

*The below Proposition will appear on the April 6, 2021
General Municipal Election Ballot*

PROPOSITION E

Shall the City of Hermann, Missouri ("City") transfer ownership of the 69 kV electric transmission line consisting of structures, conductors and related appurtenances that extend from a switching structure owned by Central Electric Power Cooperative ("Central Electric") near the Christopher S. Bond Bridge into the Hermann #3 substation, including, within said substation, all transmission related switches, wires, jumpers, insulators and related hardware associated with the 69 kV transmission line and all related easement rights, per the Transmission Line Agreement between Central Electric and the City approved by City ordinance #2218? Such transfer would require Central Electric, at its sole cost and expense, to assume sole responsibility for the operation, maintenance and control of the 69 kV transmission line.

Why does the city own the 1.6 miles of transmission line between 1st Street and Market Street and Danuser Drive and Highway 100?

- In 1981 the City of Hermann established an Industrial Park east of Hermann. To provide electric to the area, the city built a radial feed 69kV line to feed a substation. This line was connected to Central Electric's system at the point it crossed the old Missouri River Bridge. This line was/is owned and maintained at the expense of Hermann Municipal Utilities.

Why would Central Electric want this line now if they didn't want it back then?

-Central Electric's system tie used to cross over the top of the old Missouri River Bridge. When the bridge was removed, Central Electric lost its system tie. A river crossing was constructed in the Industrial Park to maintain system redundancy, and Hermann's old radial 69kV line became an integral part of Central Electric's system loop.

How much money can the city expect to spend on maintaining this line in the coming years?

- Many of the 31 poles that make up this line are the original 1981 construction, and they have reached their 40-year service life. The cost to replace all 31 poles is estimated at \$400,000. This does not include the possibility of severe weather events. In 2017 the city had two transmission poles get broken in a storm, and the emergency replacement cost was \$86,000.

Why hasn't the city maintained the line in-house, like it does its distribution lines?

- The equipment the city owns is not sized properly to dig holes for and set the much larger transmission poles used in 69kV construction.

-The city's staff does not have the expertise required to design and construct transmission lines.

How would the transfer of ownership of this line affect the city's power costs?

- There would be no affect to the city's power cost based on the transfer of this line.

How would the transfer of ownership of this line affect the city's system reliability?

- The city's system would remain on a loop feed from the transmission supplier.

-The city would be able to operate under built circuits on the line for distribution reliability.

-This section of line would be regularly inspected and maintained by people who are professionals in the area of transmission system infrastructure.

*Eliminating unnecessary, very expensive maintenance costs for these lines
will allow the city to maintain its electric reserves account balance
and keep your electric rates reasonable!*

PLEASE VOTE ON APRIL 6th