

**PUBLIC NOTICE OF A MEETING TO BE HELD BY
BOUNTIFUL CITY POWER COMMISSION
September 26, 2023**

Pursuant to the terms and provisions of Section 53-4-6 of the Open and Public Meetings Law of the State of Utah contained in Title 51, Chapter 4, Utah Code Annotated, 1953, as amended, the Bountiful City Power Commission hereby gives notice of the meeting which shall be open to the public and held on **Tuesday, September 26, 2023, at 8:00 a.m.** The meeting will be held at the Operations Center, 198 South 200 West, Bountiful, Utah.

Persons that are disabled as defined by the Americans with Disabilities Act may request an accommodation by contacting the Bountiful City Light and Power office, 801-298-6072. We would appreciate notification at least 24 hours prior to the meeting.

A G E N D A

AGENDA ITEM	POTENTIAL ACTION	SPEAKER
Comments & Welcome		Paul Summers
1. Minutes August 22, 2023	Approval	Paul Summers
2. Budget Report – Year to Date 1 Month Period ending July 31, 2023	Accept	Tyrone Hansen
3. Cable Pulling Trailer Purchase Approval	Approval	Jess Pearce
4. Anixter Transformer Purchase Approval	Approval	Jess Pearce
5. LED Post Top Fixture Purchase Approval	Approval	Jess Pearce
6. Pineview Generator Repair Approval	Approval	Alan Farnes
7. Resolution 2023-14 Steel Solar Approval.....	Approval	Allen Johnson
8. Resource Update	Discussion	Allen Johnson
9. Power System Operation Report	Information	
a. July Resource Reports.....	Information	
b. August 2023 Lost Time/Safety Reports	Information	
c. August 2023 Public Relation Reports.....	Information	
d. July 2023 Outage Reports	Information	
10. Other Business	Discussion	Paul Summers
11. Next Meeting – October 24, 2023, at 8:00 a.m.	Discussion	Paul Summers
12. Adjourn 10:00		Paul Summers

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**MINUTES OF THE MEETING
OF THE
BOUNTIFUL CITY POWER COMMISSION
August 22, 2023 - 8:00 a.m.**

Those in Attendance

Power Commission

Paul C. Summers, Chairman
Susan Becker, Commissioner
Dan Bell, Commissioner
Richard Higginson, Councilman
David Irvine, Commissioner
John Marc Knight, Commissioner
Jed Pitcher, Commissioner

Power Department

Allen Johnson, Director
Dave Farnes
Alan Farnes
Tyrone Hansen
Jess Pearce
Luke Veigel

Recording Secretary

Nancy T. Lawrence

Visitors

Ron Mortensen, City Resident

WELCOME

Chairman Summers called the meeting to order at 8:00 a.m. and welcomed those in attendance. The invocation was offered by Councilman Higginson.

MINUTES. June 27, 2023

Minutes of the regular meeting of the Bountiful Power Commission held June 27, 2023, were presented, and unanimously approved as written on a motion made by Commissioner Becker and seconded by Commissioner Bell. Commissioners Bell, Becker, Irvine, Knight, and Summers, and Councilman Higginson voted "aye". Commissioner Pitcher was not in the room and did not vote.

BUDGET REPORT – YEAR TO DATE 12-MONTH PERIOD

Mr. Hansen presented a summarized Budget Report for the Fiscal Year-to-date 12-Month period ending June 30, 2023. He pointed out that the Budget Report for June was preliminary; a lot of year-end adjustments still need to be booked. Also, the Historically Allocated Budget matches the Budget in June. Total Revenues YTD were \$31,117,819, above its HAB by \$507,704. Major items above budget were: Electric Metered Sales, at \$1,265,071, above budget by 4.9%; Air Products income, at \$314,453, above budget with an average load factor of 70.1% for the YTD period, compared to 58.2% for this time last year; Contribution in Aid to Construction at \$74,957, above its HAB as a result of \$48,000 for the MRI at Renaissance, and \$180,000 for the Renaissance Town Center; and Interest Income on Investments at \$242,222. The June interest allocation hasn't been posted yet. Use of Retained Earnings \$(1,374,894) will be used to cover the cost of several capital projects not covered by the Contribution In-Aid to Construction.

1 Total Operating Expenses YTD were \$33,145,276, above the HAB by (\$5,439,661).
2 Major items (above) budget included Power Costs Expense at (\$7,869,546), above its HAB
3 by Power Generation at (\$3.8M) and Power Resources at (\$4.0M) over; Vehicle Expense
4 was over by \$(11,216); credit card merchant fees were above by \$11,616; Insurance
5 Expense was above by \$(45,221); Transfer to the General Fund--\$(66,507); and
6 Amortization of the Craig-Mona Line (which was not budgeted)--\$(83,872). Expenses
7 below budget included Distribution Expense -- \$403,166, Street Light Expense--\$143,140,
8 Substation Expense--\$102,659, Meters Expense--\$138,410, and Computer Expense--
9 \$115,220. It was noted that the Contribution to the General Fund was brought up to
10 actual—not projected.

11
12 Total Capital Expenditures YTD were \$775,104 and included \$441K for Feeder 574,
13 \$125K for Feeder 576, \$49K for Renaissance, \$35K for the Renaissance MRI, \$17K for the
14 Main Street MRI, \$23K truck body deposit and \$40K for Feeder 373/Stone Creek.

15
16 Labor and Benefits Expense YTD (included in Operating Expenses YTD and Capital
17 Expenditures YTD presented above) was \$4,740,968. As of 30 June 2023, 100% or
18 \$5,370,241 of the total Labor and Benefits budget could have been spent; the actual TL&B
19 was \$629,273 below that target.

20
21 The Net Margin YTD was (\$2,802,561), as above-budget revenues and many below-
22 budget operating expenses weren't enough to overcome the high power costs. The total
23 Cash and Cash Equivalents were at a net \$16,680,052 at month end, down \$3,714,862 from
24 \$20,394,914 at 30 June 2022 and *\$1,572,052 above the \$15,108,000 total reserved cash*
25 *requirement.*

26
27 Discussion followed regarding how the rate increase will affect the budget. The rate
28 increase will be effective in June. Commissioner Irvine referred to past discussion related to
29 the presentation which was made in the Seattle conference regarding cash flow. He asked if
30 Mr. Johnson and the BCL&P staff could walk the Commissioners through that presentation
31 in a future meeting. Mr. Johnson suggested that this could be included in the September
32 meeting. Commissioner Pitcher then made a motion to approve the presentation of the
33 Budget Report. Councilman Higginson seconded the motion and voting was unanimous.
34 Commissioners Becker, Bell, Irvine, Knight, Pitcher and Summers, and Councilman
35 Higginson voted "aye".

36 37 **SOLAR FEED-IN-TARIFF RATE ADJUSTMENT**

38 Mr. Johnson reviewed that in the fiscal year 2018 there was an overall rate increase
39 and changes in rates, which included a "feed-in-tariff" rate for new solar customers. In
40 October 2021, another rate was approved (Hybrid Net Metering Solar Rate) which allows
41 customers to use their own power first, with the following conditions: Power generated and
42 used behind the Net meter remains the customers; Power generated by the customer and
43 purchased by the Utility will be at \$0.05/kwh; and Power purchased by the customer will be
44 at the current applicable residential or commercial rate.

1 Current Feed-in-Tariff customers can opt to change to the new format, if they desire.
2 Current Net Metering customers rates will be adjusted to match the new Hybrid Net Metered
3 in July 2030. At that time, all Net Metered customers will be on the same rate.
4

5 There are currently 43 Feed-in-Tariff customers on our system. Their rates have not
6 been adjusted during the past two rate adjustments. Because they are not able to use their
7 own Solar power before selling it to the City, we are proposing that their rates be changed
8 for the credit they receive, as follows (and would reflect the current approved residential
9 rates):

10 \$kWh credit 12 am – 12 pm from \$0.0400 to \$0.0520

11 \$kWh credit 12 pm – 4 pm from \$0.0600 to \$0.0786

12 \$kWh credit 4 pm – 12 am from \$0.0925 to \$0.1211
13

14 This change would be subject to City Council approval and would need to be adopted via a
15 Resolution.
16

17 Commissioner Bell asked if consideration has been given to also reimbursing these
18 customers retroactively for the difference in credit they received. Mr. Johnson said he
19 would be supportive of this reimbursement; however, he pointed out that only about 20
20 percent of their usage is during the time of day that solar is generated and not during peak
21 hours. Following discussion, Commissioner Irvine made a motion to support the Staff
22 recommendation to change the rates for the credit the Feed-in-Tariff customers receive (as
23 noted above). Councilman Higginson seconded the motion which carried unanimously.
24 Commissioners Becker, Bell, Irvine, Knight, Pitcher and Summers, and Councilman
25 Higginson voted “aye”. (It was noted that these customers can opt to change to the new
26 Hybrid Net Metering rate; however, that would require additional investment on their part to
27 make the necessary equipment changes, etc.)
28

29 Commissioner Bell made a second motion that we go back two years and reimburse
30 the Feed-in-Tariff customers for credit which was lost due to the rate changes that occurred.
31 Councilman Higginson seconded the motion which carried unanimously. Commissioners
32 Becker, Bell, Irvine, Knight, Pitcher and Summers, and Councilman Higginson voted “aye”.
33
34

35 **PINEVIEW GENERATOR UPDATE**

36 Mr. Farnes reviewed that the Pineview hydroelectric power plant experienced a
37 generator trip offline in mid-July. After several days of inspections and testing, the
38 generator was restarted and then it tripped offline again. A company that specializes in
39 generator maintenance and repair (Sidewinders), assisted with trouble shooting the problem.
40 It was found that the wires that ran through the rotor shaft needed to be replaced (color
41 photos included in the packet) and this was done to get the generator back online. This was
42 a temporary repair, and a more permanent repair should be completed when we are in a non-
43 generating period. We have requested a quote from Sidewinders to do both a permanent
44 wire repair and to also clean the contamination off the rotor and stator. We will bring this
45 item back to the Commission when we have cost information.
46

1 **OZONE NONATTAINMENT POWER PLANT**

2 Mr. Farnes reviewed that we have received a letter from the Utah Division of Air
3 Quality (UDAQ) indicating that the Wasatch Front has been identified as a Nonattainment
4 Area. This will require Bountiful to either reduce our Potential to Emit (PTE) from a
5 maximum of 65 tons of nitrogen oxides (NOx) to something less than 50 tons. If we decide
6 to keep our PTE NOx at 65 tons, we will be classified as a major source (of potential
7 pollution) and we will be required to submit documentation on available control technology
8 that could reduce our emission levels. The potential cost to install the additional pollution
9 equipment as a major source is \$3 - \$3.5 million per unit.

10
11 We contacted Stantec to assist in evaluating our position, and we have determined
12 that reducing our NOx emission to 48 tons would not have a significant impact on our plant.
13 We have also met with the UDAQ staff, and they support our proposal to reduce our PTE
14 and remain as a Title 4 classification. To officially take this position, we must submit a
15 Letter of Intent to UDOT by the end of October 2023.

16
17 This matter has been reviewed by the Power Department staff and the City Manager
18 and we have determined that we could increase our power generation by about 5 times what
19 we have been doing without any Air Quality problems. We do not anticipate increasing our
20 plan generation by that much, and these generation units are more valuable to us as peak
21 shaving generation rather than base load generation. Based on this analysis, the Staff
22 recommends that the Power Commission send direction to the City Council and the Power
23 Director to submit a Letter of Intent to reduce our PTE to 48 tons of NOx. Councilman
24 Higginson made a motion to support the Staff recommendation and send a letter to the State
25 telling them we intend to lower our PTE as stated above. Commissioner Knight seconded
26 the motion and voting was unanimous. Commissioners Beck, Bell, Irvine, Knight, Pitcher
27 and Summers, and Councilman Higginson voted "aye".

28
29 **STEEL SOLAR CONTRACT APPROVAL/ RESOURCE UPDATE**

30 Mr. Johnson reported that we have been following the Sunnyside coal project, which
31 is a waste coal project located near Price. This would have been a 3-year contract priced at
32 about \$0.08. They have put so many contingency issues in place that UAMPS as a group
33 decided to take this project off the table. UAMPS will be looking at 5-year contract power,
34 currently available at about the same price (\$0.08).

35
36 The Red Mesa solar project is currently online.

37
38 The Steel Solar project, which should be online, is having difficulty with financing.
39 The pricing will be the same, but we will need to change some of the language in the
40 contract. Another issue is storage and they have included a battery-storage option. And,
41 like cell phone batteries, solar batteries lose their efficiency over time. Solar batteries
42 degrade at about ½ percent/year. Another concern about solar batteries is that they are very
43 volatile.

44
45 There are two geo-thermal plants in in New Mexico that we are looking at, both at 5
46 mW and at a cost of \$0.09 - \$0.10. Both would be online by 2027.

1 The coal resource is extremely limited due to both supply from the mine and
2 transportation. And more legislative issues have arisen with IPP. We did not call any power
3 back for this winter.

4
5 Subscription is still a major issue with the NuScale CFPP project and many of those
6 interested have a fairly complicated process in getting the approval process done in a timely
7 manner. If we stay with the project until December, there will be no penalty to withdraw.
8 He recommended that we continue to follow this project.

9
10 Mr. Johnson concluded by sharing data which is used by himself and the dispatchers
11 in managing power resources on a daily basis.

12
13 *The following items were included in the packet, but not discussed in the meeting:*

14
15 **POWER SYSTEMS OPERATIONS REPORT**

- 16 a. May and June 2023 Resource Reports
17 b. July 2023 Lost Time/Safety Reports
18 c. July 2023 Public Relation Reports
19 d. June 2023 Outage Reports

20
21 **OTHER BUSINESS**

22 None

23
24 **NEXT POWER COMMISSION**

25 The next meeting of the Power Commission will be held on September 26, 2023, at
26 8:00 a.m.

27
28 **ADJOURN**

29 The meeting adjourned at 9:35 a.m. on a motion by Commissioner Pitcher and
30 seconded by Councilman Higginson. Voting was unanimous with Commissioners Becker,
31 Irvine, Knight, and Pitcher, and Councilman Higginson voting "aye". Commissioner Bell
32 had been excused from the meeting at 9:30 a.m. and was not included in the vote.

Power Commission Staff Report



Subject: Cable Pulling Trailer Purchase
Author: Allen Ray Johnson, Director
Department: Light & Power
Date: September 26, 2023

Background

The Light & Power Department 2023-24 fiscal year budget includes the purchase of a new cable pulling trailer. This new unit will replace unit #5913, a 1990 cable puller that is unreliable and we are not able to obtain replacement parts when necessary.

This cable puller will be used on the underground electrical system. The unit can pull up to 8,500 pounds of tension, has 3000 feet of 3/8 inch hardline pulling cable, a 210 cfm air compressor, 50 feet of air hose, a hydraulic boom with a 2 foot extension, hydraulic outriggers, remote controls, and all of the necessary conduit connection tools. The unit can measure the distance of the wire pulls along with monitoring the pulling tensions on the cable so that we don't overstress the cable during the installation process.

This unit will be a vital piece of equipment in the replacement of the approximate 250,000 feet of bare concentric cable left on the underground system. It will be used to install new cables throughout the city.

Analysis

We sent specifications and an invitation to supply a bid from two suppliers.

A bid opening was held on September 15, 2023. The results of the bid opening are as follows:

Supplier/Manufacturer	Office Location	Total Price	Schedule
Hee's Enterprises Inc./ Condux	Astoria, Oregon	\$197,000.00	8 Weeks
Carlson Sales Inc./ Sherman & Reilly	Battleground, Washington	\$209,356.00	8 -12 Weeks

The low bid for the cable puller from Hee's Enterprises / Condux meets our specifications and will meet all of our needs.

Department Review

This has been reviewed by Staff and the City Manager.

Significant Impacts

The 2023-24 fiscal budget includes \$210,000 in the Capital Vehicles account 535300-474600 to fund the new cable puller trailer.

Recommendation

Staff recommends the approval to purchase a new cable puller from Hee's Enterprises / Condux for the sum of \$197,000.

This item if approved will be taken to the City Council on Tuesday evening.

Attachments

Picture of the unit.



Power Commission Staff Report

Subject: Transformer Purchase Approval
Author: Allen Ray Johnson, Director
Department: Light & Power
Date: September 26, 2023



Background

Transformers continue to be hard to purchase and their lead times are a factor in keeping an adequate inventory. These transformers will be used to replace transformers that we have already used and to be used on the system as needed.

Analysis

Specifications and an invitation to submit a bid for the transformers were sent out to three (3) major suppliers.

20 (ea.) 100kva single phase Pad
2 (ea.) 300kva three phase Pad
1 (ea.) 500kva three phase Pad

We received and opened sealed bids from three (3) different September 8, 2023, at 11:00 a.m. The results are as follows:

Distributors/Manufacture	Total Transformer Cost	Delivery
Anixter Power Solutions- <u>GE</u> Salt Lake City, Utah	\$227,098.00	26-28 weeks
Irby – ABB West Valley City, Utah	\$195,100.00	50-114 weeks
Irby – Howard West Valley City, Utah	\$148,095.00	50-114 weeks
Western Electrical Ermco Salem, Utah	Not Complete	N/A

The bids were evaluated on both the purchase price and delivery.

Department Review

This has been reviewed by the Power Department Staff and the City Manager.

Significant Impacts

These transformers will be purchased and placed into inventory until they are needed.

Power Commission Staff Report
Transformer Bid Approval
September 26, 2023
Page 2 of 2

Recommendation

The Staff recommends approval to purchase the 23 transformers from Anixter Power Solutions for the sum of \$227,098.00.

This item if approved will be taken to the City Council for their approval Tuesday evening.

Attachments.

None

Power Commission Staff Report

Subject: LED Post Top Fixture Purchase
Author: Allen Ray Johnson, Director
Department: Light & Power
Date: September 26, 2023



Background

The Power Department budget has identified \$200,000 to replace the existing high-pressure sodium and mercury pole top streetlights on our system. These are the lights that are installed on steel poles throughout the city typically in residential neighborhoods. The existing high-pressure lights have not been as reliable as the LED lights that we are not purchasing. This will lower both our power costs and lower the maintenance cost to maintain the system.

The LED lights will use 71 watts of power vs. 200-250 watts per light. The LED lights have a longer life span and will require less maintenance than the existing fixtures.

The LED lights have a built-in adjustable dimming switch to adjust the brightness of the light and a multi-voltage input, so we don't have to inventory several different lights.

Analysis

Invitations and specifications to prove a quote for 200 LED post-top fixtures were sent to the two (2) major suppliers. The results are as follows:

200 (ea.) LED Multi-volt Post Top Fixtures

Distributors/Manufacture	Total Cost	Delivery
Anixter Power Solutions – Salt Lake City	\$71,956.00	5-6 weeks
Duncan Electric – Woods Cross	\$104,928.00	4-5 weeks

The quotes were evaluated on both the purchase price and delivery.

Department Review

This has been reviewed by the Power Department Staff and the City Manager.

Power Commission Staff Report
LED Post Top Fixture Purchase
September 26, 2023
Page 2 of 2

Significant Impacts

The 2023-24 budget includes \$200,000 to purchase these fixtures. The LED fixtures will be purchased and placed into inventory until they are installed.

Recommendation

The Staff recommends approval to purchase the 200 LED Post-top Fixtures from Anixter Power Solutions for the sum of \$71,956.00.

This item if approved will be taken to the City Council meeting Tuesday morning night.

Attachments.

None

Power Commission Staff Report



Subject: Pineview Generator Repairs
Author: Allen Ray Johnson, Director
Department: Light & Power
Date: September 26, 2023

Background

Last July the generator at our Pineview hydroelectric power plant tripped offline. We hired a company that specializes in generator maintenance and repair named Sidewinders to assist us with identifying the problem. We found out that the main wires connecting the exciter to the rotor had shorted out due to wire aging and insulation breakdown. A temporary repair was made by splicing in a new piece of wire where the bad section was. We were able to get the generator back online but knew a more permanent repair would need to be made.

Analysis

Sidewinders has provided a quote to complete a permanent replacement of the entire wire between the exciter to the rotor. Their quote also includes cleaning, painting, and testing the stator, and cleaning, painting, and testing the rotor.

Sidewinders has estimated that this work will take about 6 days. They will be available to start work on November 6, 2023.

The total cost for this work is \$39,790.

Department Review

This has been reviewed by the Power Department Staff and the City Manager.

Significant Impacts

This expense will be charged to the Pine View account 535300-448628.

Recommendation

The Staff recommends approval of the Sidewinder quote for the total amount of \$39,790.

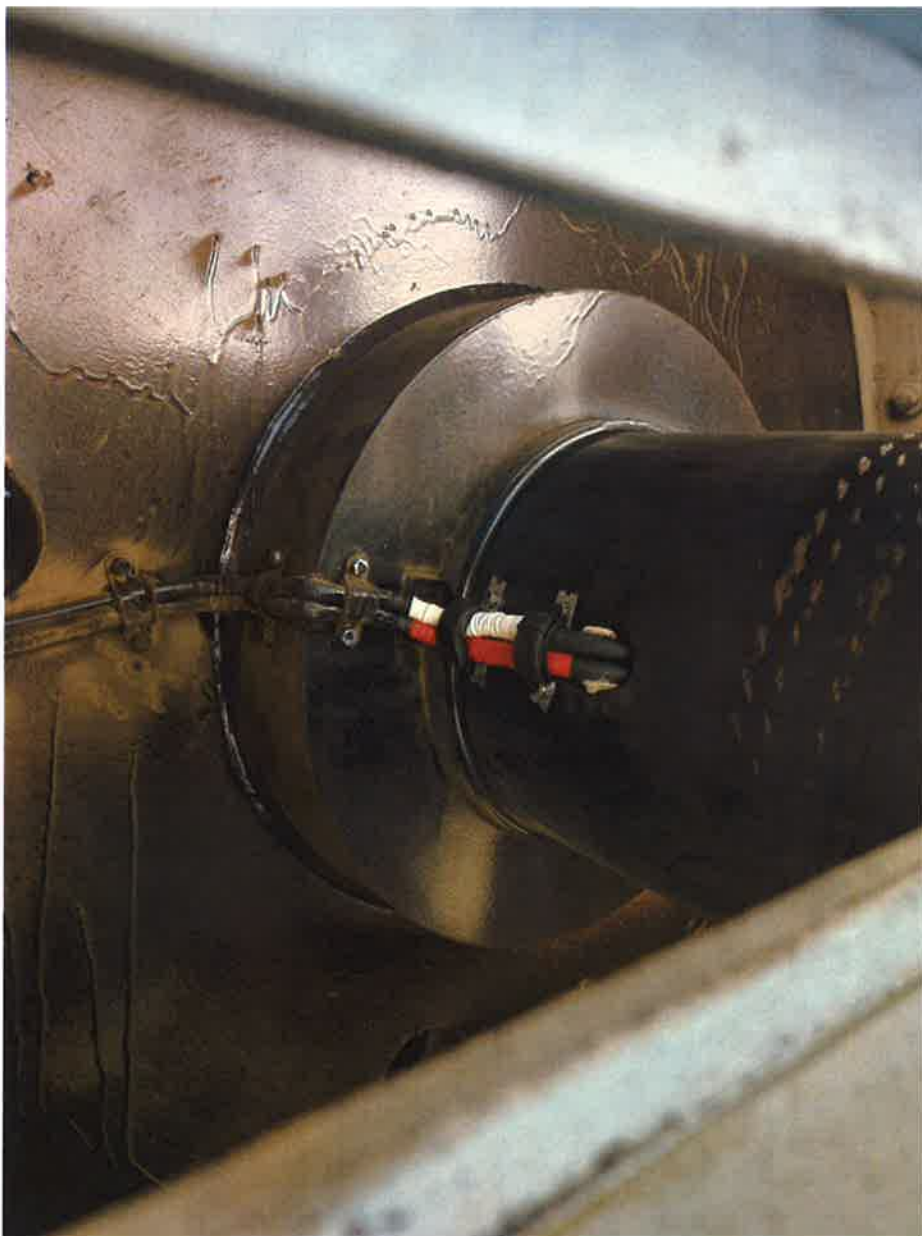
This item if approved will be taken to the City Council Tuesday night.

Attachments

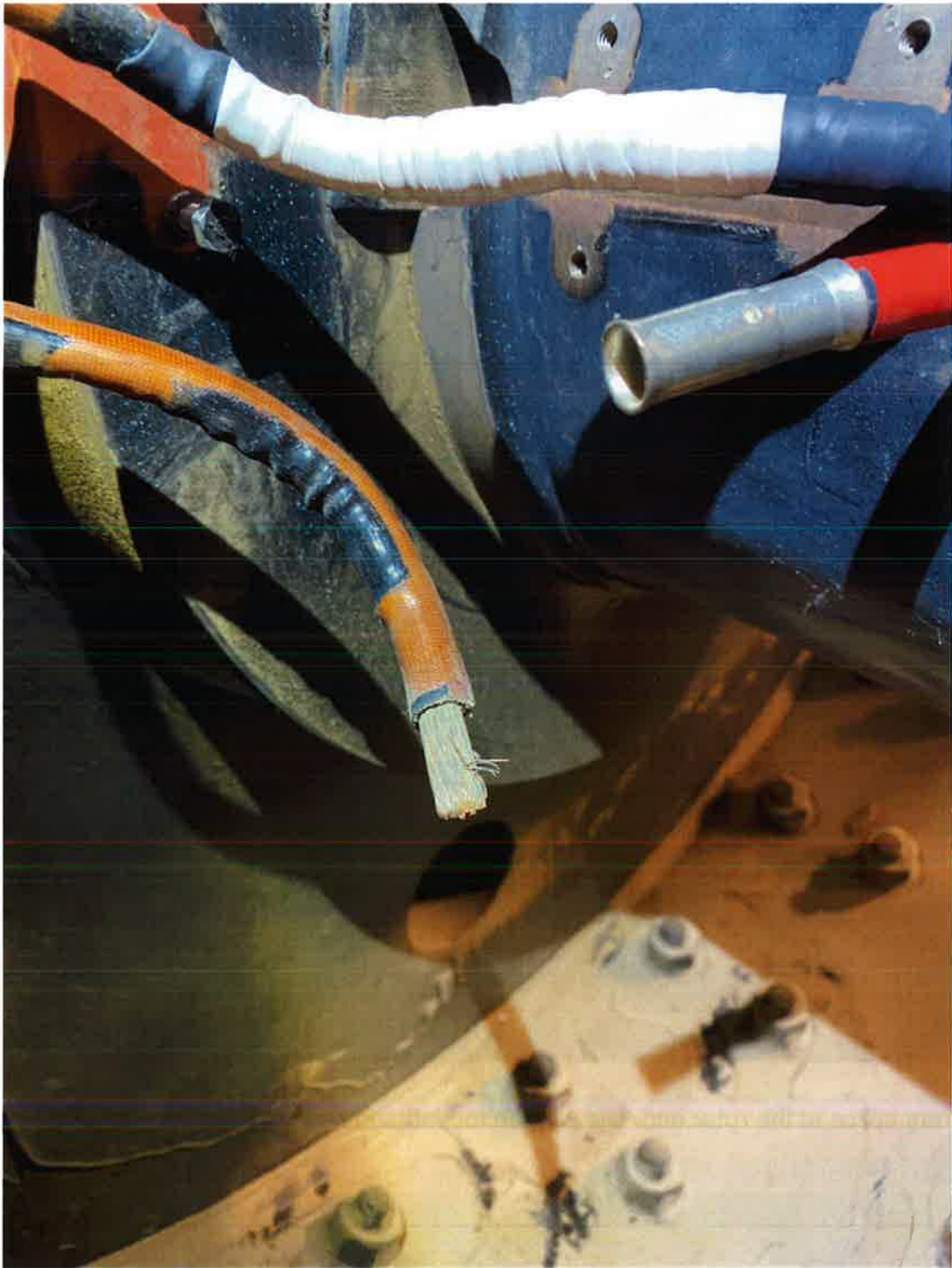
Pictures of the generator.



Shorted wire (the wire has been pulled out from the center of the rotor shaft)



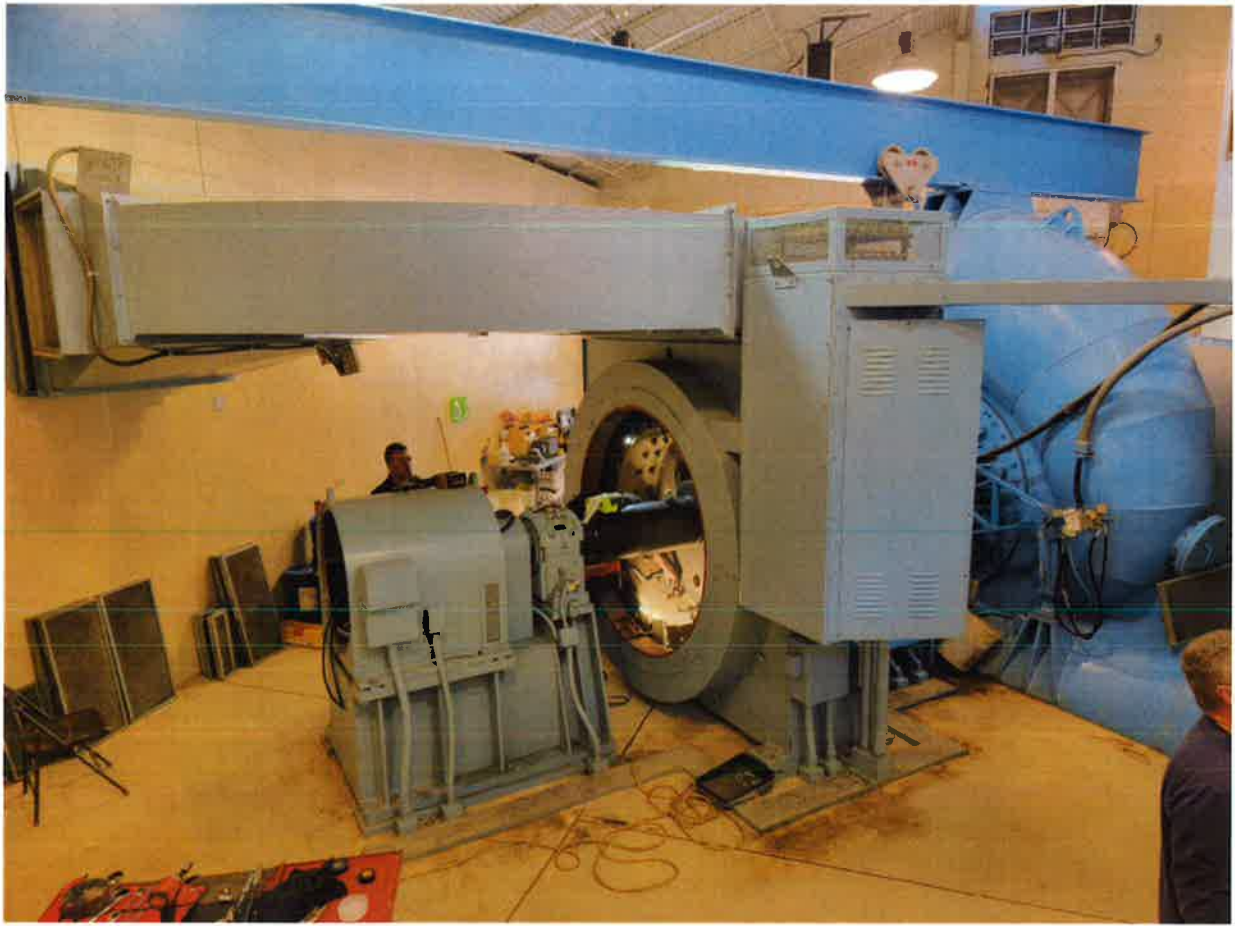
Temporary splice at the rotor end. Old wire on the left and new wire on the right.



Temporary splice of new wire to old wire



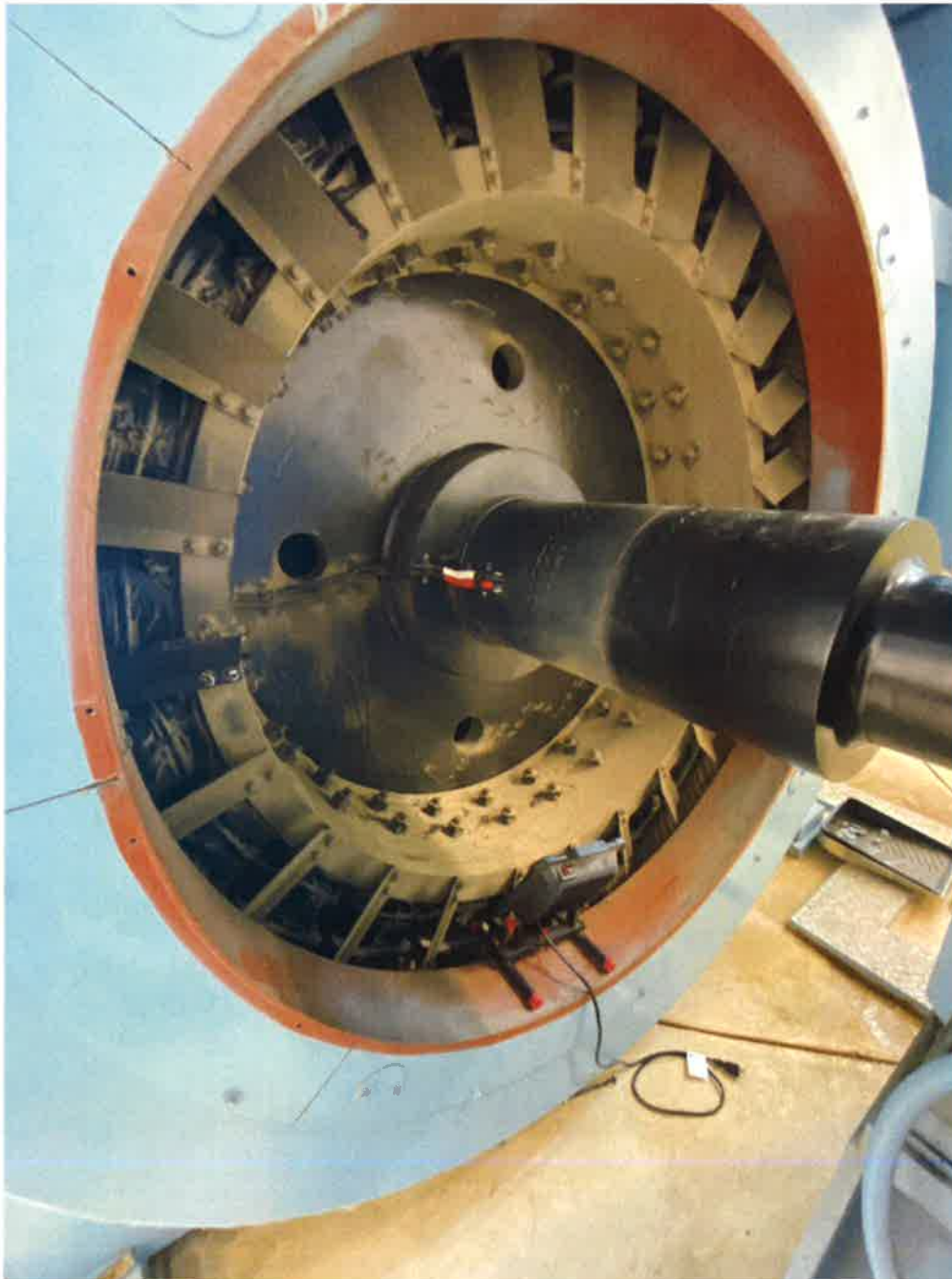
The other end of the new wire in the exciter



Overall view

The exciter is on the left with the new wire hanging out.

The shaft runs through the exciter and connects to the rotor.



This is the rotor end of the shaft.

In this view you can see how dirty the coils are.

Power Commission Staff Report



Subject: Resolution #2023-14 approving the Amended Steel 1A Project Second Amended and Restated Transaction Schedule
Author: Allen Ray Johnson, Director
Department: Light & Power
Date: September 26, 2023

Background

The Power department had been working to secure a utility size solar power project for several years. In November 2020, we were able to secure a twenty-five (25) year power purchase agreement with Steel Solar, LLC. with the developer D. E. Shaw Renewable Investments (DESRI).

The City Council previously approved resolution #2020-22 to approve the power sales contract through UAMPS for 16.15% or 6,459 kilowatts (kW) of the 40,000 kW output from the "Steel Solar Project" located in Northern Utah. This agreement is comparable to installing an additional 645 roof top systems in the city.

The City Council approved Resolution 2022-11 on July 12, 2022, amending the contract because Steel Solar claimed a force majeure due to supply chain problems from a new federal law which requires importers of solar panels to demonstrate that they have a clean supply chain. Suppliers had to prove that their solar panels are not using forced labor in China to produce the panels in any of the materials or the process. Steel Solar suppliers believe that they comply with the ruling, but they are still working with customs to get their panels approved. The entire supply chain had to be approved from the mining of Polysilicon through the final production of the solar modules.

The revised contract purchase price for the project went from \$31.35/per megawatt hour (MWH) to \$34.66/per MWH for the 25 years.

DESRI has requested a change in the current PPA to allow them to take advantage of production tax credits ("PTCs") and associated financing based on PTCs. PTCs became available to solar resources through the Inflation Reduction Act and was not available to DESRI until now. DESRI and UAMPS have agreed on contract changes which will require approval the Second Amended PPA.

The Second Amended PPA increases the penalty to UAMPS for default or economic curtailment by requiring UAMPS to pay both the contract price and the grossed-up value of the PTCs.

- The value of the PTCs is estimated to be approximately \$27.50/MWh and is approximately \$35/MWh when grossed up for federal, state, and local taxes. The grossed-up PTCs are contractually capped at \$35/MWh.
- No grossed-up PTCs will be charged during the first year of project operations under either contract.
- UAMPS is permitted additional penalty-free economic curtailment over what was provided in the First Amended PPA (from 600 MW to 2000 MW for the first ten years and from 600 MW to 1000 MW for years eleven through twenty). UAMPS will not receive penalty-free economic curtailment during the last five years of the contract term.

DESRI will allow UAMPS to develop a battery project adjacent to the Steel Solar site and use commercially reasonable efforts to cooperate with UAMPS in obtaining governmental approvals for the project over the next three years. The Second Amended PPA does not require that DESRI be the developer of the battery project.

UAMPS is explicitly permitted to assign the PPA to J. Aron under a prepay arrangement structured to provide UAMPS members the benefits of the difference between the public and private cost of financing.

DESRI has represented that the 1(A) project is targeted to be operational by November 15, 2023. The original contractual Scheduled Commercial Operation Date was September 30, 2023.

Analysis

DESRI has indicated that a failure to amend the PPA would compromise their availability to get financing and their ability to complete the project. Any alternative solar PPA would be at an increased price with an online date of approximately five years due to transmission restrictions and equipment availability. The terms relating to PTCs are standard in contracts for new solar resources. Additionally, DESRI agreed to provide UAMPS with the benefits described above to compensate for the increased penalty for economic curtailment or default.

Steel Solar, LLC has provided development security to protect UAMPS from the failure of the project to ultimately become operational. The contract also provides for liquidated damages if DESRI fails to meet the Scheduled Commercial Operation Date.

The transmission rights for this project have been secured and the power from this project will be delivered and treated as a network resource under UAMPS' Transmission Service Operating Agreement (TSOA). New projects would have to wait up to five years to get onto the TSOA.

The price is competitive (\$34.66/MWh) with other solar projects of the same size and includes both energy and renewable energy credits (RECs). The Second Amended PPA does not raise or change the Contract Price.

Department Review

This has been reviewed by the Staff and the City Manager.

Significant Impacts

This project will allow us to increase our renewable energy portfolio for the entire city. This project will need to be backed up by the existing Power Department's power plant to provide power to the residents in the afternoons and evenings.

Recommendation

Staff recommends approving the Steel Solar 1A Project Resolution "AUTHORIZING THE STEEL SOLAR 1A PROJECT SECOND AMENDED AND RESTATED TRANSACTION SCHEDULE", and approving Resolution #2023-14 and authorizing the Mayor to sign on behalf of the City.

This it is approve will be taken to the City Council meeting Tuesday evening.

Attachments

Resolution #2023-14 approving the Steel Solar 1A Project Amended and Restated Transaction Schedule.



RESOLUTION NO. 2023-14

A RESOLUTION AUTHORIZING THE STEEL SOLAR 1A PROJECT SECOND AMENDED AND RESTATED TRANSACTION SCHEDULE UNDER THE MASTER FIRM POWER SUPPLY AGREEMENT WITH UTAH ASSOCIATED MUNICIPAL POWER SYSTEMS; AND RELATED MATTERS.

MAYOR
Kendalyn Harris
CITY COUNCIL
Milla Segura Bahr
Joann Bell
Kate Bradshaw
Richard Higginson
Cecilee Price-Hulse
CITY MANAGER
Gary R. Hill

WHEREAS, the City of Bountiful (the "*Member*") owns and operates a utility system for the provision of electric energy to its residents and others (the "*System*") and is a member of Utah Associated Municipal Power Systems ("*UAMPS*") pursuant to the provisions of the Utah Associated Municipal Power Systems Amended and Restated Agreement for Joint and Cooperative Action dated as of March 20, 2009, as amended (the "*Joint Action Agreement*");

WHEREAS, the Member desires to purchase all or a portion of its requirements for electric power and energy from or through UAMPS and has entered into a Power Pooling Agreement with UAMPS to provide for the efficient and economic utilization of its power supply resources;

WHEREAS, the Member has previously entered into the Master Firm Power Supply Agreement with UAMPS in order to allow for UAMPS entering into various firm transactions for the purchase and sale of firm supplies of electric power and energy;

WHEREAS, UAMPS has investigated the Steel Solar 1A Project, a forty (40) megawatt (MW) solar photovoltaic generation facility to be located in Box Elder County, Utah, on behalf of its members and is now prepared to enter into a twenty-five (25) year second amended and restated power purchase agreement with Steel Solar LLC to secure the delivery of all the energy from the Project and associated environmental attributes; and

WHEREAS, the Member now desires to authorize and approve the Steel Solar 1A Second Amended and Restated Transaction Schedule ("Second Amended and Restated Transaction Schedule") attached hereto as Exhibit A for the Project subject to the parameters set forth in this Resolution.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Bountiful as follows:

Section 1. Authorization of Steel Solar 1A Second Amended and Restated Transaction Schedule. The Second Amended and Restated Transaction Schedule, in substantially the form presented at the meeting at which this resolution is adopted, is hereby authorized and approved, and the Member Representative is hereby authorized, empowered and directed to execute and deliver the Second Amended and Restated Transaction Schedule on behalf of the Member. Promptly upon its execution, the Second Amended and Restated Transaction Schedule shall be filed in the official records of the Member.

Section 2. Other Actions. The Mayor, City Recorder, the Member Representative and other officers and employees of the Member shall take all actions necessary or reasonably required to carry out,

give effect to, and consummate the transactions contemplated hereby and shall take all actions necessary to carry out the execution and delivery of the Second Amended and Restated Transaction Schedule and the performance thereof.

Section 3. Miscellaneous; Effective Date. (a) All previous acts and resolutions in conflict with this resolution or any part hereof are hereby repealed to the extent of such conflict.

(b) In case any provision in this resolution shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

(c) This resolution shall take effect immediately upon its adoption and approval.

ADOPTED AND APPROVED this 26 day of September, 2023.

CITY OF BOUNTIFUL

Kendalyn Harris, Mayor

ATTEST AND COUNTERSIGN:

Shawna Andrus, City Recorder

[SEAL].

EXHIBIT A

STEEL 1(A) SOLAR PROJECT FIRM POWER SUPPLY AGREEMENT SECOND AMENDED AND RESTATED TRANSACTION SCHEDULE

This Second Amended and Restated Transaction Schedule to the Master Firm Power Supply Agreement to which all Parties to this Transaction Schedule are signatories provide for the following transactions. The Parties to this Second Amended and Restated Transaction Schedule agree to the following provisions and agree to pay all costs of this transaction through the Firm Power Supply Project.

PURCHASER: City of Bountiful

ENTITLEMENT SHARE: 16.15%

SUPPLIER: Steel Solar, LLC (the "Steel Solar Project")

EFFECTIVE DATE: The Power Purchase Agreement by and between UAMPS and Steel Solar, LLC for the Steel 1(A) Solar Resource (the "Original PPA") was executed on November 18, 2020 and that certain amendment to the Original PPA dated as of February 16, 2022 ("Amendment"). The Original PPA, as amended by the Amendment, was amended, restated and executed by UAMPS and Steel Solar, LLC on June 23, 2022 (the "First Amended PPA"). The First Amended PPA was amended, restated and executed by UAMPS and Steel Solar, LLC on August 30, 2023 ("Second Amended PPA") The Second Amended PPA becomes effective upon UAMPS obtaining member governing body approvals. UAMPS anticipates satisfying this condition within 60 days of executing the Second Amended PPA. The Scheduled Commercial Operation Date ("COD") is November 30, 2023. The COD may not occur earlier than March 30, 2023 but not later than March 30, 2024.

TERM: A 25-year delivery term commencing on COD. The Second Amended PPA will become effective upon UAMPS satisfying the condition precedent identified above.

AMOUNT: 6,459 kW and associated Environmental Attributes ("Entitlement Share")

PRICE: \$34.66 per MWH

OTHER
PROVISIONS:

Energy: UAMPS will schedule all energy pursuant to the terms and conditions of the Second Amended PPA and will delivery to the Purchaser its Entitlement Share of the Steel 1(A) Solar Resource. The Steel 1(A) Solar

Resource is to be constructed as a 40 MW solar photovoltaic generation facility located in Box Elder County, Utah.

Transmission: UAMPS will charge and the Purchaser will pay transmission charges as adopted by the UAMPS Board of Directors from time to time.

Administration: UAMPS will charge and Purchasers will pay the scheduling fee and reserve fee as adopted by the UAMPS Board of Directors from time to time.

Buyout Options: Under the Second Amended PPA, UAMPS has the ability to buy the Steel 1(A) Solar Resource from Steel Solar, LLC at specified buyout dates pursuant to a fair market value appraisal. If UAMPS is directed to pursue one of its buyout options, then UAMPS will in parallel develop new contracts or amend the Firm Power Supply Agreement with the Purchasers to provide UAMPS with the ability to finance the buyout of the Steel 1(A) Solar Resource.

Step-Up Obligation:

- (1) In the event of a default by one of the Purchasers, UAMPS shall immediately allocate all of the defaulting Purchaser's Entitlement Share among the nondefaulting Purchasers, pro rata on the basis of their then-current Entitlement Shares, which shall remain in effect only until the completion of the procedures provided herein. UAMPS shall provide written notice to the nondefaulting Purchasers of the initial allocation of the defaulting Purchaser's Entitlement Share which notice shall (A) set forth the date of the initial allocation, (B) include a revised Schedule I showing the increased Entitlement Shares as a result of such allocation, (C) direct each of the nondefaulting Purchasers to make an election pursuant to subparagraph (2) below, and (D) set forth the date by which each of the nondefaulting Purchasers must notify UAMPS of such election. The initial allocation of the defaulting Purchaser's Entitlement Share and the increased Entitlement Shares of the nondefaulting Purchasers as a result of such allocation (as shown on the revised Schedule I prepared by UAMPS) shall remain in effect until the completion of the procedures provided for herein. During such period, each of the nondefaulting Purchasers shall have all of the rights, benefits, obligations and responsibilities associated with its increased Entitlement Share as a result of such allocation.
- (2) Within sixty days after the initial allocation of the defaulting Purchaser's Entitlement Share, each nondefaulting Purchaser shall notify UAMPS in writing of its election to: (A) retain all of its initial allocation of the defaulting Purchaser's Entitlement Share; or (B) retain none or less than all of such allocation. Any Purchaser that elects to retain all of its initial allocation of the defaulting Purchaser's

Entitlement Share shall be deemed to have fully satisfied its step-up obligations and shall not thereafter be required to accept any additional allocation of the defaulting Purchaser's Entitlement Share; *provided* that any such nondefaulting Purchaser may give notice to UAMPS of its request to acquire additional amounts of the defaulting Purchaser's Entitlement Share as may be available.

- (3) Within thirty days after its receipt of the elections of all nondefaulting Purchasers pursuant to subparagraph (2), UAMPS shall determine whether the nondefaulting Purchasers have elected to retain all of the defaulting Purchaser's Entitlement Share. In the event that one or more of the nondefaulting Purchaser's elected to retain less than all of the initial allocations of the defaulting Purchaser's Entitlement Share, UAMPS shall reallocate the remaining amounts of the defaulting Purchaser's Entitlement Share proportionally among those nondefaulting Purchasers that have requested additional amounts of the defaulting Purchaser's Entitlement Share. To the extent that any part of the defaulting Purchaser's Entitlement Share is then unallocated, UAMPS shall next reallocate the remaining portion of the defaulting Purchaser's Entitlement Share proportionally among those Purchasers that did not elect to retain all of their initial allocations of such Entitlement Share. Proportional reallocations shall be based upon the Entitlement Shares of the nondefaulting Purchasers in effect immediately prior to the defaulting Purchaser's default.
- (4) In no event shall the final allocation of a defaulting Purchaser's Entitlement Share pursuant to subparagraph (3) (or the total of all such allocations in the event of multiple Purchasers' defaults) cause any nondefaulting Purchaser's Entitlement Share to increase by more than 25% over its "Adjusted Entitlement Share" without such Purchaser's consent. The "Adjusted Entitlement Share" is the Purchaser's Entitlement Share shown on Schedule I on and as of the Effective Date.
- (5) UAMPS shall deliver, promptly after making the determinations and reallocations required by subparagraphs (1-4), a notice to the nondefaulting Purchasers which notice shall (A) set forth the final allocation of the defaulting Purchaser's Entitlement Share pursuant to subparagraph (3), and the effective date of the final allocation, and (B) include a revised Schedule I showing the revised Entitlement Shares of the nondefaulting Purchasers upon the final allocation pursuant to subparagraph (3). The Entitlement Shares shown on such revised Schedule I shall thereafter be the Entitlement Shares of the nondefaulting Purchasers.
- (6) Any portion of the Entitlement Share of a defaulting Purchaser allocated or reallocated to a nondefaulting Purchaser pursuant to this paragraph (b) shall become a part of and shall be added to the Entitlement Share of the nondefaulting Purchaser, and from and after the date of such transfer the nondefaulting Purchaser shall be obligated

to pay for its increased Entitlement Share pursuant to the terms and provisions of this Transaction Schedule. The defaulting Purchaser shall remain liable to UAMPS and the nondefaulting Purchasers for costs incurred and damages suffered by them in connection with the actions taken with respect to the defaulting Purchaser's Entitlement Share provided for herein.

- (7) If, as a result of the limitation stated in subparagraph (4) above, any portion of a defaulting Purchaser's Entitlement Share remains unallocated or upon the request of any nondefaulting Purchaser, UAMPS shall use Commercially Reasonable Efforts to sell or dispose of the unallocated or designated Entitlement Share. The defaulting Purchaser shall be liable for the costs, fees and expenses incurred by UAMPS in connection with any such sale, disposition or remedial action.

Other:

Any costs incurred by UAMPS due solely to this Second Transaction Schedule, including but not limited to the Second Amended PPA costs, transmission costs, scheduling costs, administrative costs and legal costs will be the responsibility of Purchasers invoiced through the UAMPS Power Bills.

This Transaction Schedule may be signed in counterpart.

Dated this _____ day of _____, 2023.

CITY OF BOUNTIFUL

By: _____

Title: _____

UTAH ASSOCIATED MUNICIPAL POWER
SYSTEMS

By: _____

Title: _____

Schedule I

MEMBER	KW AMOUNT 40,000	ENTITLEMENT %
Blanding	646	1.62%
Bountiful	6,459	16.15%
Fairview	129	0.32%
Fillmore	388	0.97%
Heber	6,459	16.15%
Hurricane	2,584	6.46%
Hyrum	2,584	6.46%
Lehi	10,000	25.00%
Mt. Pleasant	388	0.97%
Paragonah	50	0.13%
Payson	3,877	9.69%
Price	3,500	8.75%
Santa Clara	1,000	2.50%
SUVESD	646	1.62%
Washington	1,292	3.23%
TOTAL	40,000	100.00%

A. JULY 2023 RESOURCE SUMMARY

Our hourly system peak for the month of July was 77,238 kW and we purchased 35,151,961 kwh's for an average cost of 55.0 mills.

We are \$485,974 under budget for our unaudited power costs for the fiscal year.

We will be glad to answer any questions concerning power resources during the Power Commission Meeting.

Resource presentation

We will provide a resource presentation at the meeting on Tuesday.

B. AUGUST 2023 LOST TIME RELATED INJURIES / SAFETY REPORTS:

There were no lost time accidents in the month of August. Safety Meeting was on Safety Hazards, and Compressed Air Safety.

C. AUGUST 2023 PUBLIC RELATIONS REPORT:

There were no presentations given in the month of August.

BOUNTIFUL CITY LIGHT & POWER RESOURCE SUMMARY FOR JULY 2023

KILOWATT PEAK FOR THE MONTH: 77,238

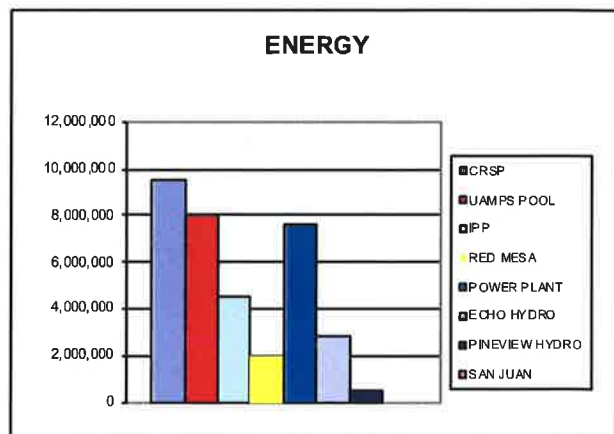
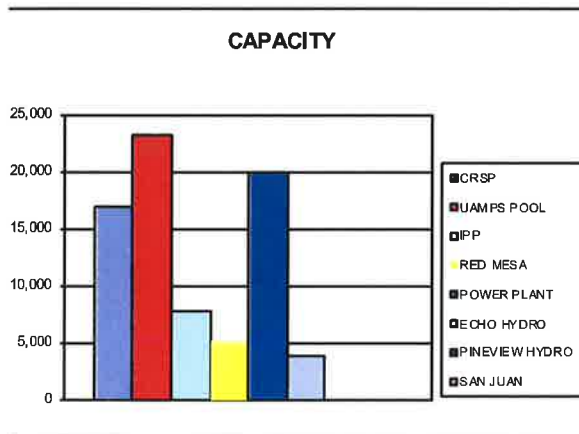
KWH PURCHASED OR GENERATED FOR THE MONTH: 35,151,961

TOTAL COST OF RESOURCES: \$1,932,981.96

	KW (CAPACITY)	KWH (ENERGY)	RESOURCE COST	COST/KWH
C.R.S.P	16,951	9,560,127	\$263,990.33	0.0276
UAMPS POOL	23,317	8,080,739	\$452,347.56	0.0560
RED MESA	5,227	1,995,246	\$92,188.29	0.0462
IPP	7,880	4,534,576	\$254,293.13	0.0561
POWER PLANT	19,982	7,640,627	\$804,413.46	0.1053
ECHO HYDRO	3,881	2,815,350	\$29,761.00	0.0106
PINE VIEW HYDRO	0	525,296	\$30,286.00	0.0577
SAN JUAN	0	0	\$5,702.19	0.0000

TOTALS	77,238	35,151,961	\$1,932,981.96	0.0550
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UNACCOUNTED KWH last 12 months -4,723,758 or -1.61%



h:\July 23 power bill summary.xls

2023 - 2024 - Estimated Power Costs and Metered Sales vs Actual Power Cost and Metered Sales

	Power Costs			Metered Sales & Air Products		
	Power Budget	Actual 23 - 24	Variance	Sales Budget	Actual 23 - 24	Variance
July	2,418,956	1,932,982	485,974	3,328,923	3,103,990	(224,933)
August	2,108,805			3,320,368		
September	1,459,469			2,682,952		
October	1,402,923			2,173,658		
November	1,590,492			2,150,141		
December	1,710,338			2,494,793		
January	1,693,443			2,532,796		
February	1,236,525			2,306,624		
March	1,414,034			2,127,757		
April	1,338,095			2,046,788		
May	1,409,172			2,095,889		
June	2,297,454			2,891,871		
Totals	20,079,706	1,932,982	485,974	30,152,560	3,103,990	(224,933)

Data Updated to the month of

JULY 2023

/Fiscal Year 2023-2024/sys11-12

08/25/23

09:05:03

Revenue lost this month \$10.49

Revenue lost to date \$10.49

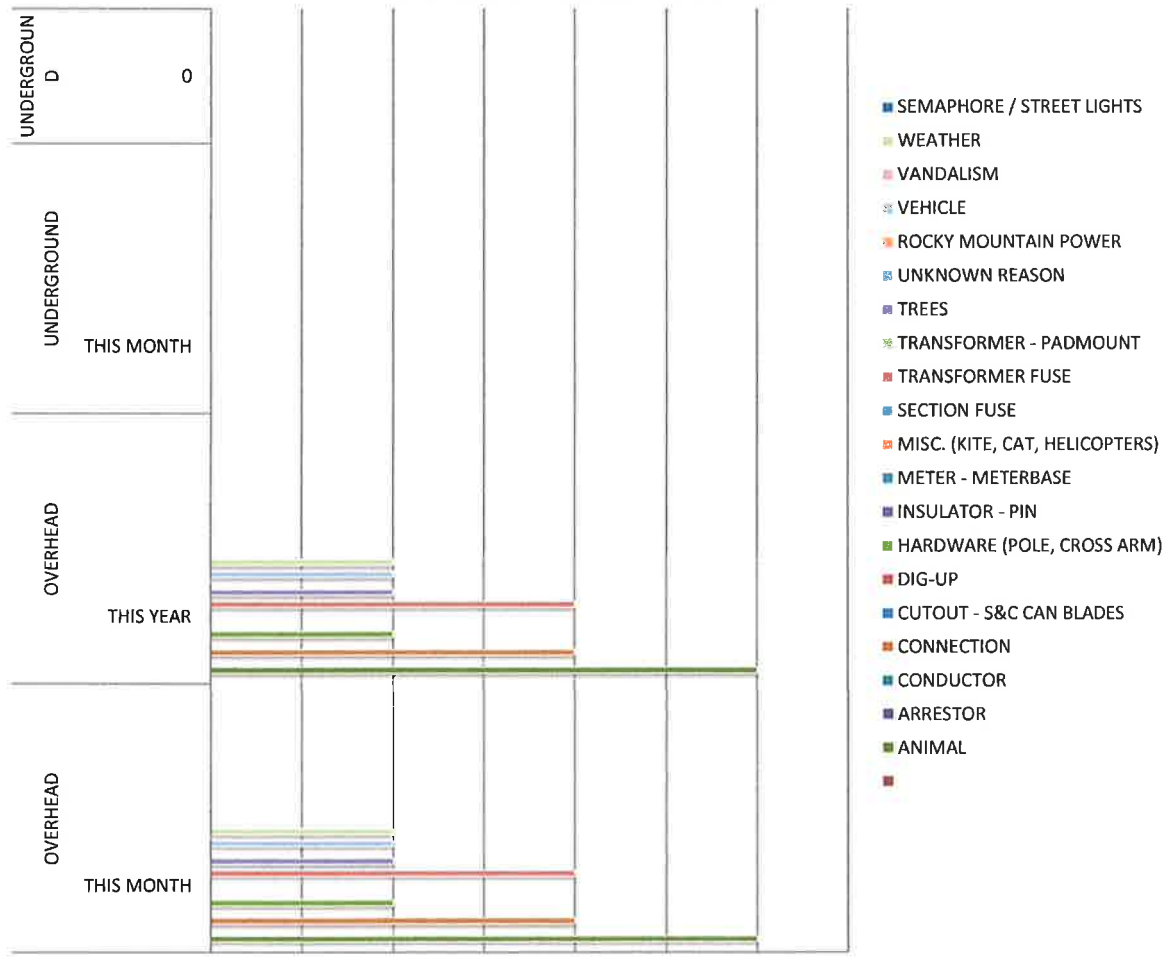
System reliability for this month 0.9999987

System reliability to date 0.9999999

TOTAL FOR THE MONTH	11
TOTAL FOR THE YEAR	11

	OVERHEAD THIS MONTH	OVERHEAD THIS YEAR	UNDERGROUND THIS MONTH	UNDERGROUND 0
ANIMAL	3	3		0
ARRESTOR		0		0
CONDUCTOR		0		0
CONNECTION	2	2		0
CUTOUT - S&C CAN BLADES		0		0
DIG-UP		0		0
HARDWARE (POLE, CROSS ARM)	1	1		0
INSULATOR - PIN		0		0
METER - METERBASE		0		0
MISC. (KITE, CAT, HELICOPTERS)		0		0
SECTION FUSE		0		0
TRANSFORMER FUSE	2	2		0
TRANSFORMER - PADMOUNT		0		0
TREES	1	1		0
UNKNOWN REASON		0		0
ROCKY MOUNTAIN POWER		0		0
VEHICLE	1	1		0
VANDALISM		0		0
WEATHER	1	1		0
SEMAPHORE / STREET LIGHTS		0		0
SUB TOTAL	11	11	0	0

INTERRUPTIONS TO DATE



MONTH	DAYS IN MONTH	HRS IN MONTH	NUMBER OF CUSTOMERS IN SYSTEM	SYSTEM RELIABILITY	MONTHLY SYSTEM RELIABILITY	MONTHLY REVENUE LOST
JAN.	31	744	17291	0.00	1.0000000	\$0.00
FEB.	28	672	17290	0.00	1.0000000	\$0.00
MAR.	31	744	17282	0.00	1.0000000	\$0.00
APR.	30	720	17259	0.00	1.0000000	\$0.00
MAY.	31	744	17328	0.00	1.0000000	\$0.00
JUN.	30	720	17307	0.00	1.0000000	\$0.00
JUL.	31	744	17288	16.39	0.9999987	\$10.49
AUG.	31	744	17291	0.00	1.0000000	\$0.00
SEPT.	30	720	17264	0.00	1.0000000	\$0.00
OCT.	31	744	17273	0.00	1.0000000	\$0.00
NOV.	30	720	17259	0.00	1.0000000	\$0.00
DEC.	31	744	17243	0.00	1.0000000	\$0.00

ANNUAL RELIABILITY	8760	17328	16.39	0.9999999	\$10.49
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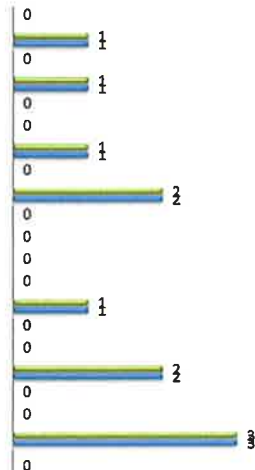
BE SURE AND CHANGE THE CELLS IN THE REPORT FOR HRS. IN MONTH, SYS. REL. FACTOR & LOST \$!

SYSTEM INTERRUPTION SUMMARY
FISCAL YEAR 2023-2024
JULY 2023

INTERRUPTIONS TO
DATE

OVERHEAD THIS YEAR
OVERHEAD THIS MONTH

SEMAPHORE / STREET LIGHTS
WEATHER
VEHICLE
TREES
TRANSFORMER
TRANSFORMER FUSE
SECTION FUSE
METER - METERBASE
MISC. (KITE, CAT, HELICOPTERS)
CUTOUT - S&C CAN BLADES
CONNECTION
CONDUCTOR
ANIMAL



SYSTEM INTERRUPTION SUMMARY
FISCAL YEAR 2023-2024
JULY 2023

INTERRUPTIONS
TO DATE

UNDERGROUND 0
UNDERGROUND THIS MONTH

VANDALISM
VEHICLE
UNKNOWN REASON
TRANSFORMER - PADMOUNT
TRANSFORMER FUSE
MISC. (KITE, CAT, HELICOPTERS)
METER - METERBASE
DIG-UP
CONDUCTOR



Bountiful Power Outage Report

7/1/2023 - 7/31/2023

Date	Feeder	Address	Problem	Solution	# Cust	Time Of	Time On	Duration	\$ Lost
7/2/2023	272	NORTH	BLOWN FUSE	REPLACE BLOWN FUSE	12	1:15 AM	2:44 AM	1:29	0.08
7/3/2023	673	250 SOUTH 425 W	BLOWN SECTION FUSE	CLEAR LINES AND REPLACE BLOWN FUSE	50	5:45 PM	8:50 PM	3:05	0.17
7/4/2023	572	2407 SOUTH ORCHARD DRIVE	BLOWN TRANSFORMER FUSE	REPLACE BLOWN TRANSFORMER FUSE	2	9:21 AM	10:02 AM	0:41	0.08
7/4/2023	371	980 EAST 300 SOUTH	BLOWN TRANSFORMER FUSE CAUSED BY A SQUIRREL	REPLACE TRANSFORMER FUSE	3	8:52 AM	9:41 AM	0:49	0.14
7/4/2023	372	308 SOUTH 1000 EAST	BLOWN TRANSFORMER FUSE CAUSED BY SQUIRREL	REPLACE TRANSFORMER FUSE	5	8:37 AM	9:41 AM	1:04	0.3
7/6/2023	372	1381 SKYLINE DR	VEHICLE HIT TX	REPLACE TX	1	2:36 PM	3:10 PM	0:34	0.03
7/6/2023	573	475 WEST 2400 SOUTH	TREE HIT LINES	REPLACE FUSES	21	10:46 AM	11:23 AM	0:37	0.72
7/14/2023	272	360 EAST 1200 NORTH	BLOWN TRANSFORMER FUSE	REPLACE BLOWN TRANSFORMER FUSE	4	9:41 PM	10:45 PM	1:04	0.24
7/20/2023	571	1678 SOUTH 75 EAST	POLE FIRE	REPAIR TOP OF POLE	40	11:01 PM	2:19 AM	3:18	7.33
7/22/2023	676	130 EAST 1100 SOUTH	BURNED UP HOUSE DROP	REPAIR HOUSE DROP	1	4:34 PM	6:19 PM	1:45	0.1
7/30/2023	572	107 EAST 2250 SOUTH	HALF POWER; BURNED OFF CONNECTION	SPICED IN NEW CONNECTION	12	2:32 PM	4:29 PM	1:57	1.3

Record Count: 11

