



A Legacy of Excellence

Dan Wilkerson Retires after 34 Years of Dedicated Service

Story by Louellen S. Coker and Keri Honea.

Editor's note: Dan's tributes have been abridged due to space limitations. Please see www.btutilities.com for complete texts.

Dan Wilkerson, the former General Manager of Bryan Texas Utilities retired in June. He's been a main fixture at BTU for the last 34 years; and during that time, he's seen and implemented extensive changes in BTU and embraced technology for the betterment of its customers.

While at the helm, one of the things Dan is most proud of is the exceptional people with whom he's worked. Dan stated, "I was blessed to have been able to hire quality individuals who have collectively worked to allow BTU to keep rates lower than when I started. Currently, we are serving more than 20,000 additional customers with fewer employees than when I started."

BTU has grown from 29,300 customers in 1984, when Dan began to manage BTU, to 49,700 customers today. Under his leadership, BTU's employees have:

- kept rates below the level they were in 1984
- improved working efficiencies with new technology so that 170 employees now do what 203 did in 1984
- reduced outages both in number and duration
- entered wholesale competition in the Electric Reliability Council of Texas (ERCOT)
- competed successfully with large corporations
- financially planned the utility for rate stability, a good cash flow and balanced debt obligations so that BTU carries an A+ credit with Rating Agencies.

In his retirement letter, Dan explained: "I have seen many things improve over the years, and I believe the employees of BTU who brought about those changes are the best in the country."

Dan received his B.S. in Mechanical Engineering from Texas A&M University in 1972. Throughout 1972 to 1978, Dan worked as a Field Engineer in the Mechanical & Nuclear Division of the General Electric Company.

Dan began his career at BTU as Division Manager of Electric Production. From 1978 to 1984, he provided management for two power plants—Atkins and the, then new, Roland C. Dansby (Dansby). Dan was Director of Electric Utilities from 1984 until 2001, when he was appointed General Manager.

On July 18, 1975, the cities of Bryan, Denton, Garland and Greenville passed concurrent ordinances to create a joint action agency—the Texas Municipal Power Agency (TMPA). The agency would perform all the duties of a utility

I want to thank Dan for 34 years of service to Bryan taxpayers and BTU ratepayers. Whoever fills his role definitely has big shoes to fill.

Jason Bienski, City of Bryan Mayor



Dan's respectful leadership of his employees has added to the great success of BTU. Dan has worked very closely with each board member; keeping the board up to date and very informed of all the company's operations.

Emanuel H. Glockzin, Jr., former Chairman of the Board, BTU



When speaking of the legacy Dan has left to the utility industry in Texas, one has to look no further than his contributions to the TMPA. As a member of the Planning & Operating Committee for the past 29 years, he has been pivotal in the many modifications and transformations that the TMPA has undertaken. Dan's guidance has enabled the TMPA and its member cities to be well positioned to meet the new challenges of competitive electric markets.

Craig York, Acting General Manager, TMPA



Dan is truly a great public servant who has improved the quality of life in Bryan and will be long remembered for his dedication, accomplishments and leadership. He appropriately values his family and friends and I am a better person for having known and worked with him.

Ray Schwertner, Managing Director, Garland Power & Light; ERCOT Board of Directors

Dan is a real hero of mine. He was the voice that I listened to in making sure that publicly-owned utilities were well-served by our changes to the old way of doing business.

Thanks for keeping the lights on all over Texas!

Pat Wood, III, former Chairman, Public Utility Commission of Texas & Federal Energy Regulatory Commission



system except selling power to entities other than their members.

While Dan served on their Planning & Operating Committee, the TMPA pushed to build the Gibbons Creek plant near Carlos in Grimes County in order to reduce the future costs of power to their cities. The plant became fully operational on October 1, 1983. In 1996, Dan was part of the decision to switch the Gibbons Creek plant to using Powder River Basin coal from Wyoming in an effort to both cut costs and better meet environmental protection standards.

Dan also served on the Board of the ERCOT, was former Section Chair of the American Public Power Association (APPA) and is a member of the American Society of Mechanical Engineers.

Production Growth

Throughout his tenure, Dan has been a steady part of committing BTU to continued growth and to giving its customers the best power service possible.

Atkins Power Plant

The oldest of BTU's power plants has evolved significantly over the years. The first of seven units in this power plant was constructed in 1949, with an additional four coming on line by 1974. In 2006, after evaluating generation plants and purchase power options to keep electric rates as low as possible, six of the seven units were mothballed.

Dan elaborated, "With natural gas prices at all time highs, the energy costs from the Atkins units made them no longer economical to operate. Being mothballed rather than permanently closed will allow the units to be brought back into service if conditions change."

Roland C. Dansby Plant

In 1978, Dansby, on the shore of Lake Bryan, opened to supplement the generation resources of the Atkins plant. Dansby's Unit #1, a new 110-megawatt (MW) steam-powered generator, allowed BTU to meet the power demands of that era. In 2004,

BTU built the first of two General Electric LM6000 gas turbines at Dansby. In 2009, the second LM6000 was built. Each of these units, named Dansby Unit #2 and Dansby Unit #3 respectively, can generate 50 MW of electricity and has the ability to be online quickly and produce electricity very economically. These state-of-the-art and environmentally friendly generators provide BTU the flexibility to participate competitively in the ERCOT market and ensure BTU customers receive reliable service and the best rates possible.

Renewable Power Generation

In 2010, renewable power sources were added to BTU's production portfolio. Through a long term power purchase agreement with Fotowatio Renewable Ventures, BTU positioned itself with the ability to utilize a solar facility without up-front installation costs or ongoing maintenance expenses. In addition to reducing the size of BTU's carbon footprint, 100% of this 10 MW solar farm's output will benefit its customers. In January 2011, BTU also began receiving output from a wind farm on the Texas coast.

Dan observed, "BTU's early foray into renewable energy sources will allow the entity to take advantage of cutting-edge technology before increased demand drives prices higher."

Qualified Scheduling Entity

In 1999, the State of Texas made sweeping changes with the deregulation of the state's electric industry. In essence, the bill allowed the free market to take hold of the utility industry and encouraged open competition in a market typically dominated by a few privately held companies.

Dan said, "While consumers typically think of power generation as a straight-line concept with utilities creating energy and then sending it over power lines directly to consumers, the modern approach is considerably more complex. For instance, BTU participates in the market as a power-generating entity, a qualified scheduling entity (QSE) on the wholesale market and a load serving entity (LSE) for retail consumers."

Delivery

Production is only one part of the equation. Delivering electricity to homes and businesses consistently and safely can be complex. Lauding BTU's



Dan is able to cut through numerous details and noise to find what is truly important, and he takes the time to help others do the same. His commitment to listen and help ensure all voices are heard make him appreciated and well-liked by the many diverse stakeholders in ERCOT.

Trip Doggett, CEO of ERCOT

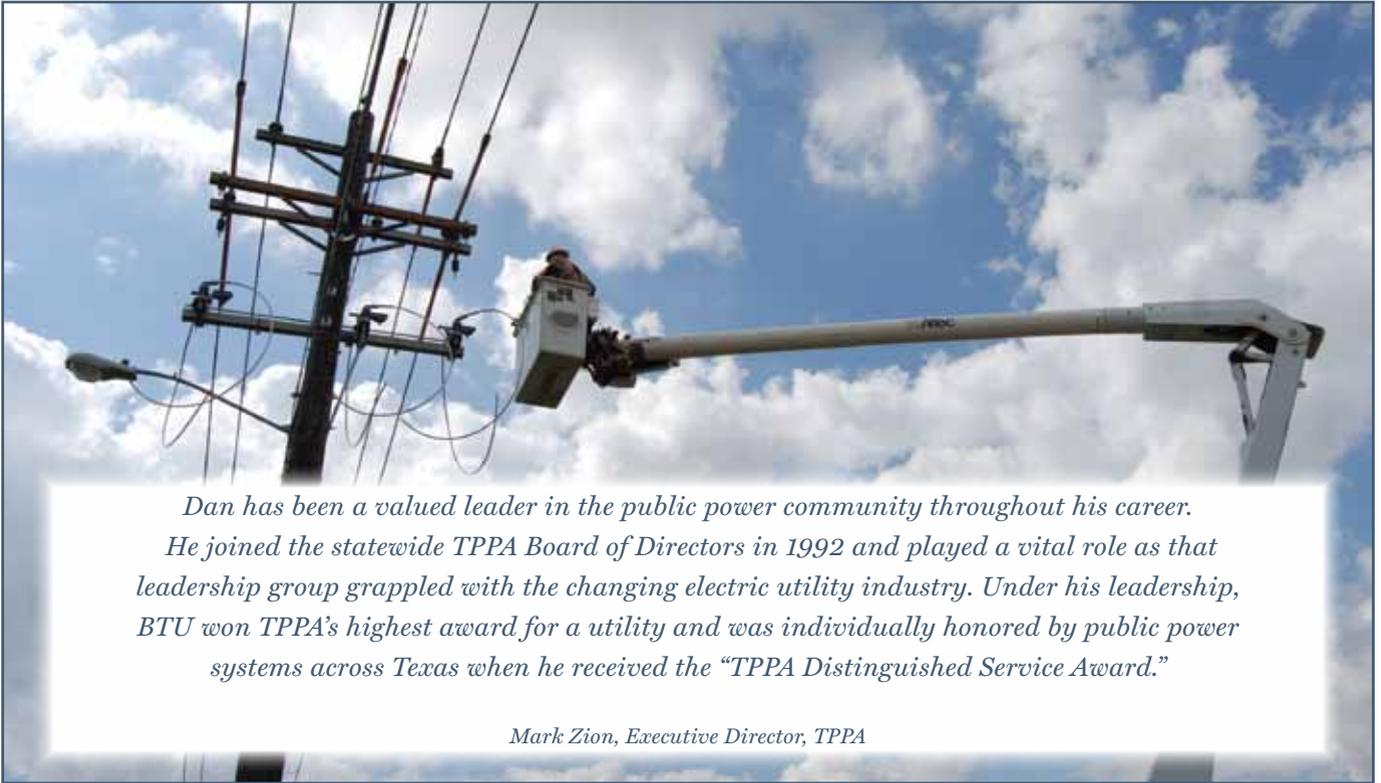


Dan's hard work and dedication serve as a shining example of what public power leadership is all about. BTU has thrived over the years as a forward-thinking, reliable and stable provider of affordable power for its customers. And thanks to Dan's guidance, BTU is poised for future success.

Mark Crisson, President & CEO of APPA

Dan's departure as the top man of Bryan Texas Utilities is a real loss to the citizens of Bryan. I always felt very comfortable when Dan was with me during negotiations regarding the best interests for Bryan and its citizens.

Marvin Tate, Associate Director of Resource Development for Blinn College & former City of Bryan Mayor



Dan has been a valued leader in the public power community throughout his career. He joined the statewide TPPA Board of Directors in 1992 and played a vital role as that leadership group grappled with the changing electric utility industry. Under his leadership, BTU won TPPA's highest award for a utility and was individually honored by public power systems across Texas when he received the "TPPA Distinguished Service Award."

Mark Zion, Executive Director, TPPA

distribution department, Dan called attention to the fact that "Our highly skilled linemen have risen to the occasion to maintain some of the lowest outage rates and the highest restoration rates in the state through cataclysmic weather conditions such as hurricanes, extreme cold and hot temperatures, ice storms, flooding and droughts as well as day-to-day possible disruptions such as falling tree limbs, vehicular accidents, squirrels and the stray mylar balloon released by celebrants."

On occasion, some BTU linemen aided severely stricken communities in restoring power while other BTU linemen stayed at home and worked double duty to serve BTU's customers. "We are happy to help our fellow municipal electric systems restore electricity," Dan reflected. "We also need to remember to give special praise to the linemen who stay behind to shoulder the extra native workload so others can help in the storm ravaged areas. That's the value of the cooperative way."

Great attention is also paid to maintaining and improving BTU's infrastructure. In the last decade alone, BTU has worked on several key projects that greatly reduce the risk of power disruption. Dan stressed, "With 1800 miles of lines in our growing service territory,



BTU, with operations in generation, transmission, distribution, and bulk-power sales, is a more complex organization than most recognize, and Dan has a depth and breadth of understanding of all aspects, both on the technical side and on the business side.

Carl Benner, Tmpa Board of Directors & Vice Chairman, BTU Board of Directors

Photograph by Burch Ireland, courtesy of The Eagle.



Dan has always been an individual you could count on. He has always been steady, dependable and true to his convictions in his approach to life. He devoted a tremendous amount of time to volunteer service in the community as well as to his professional associations. Dan's top goal was to be the most reliable and competitive public utility in the State of Texas if not in the Nation. BTU and the City of Bryan can be proud of the reliability for uninterrupted electric power that was achieved under Dan's management.

Lonnie Stabler, former City of Bryan Mayor & BTU Board of Directors

Anyone who is lucky enough to count Dan as a friend is lucky indeed. Public Power has never had a more talented advocate and shining example of how to run a sound business and still be for the consumer.

*Mike Williams, President & CEO,
Texas Electric Cooperatives*

our focus extends beyond maintenance. We work with the city government, neighborhoods, hospitals, schools and universities and developers to enhance and expand our distribution. This takes considerable planning and a keen eye on balancing current needs with future needs." Just a sampling of more recent projects includes:

- West Loop Project
- Texas Avenue Project
- Jack Creek-Kurten Project
- South Loop Project

Customer Service

Throughout Dan's time at BTU, there has been a consistent emphasis on the BTU customers with a constant goal of improving service. The upgrades have been numerous and impressive. Today's digital meters along with varied and convenient bill payment options are perhaps the most obvious evolution to customers. In 1978, computers were simply futuristic concepts. Over the years, technological advances and focused training has been integrated, allowing BTU employees to do their jobs more quickly, accurately and cost effectively.

BTU has created a wide variety of programs that offer customer service in ways that extend beyond a warm and sincere smile.

Rebate Programs

Among customers' favorites are BTU's rebate programs. These rebates include:

- Solar Panels
- Solar Water Heaters
- LED Lighting
- Compact Fluorescent Lighting
- Efficient Commercial Lighting Upgrades
- Reflective Roof Coatings
- HVAC & Heat Pumps

AMI Program

In 2011, BTU began upgrading all customers to digital electric meters. The digital meters instantaneously communicate with the main office, so BTU knows more quickly when a customer's power is out, which leads to quicker power

During my thirty-plus years with the General Electric Company, I had the pleasure and privilege to call Dan a personal and professional friend. I was always impressed with his genuine friendliness and strong commitment to ethical and moral values. As our friendship grew over the years, I realized what a natural leader he is and how highly respected he is among his peers.

*Richard Mathias, Vice President, Board of
Directors Mid-America Science Museum*





Dan was always conscientious and unwavering in his belief in how the utility business should operate. I could always count on Dan to provide me any information that I requested, which would help me working with the City Council on the operation of the electric utility.

Ernie Clark, former Bryan City Manager

With Dan's retirement, in addition to Dan's wit, intelligence, integrity, steady demeanor, prompt payment of bills, and latest birding report, what I will also miss is the Aggie Band on hold!

Brook B. Brown, Attorney with McGuiness, Lockridge and Kilgore



Dan has left a standard of excellence at BTU that all City of Bryan employees should aspire to meet.

Kean Register, Interim Bryan City Manager

restoration.

Expanded payment options

To make paying bills as easy as possible, BTU offers customers the option to pay over the phone with the new Interactive Voice Response (IVR) system or by automatic bank draft, was the first in the state to offer online credit card payments and has placed BTU payment Kiosks around Bryan. Customers can save a stamp, a trip to the post office, and the stress of worrying about BTU receiving their payment.

Community Involvement

Dan has also been a chief proponent for BTU's community involvement. While BTU's top priority is serving the community's need for affordable and reliable electric service, the BTU staff strives to make their community a better place to live in other ways. Over the years, countless hours have been dedicated to volunteer work with local service organizations and charitable endeavors.

- Power Pedal and Dansby's duo
- KBTX Food For Families Food Drive
- Habitat for Humanity
- Emergency support during times of tragedy

Education

BTU emphasizes community services benefitting Brazos Valley youth. In addition being instrumental in the development of Blinn College, key educational initiatives include:

- Calendar Kids Program
- Safety City Program
- Mulch Donation Program
- Government-in-Action Youth Tour Program
- George Bush Scholarships

Recognition

Under Dan's leadership, BTU has also won national and state awards for its service, community involvement and environmental awareness.

Growing Green Communities Award

BTU was honored with the Growing Green Communities Award from the Texas Engineering Extension Service and the US Department of Commerce Economic Development Administration. The award recognizes companies

Dan has been the driving force behind the high level of service that BTU customers receive at such a reasonable cost. If there was a challenge, he would never cease working on it until the issue was resolved satisfactorily. Dan is not only highly professional but also a person of high moral character, vision, compassion and a willingness to listen and learn. He can take great satisfaction for the almost immeasurable contribution he has made to the citizens of Bryan and the customers of BTU.



L. Gene Kornegay, former Vice Chairman, BTU Board of Directors

that promote rural development in their communities by practicing energy conservation. Specifically, BTU was recognized for its Green+ initiative, which provides customers with rebates for making energy-efficient upgrades. BTU was also heralded for adding wind power to its utility services and installing energy-efficient generators at its main power plant (the Dansby power plant).

“BTU is honored to receive the Growing Green Communities Award and looks forward to a continued thriving and long future working with our community in the areas of renewable energy and energy efficiencies,” Dan commented when he learned of the award.

RP₃ Award

In 2010 and 2011, the American Public Power Association (APPA) bestowed upon BTU the Reliable Public Power Provider (RP₃) Award for supplying consumers with the highest degree of reliable and safe electrical service. The RP₃ recognizes public power utilities that demonstrate proficiency in four key disciplines: reliability, safety, workforce development and system improvement. Criteria within each category are based on sound business practices and represent a utility-wide commitment to safe and reliable delivery of electricity.

“We’re thrilled to have won the RP₃ award twice,” Dan said. “Our goal has always been to deliver exceptional service with reliable and competitively priced electricity, and this is a highly qualified independent source saying we have done our job well. This recognition is a testament to the dedication and the quality of work of our employees.”

Bond Rating

In August 2006, Fitch upgraded BTU’s bond rating from A to A+ while Moody’s and Standard and Poor’s maintained ratings of A1 and A+, respectively. In upgrading BTU’s rating, Fitch noted that the rating reflects BTU’s:

- Sound long-term business strategy including good financial policies.
- Management and the City Council’s support of BTU’s financial plan, which is expected to provide financial metrics supportive of an A+ rating.
- TMPA debt amortization that targets the pay down of all debt in 2018.
- Demonstrated ability to obtain rate approvals from the Public Utilities Commission of Texas for transmission projects.

When I arrived in Bryan in 1992 to serve as city manager, I was a complete novice in the electric world. Dan took me inside his world of power plants, turbines, substations, transformers and acronyms. He is a walking encyclopedia on all things electric.

Mike Conduff, former Bryan City Manager



Dan demonstrated to me he was in the very top level of his peers when it came to managing a power company. The citizens of Bryan have benefited enormously from his efforts not only from quality of service but even more importantly the cost of their electric power. He has positioned BTU to meet the future needs of our citizens. BTU is a treasured asset to our good city and most of the credit goes to Dan's leadership and expertise.

Ronald E. Hale, former Chairman, BTU Board of Directors



Under his leadership, BTU has become one of the most highly regarded and well respected municipally owned utilities in Texas. Dan's knowledge and technical expertise, coupled with his honesty, integrity, work ethic and sense of fairness for his coworkers has allowed him to do an outstanding job.

Bill Atkinson, former Chairman, BTU Board of Directors

- Improved rate competitiveness compared to retail electric providers in Texas.

System Achievement Award

In 2004, BTU was presented with one of the most prestigious awards a power company in Texas can receive from the Texas Public Power Association (TPPA)—the TPPA System Achievement Award. The TPPA represents 72 cities in Texas which own and operate their local electric utility system. When BTU received the System Achievement Award, Mark Zion, Executive Director of TPPA declared, “The statewide award for system achievement to Bryan Texas Utilities is well deserved. BTU has an established record of innovative business practices and financial stability. BTU is not only one of the leading municipal systems; it is widely recognized as being among the best electric utilities in the state.”

Awards aside, BTU still tirelessly works toward finding even more energy-efficient solutions that will be cost-efficient for the consumer as well.

Parting Thoughts

As he departs his role as General Manager, Dan is ever-cognizant of those who have been an integral part of his and BTU's success over the last 34 years. In his retirement letter, he reflected, “I want to say how proud I am of every BTU employee for the work they have done. The circumstances under which they have worked have often been very taxing. As regulatory rule changes have created new burdensome tasks, stringent rules in Customer Service were instituted to protect customer identity. Federal Reliability Standards, with hefty fines attached, have stretched our transmission, distribution and generation employees to write new operating guides and document our compliance. New and changing statewide power pricing mechanisms, known as the Nodal Market, required our operators at the Qualified Scheduling Entity to learn all new rules for generation operation.”

Dan concluded, “BTU employees have completed these tasks and many more while at the same time keeping electric rates among the lowest in the state of Texas, reliability the highest among all southern utilities and financial strength for the long haul. When you see BTU employees at work in the community, I would ask you to remember what a great job they do for you twenty-four hours a day, seven days a week, when power needs to be there.”



Dan is respected across Texas and the nation for his competence and ability to lead and manage a sizeable municipal electric utility whose scope of activity ranges from power generation and distribution to customer service. He thoroughly understood all aspects of the electric utility business, to include the engineering side, the financial side, and the people side. Dan is leaving behind a legacy of true leadership and personal caring.

Dr. Richard M. Alexander, former Chairman, BTU Board of Directors