needs. Smaller systems – those with fewer than 2,500 meters – comprise about half of all the 2,000 public power systems in the United States, and they epitomize the very meaning of serving your neighbor.

AMP recently spoke with four past recipients of the AMP Seven Hats Award to talk about the value of public power in smaller communities. Tim Stallard, village administrator and water/waste water supervisor for the Village of Lucas and the 2020 Seven Hats winner; Mike DeFinis, borough manager for the Borough of Hatfield and the 2019 Seven Hats winner; Bruce Metz, village administrator for the Village of Jackson Center and the 2017 Seven Hats winner; and Johnnie Burns, director of public works for the Village of Yellow Springs and the 2016 Seven Hats Award winner, shared their thoughts on the importance of preserving public power, the importance of joint action and what it means to wear so many hats as part of their duties to keep the lights on for their customers.

AMP: What motivates you in your role as a public servant? Why do you think that public power is so important to preserve and protect?

Stallard: I believe public power is really important. You have like a hometown connection. You know your residents; you know your business owners. We're not an investor-owned utility that's looking to make dividends. We're trying to provide low-cost power and be a reliable service. And that should be our main goal. In a small community, you have a lot of businesses that are family owned. They've been there for a long period of time, and this is something that we can provide and keep that hometown feel to it and that hometown control.

DeFinis: My motivation as a public servant, I believe came at a very young age, probably through my parents, and then not even knowing it, but my in-laws as well, my wife's parents. Both of us were raised in households where giving back was what you did. It was a life choice. My parents were active in the community I grew up in ... it was giving back, it was doing for your community and doing for your neighbors. My wife was raised in that same type of household. As matter of fact, her father was a member of the Borough Council that I serve now. ... As far as why I believe public power is so

important to preserve and protect it, it's that self-determination of a major part of the electric facility, that the residents of the community, through their elected officials get to determine how they utilize their public power, how they utilize the revenues from that public power. And it keeps the determination of what goes on with the utility here in the municipality.

Metz: Well, I've always been one to help everyone and I started right out of school on the public works. I always just wanted to help people. As I moved up through the ranks, I then became a ratepayer. And that's very important to do that. And I have just been involved in a lot of things through the community, that's just my personality. And with the public power, it's locally owned. And our council, our board, myself, my employees, we are all ratepayers. We do this to set the rates to save our ratepayers, not make money off our ratepayers. So that's very important to me to, you know, let's make the rates affordable. We're not-for-profit.

Burns: I took this position seven years ago. Actually, I started out as an electric/water foreman superintendent. But I left the private sector to come to the village after working as a contractor in the village for a little bit. I came to make a difference. It's really my passion to change the way people view government employees, public power electricians and linemen. It's a passion that I have. So, I'm here; we're seven years into it, and we are making a difference in the village. We are all very passionate about our jobs and the way that we treat our community.

AMP: **Can you share what you believe are the benefits of living and working in a public power community?**

Stallard: I grew up in the village of Lucas, went to school there, my wife as well, and my children did, so I have a vested interest in the community. It's not just a job to be able to come to work and make a living. You can make a difference in the community that you live in. In a public power community, you know the business owners, you know the community, the residents, you know them all personally. So, you feel like you want to provide reliable, low-cost power to them because you feel like that's your job and that's your position and you have a personal connection with them. ... When you call the Village of Lucas, you talk to somebody that you know. You know who the billing clerk is. You know who the administrator is. They can call the village office. It's really a personalized service to where they also know us, and they know that we're trying to do the best for them. I guess I kind of hang the hat on the personal service.

DeFinis: Well, having lived here for over 30, almost 35 years, and being a part of the community for that long, and as I said, my wife lived here, since she was five. So, the benefits of me working and living here, is, I'm here all the time. Several of our employees live here and work here. And we're part of the community ... and we're here to serve. And when something goes wrong in the middle of the night, we're not far away. We follow through on everything that we can to keep the utility running. As far as that goes, we're not only an electric utility, we run the sewer system here as well. We're on duty when we're needed, even after hours. So that's one of the benefits, but we're also the neighbor that can answer a question if someone has a question, even when we're not on duty.

Metz: Well, first and probably most important is reliability. They probably don't see all the things we do to build our reliability. And our response time is quick. Our linemen are right here in town. ... We have been gung-ho on Efficiency Smart, and our businesses

and residents have really bought into those programs. We have saved our small village over a million dollars for lifetime savings. So, we've done very well with that. EcoSmart Choice is huge with us. Airstream, one of our big factories, is very green, and they are 100 percent in on EcoSmart Choice; they like that. And just the programs that you have, that we can employ to our residents are just second to none. Just to get that out there for them, we do the best we can. And I think they know that.

Burns: I truly believe that we know just about everybody in the community being that we're a small community. We're 3,500 people and we have less than 2,500 accounts on the electric [system]. We're not just going to an address – we're going to Bill's or we're going to Mary's house. Or we're going to a different person's house that just moved into town, and we get to know them. The other thing is when you work for the larger profit-based power companies, the customer may never see that lineman again, who comes to your house. Here, you will. So, we have to be the friendly, go-to person. They have our cell phone numbers; they *will* call us. But that's what we're about. We are friendly people. We go above and beyond. But that's what we're here to do.

AMP: **What are some of the most significant events in AMP's history in your opinion?**

Stallard: Two different ones really pop into my mind. One is the small group of public power servants that got together and created the AMP organization to better serve the communities that they were representing. They had the foresight and courage and perseverance to stick with that when everybody was out there kind of on their own. ... Secondly, at least from a Lucas standpoint, the joint ventures have been very important. It actually gives us ownership of our public power. It's not just a purchasing agreement. We've joined in with the hydro plants and solar and wind power to where we actually have ownership, and it gives us a direction that we wouldn't have if we were just doing this on our own.

DeFinis: AMP has taken on the hydro plants and the solar initiatives, as well as the Fremont energy plant that they've taken on are significant. We are finishing up our AMI (advanced metering infrastructure) implementation with AMP. So, we were one of those municipalities that took advantage of that value that AMP brought to all its members to install an AMI system. When I first started here over 12 years ago, we were told that to implement an AMI system would be well over a million dollars. ... We're doing that for significantly less with AMP because of that buying value, that purchasing value that AMP brought to its members. And we're able to do that and upgrade our system to state-of-the-art and have all that back-office support that we need. As a municipality, it would be so costly for us to do that for ourselves. And then the other initiative that we're involved with is the behind-the-meter generation, the RICE peaking project. We're one of the site members in Pennsylvania, and again, we could not have done any of that ourselves without spending millions and millions and millions of dollars. And AMP brought us the idea.

Metz: Well, the JV projects, to me, were huge. We are in JV 2 and JV 5. And we are in Prairie State. AFEC, AMP hydros, and we are in the Solar Phase II, and we actually are part of that with a solar field here in Jackson Center. So, the diversity of where you get your power, you know, you're not counting on one thing. And as we have grown, we've had help from AMP to design some distribution lines, or a second substation. AMP helped us with financing, which saved our ratepayers thousands of dollars. So just all the things that AMP puts together for us – it's amazing.

Burns: I think the biggest difference with AMP in the last 50 years is the going after green projects and talking about the renewables. That is what we at Yellow Springs are about. That's one of our core values. Number five on our core village values is reducing the carbon footprint and being friendly to the environment. And AMP is on board with us. We're involved in the hydros, in gas and wind [projects].

AMP: **How has your community's relationship with AMP evolved?**

Stallard: In the beginning, I think it was just an opportunity to purchase power. And then as AMP grew and they evolved, we were able to diversify our portfolio, purchasing that power, to where we have ownership. We can pursue green power through hydro, through solar, through wind power, things that there's no way we'd been able to do on our own.

DeFinis: It has expanded immensely. We got to meet people like Mike Migliore and Craig Kleinhenz, talking about our power portfolio, and then you get to meet Harry Phillips as the Member Services representative. And then he would bring us the initiatives that I talked about – the AMI, and the behind-the-meter generation and introduce them, and then hand it off to the right people that could help facilitate it, getting us to the next level. We had something very unique happen here to this municipality – the one meeting when Willie Sandell and Pam Sullivan attended a borough council meeting to discuss and explain the behind-the-meter generation. And they came to Hatfield borough, Pennsylvania, just northeast of Philadelphia, and explained it to them as if they were sitting in someone's living room and made them so at ease and was so professionally done; It's the people that you hire as well, and the people that work for AMP that represent you, that have really solidified that relationship.

Metz: The village administrators that were here before me were very into the electric side. And our founding village administrator was very knowledgeable on electricity, and he was the one that got us started with AMP. And then our second village administrator actually served on the board of AMP for many years – Michael Dodds. Jackson Center is all in with AMP and has been on the Board. AMP has been great for us.

Burns: We reach out to AMP quite a bit through safety and through mutual aid, going to different trainings. We use AMP as our go-to ... We call them for engineering, for advice. ... It's literally a phone call, and somebody will answer the phone. And if they don't know the answer, they will find somebody to get an answer.

AMP: **How does your community's membership with AMP benefit the community and its residents?**

Stallard: I kind of look at AMP as a big brother. It's somebody that we can contact for advice, somebody who you can look to and get direction from, not to mention, all of the different programs of Efficiency Smart and the safety programs and mutual aid that are offered. All of those things are a huge benefit to a smaller community like Lucas. There's no way we'd be able to do those things on our own without AMP's assistance and leadership.

DeFinis: You do things for us that we cannot do for ourselves being so small. The implementation of that AMI system with all the back-office support that we're going to obtain from that is phenomenal. The behind-the-meter generation, the portfolio presentation – the power supply – that Mike Migliore and Craig provide us every year

and then we know what we have, where we're headed and what we're going to need in the future. And those were some of the things that we lacked here. We lacked that forward planning ... that now becomes a resource that we have that we can reach out to, that's very supportive. And the residents, because of that, benefit from that significantly.

Metz: Through the Efficiency Smart, we have benefited tremendously. We got in that starting in 2011. And we just started our fourth three-year contract. As the projects go in, the businesses are very happy when they get that refund. So, they benefit there, and I'm guessing that over the course of the three previous contracts, we've probably saved our businesses and residents, in lifetime, over \$1.5 million. And that's in a town of 1,500. That's pretty significant. And the benefits that we have with our employees is with the safety and the OSHA compliance [training]. A benefit for our businesses is the Key Accounts. They can call and get questions answered. If we can't answer them, we can call Key Accounts, and they take care of it. Another one is the cybersecurity. We've done a couple of sessions with AMP, and we've learned a lot. And we want to continue to do that because that's pretty important nowadays. We don't want to compromise our ratepayers' information.

Burns: The benefits of us being involved with AMP is it's just a large toolbox, and we can reach in there for different things. On top of the power and the long-term planning and the financial status of the projects moving forward, you can even just go to them for what people would think are the little things which we take as a big part of the AMP community – the safety trainings that we're involved with at AMP. One of the biggest things that we have in our toolbox is mutual aid. It does not matter what time of day it is. We make one phone call, and AMP is gearing crews to come towards us to help restore power. It doesn't matter if it's a windstorm, a tornado, an ice storm – that is a big plus. ... We have that resource that if we call mutual aid, and we tell them what we need, without a doubt in my mind, somebody will be here within 45 minutes to an hour.

AMP: **Can you share an example of how a specific program – safety training, mutual aid, power supply or some other offering from AMP – has positively impacted your community?**

Stallard: The village of Lucas has been very lucky and fortunate to participate in the Efficiency Smart program, mutual aid, safety programs. Probably the most beneficial [program] to the Village of Lucas has been the Circuit Rider program. With a small community, we have a very small workforce. We're able to utilize the Circuit Rider program in conjunction with our employees and be able to complete projects that we normally wouldn't be able to do. Last year, we had a project where we replaced all of the poles up Lucas North Road, which serves our Lucas Local School District. We have all three high schools, middle school, elementary school in that area, the campus football fields. We replaced all the poles, put all new LED lighting all up through there. It improved safety, improved the visibility in the area. And then along with that, we upgraded all the service for potential upgrades in that direction past the schools. Potentially we would like to see a new K through 12 built up through there. When we did that, we also were able to plan for that future expansion.

DeFinis: Some of the specific benefits that have impacted the borough are, as I've mentioned, the AMI, the behind-the-meter generation, and then the knowledge of the power supply and where we are and where we're headed, and where we have to be. But a

couple of years back when I first became the borough manager and Fremont became, I guess, an issue of who wants to participate in Fremont. ...And we participated in it and [borough] council was a little apprehensive about why would we own a piece of machinery in Ohio. I said, "It's gonna benefit us. Trust me, it's gonna." They trusted, and it's been good for the borough, but it's not just Fremont ... everything that AMP offers, we have the choice to participate or not participate.

Metz: We do the mutual aid. We have not had to call for mutual aid, which is fine with me. If they don't have to come here, that's fine. We will go help when we have the guys who are available to help. And the safety training is top-notch training, and all of it's good. Every two years we use AMP for our groundsmen training. We train all of our departments, so they have the knowledge that if they have to go help, since we're small, they have the first part of safety, for groundsmen, to help the linemen.

Burns: There was an ice storm in 2011, and the village got hit hard. So did the surrounding communities. ... The village called for mutual aid, and here came the troops. And the village was up and ready, waiting for power from the source, and that was done in a very few days. And it is great to know that that's there. And we'll go to different trainings and people will be like "Yellow Springs. I know that. I was there in 2011." ... The mutual aid for public power is such a tight group. You know, public power comes first, and that's great to know. And we're on that same group. If somebody needs help, we're ready to go. Safety wise, we had an incident in our switch station ... and we needed to get some advice. So, what do I do, I pick up the phone. I called Jim Eberly. Jim was in training with Arcanum at the time. He stepped out of the training; we asked him. It just so happened that there was a guy we needed that had just left [Arcanum] and he came straight down ... and he had us fixed up within two hours.

AMP: **Why is joint action so important to your community?**

Stallard: I believe joint action provides small communities like Lucas with the opportunity to participate and have membership of public power assets that otherwise wouldn't be possible. Joint action provides a diversified power portfolio and gives a voice to the small communities that otherwise might not be heard. It gives communities that on their own probably wouldn't have the opportunity to be heard, or you have to work a whole lot harder at it. By being a member of a joint action group, such as AMP, we're able to get our voice heard, be a part of that discussion to make changes that would influence the Village of Lucas and the whole of the organization that we normally wouldn't be able to do without joint action.

DeFinis: How would I explain the importance of joint action? Going back to, when I first became the manager here, I went to a meeting with they call it the EPPG group, the Eastern Pennsylvania Power Group. And it was 16 of us here on the east side of Pennsylvania. And we had our own little group that they bought power collectively together. That's sort of how we got with AMP, we were the EPPG that went in with AMP, because PPL stopped offering to sell power to us directly. ...And in this municipality, there's 10 full-time employees that run this municipality. And part of it is electric utility, part of it's a sewer utility, and then everything else that municipalities have to do. We can't do it all ourselves, so reaching out to others is very important. So, becoming an active member in the Pennsylvania Municipal Electric Association was the first step. And then understanding what AMP had to offer and what organizations like APPA had to offer was very important. We had to become part of those organizations that would help us understand the business of electricity in our state and in the country.

Metz: That [joint action] is the best way that we would be able to afford to do this, with everybody getting together with the purchasing power to do the projects. ... Back in the '70s, our first village administrator filed several objections with the Federal Energy Commission on an IOU because they were raising our rates every year; they were trying to get rid of us, is what they were trying to do. He was really good about fighting that. And then that all changed when we got in with AMP. Then we had more power than just one little village. There's another great aspect of AMP.

Burns: [Joint action] is very important because of how small we are. It would take a lot more people to do it. Being able to know what the best price [of power] is, being able to know what the market's doing, to be able to know when to buy, when not to buy, where to go look for [power] – I wouldn't have the first clue of where to go and try to buy power. That's the reason why we have AMP ... to have the experts to say this is what we're recommending. I can sum AMP up as they are a part of the village that is used, but not seen very much. ... We have all the experts, and with one phone call, we can have any expert we want from engineering, to safety, to how people buy power, when to buy it, when to get out of it ... and when we need legislation at the Statehouse – somebody out there fighting for us. We don't have that time. I mean, we have power to put to houses and things to do in the village.

AMP: **Can you talk about the significance of the Seven Hats Award? What did it mean to you, and what does it mean for your community?**

Stallard: In my thank you when I received the award, I said it's such a group effort in a small community. My fiscal officer has been there 29 years, a billing clerk has been there 33 years, I'm in my 31st year. We've all kind of been through all this together for a long period of time. There is not just one person that runs the show in a small community. I just wanted to make sure that I thanked all of them because, without them, it wouldn't be possible. There are a lot of things that go into running a small village. You have everything that a larger one has, but you don't have the manpower, the resources that a larger community might have. I enjoy the fact that some days I'm dressed in a jacket and a nice shirt, and then the next day we're setting a pole or we're down in a ditch fixing a water break, or we could talk about millions of dollars projects and hydro projects and how we're going to be involved in that. ... I believe the Seven Hats Award is great in that it recognizes individuals who take ownership of trying to do the best they can for the community that they serve. They're tireless.

DeFinis: It was a great honor number one to receive ... and I'm humbled by it, as I am to have this position in this municipality. But that award is actually the award of everyone that works here because they all wear seven hats, every one of them. The award recognizes the work that we do on a day-to-day basis, being recognized for wearing seven hats. And there are many municipalities out there that are in the same footprint that we are. I believe the average across the country, in meters, is somewhere in the 1600-1800 range. But being recognized for doing the work that we do, as I said, is for all of our employees, all our staff, as well as our elected officials. This was their award, as well. They gave us the resources. They recognized the resources when we brought to them that we needed it. They supported us, and they give us what we need to do to get our jobs done every day. The recognition is for all of us here, not just one person, because one person can't do all this, I'll tell you right now.

Metz: Well, I was pretty proud. I'm the fourth village administrator, and the first one and the second one both also received the Seven Hats Award. ... and it just made me so proud that I was like them. I think you get the value in the community [from people who wear multiple hats in a community]. I started in 1980. In 1983, we built our first substation, and I was on the crew that helped build it. And now in 2019, we built a second one, and I was on the design team or the team to oversee it. It's just great that the community can see that you do so many different things. I'm not just sitting in here in a chair all the time. I had a snow shovel in my hands this morning. It happens. I think the community likes to see you out there; I really do. And most everybody has my cell phone number! We're a strong family-oriented community. We stick together, grow together. [The award] is just like, maybe showing we have some extra super glue to hold us together. I'm still in awe of the award, and I always will be.

Burns: To hear that [award] being talked about and know that people thought of me that way, made me pretty emotional. The small municipalities and villages, small towns, we have a lot of responsibilities, same as a larger city with just less staff. And if somebody's missing, you're filling that job. For instance, I was plowing snow on Tuesday, my first day back from vacation. My guys had worked all night. I'm plowing snow and still answering phone calls and going and taking care of things because my guys were at home sleeping. I had two other people with me that were just trying to keep the roads up, and we plowed 'till the evening. ... I helped with the design of the water plant. We've done some water line projects, and I've actually gone out and supervised those. You could be in an office right now, and then the next minute you could be directing traffic because somebody turned the wrong way and got their semi stuck. ... I have a great crew. I probably have the best public works crew across the nation. Anytime, anyplace they are ready to go. They will do whatever they need to.

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