



HURRICANE CITY UTAH

Mayor

Nanette Billings

City Manager

Kaden C. DeMille

Power Board

Mac J. Hall, Chair
Dave Imlay, Vice Chair
Joseph Prete
Tony Certonio
Colt Stratton
Kerry Prince

The Hurricane City Power Board met on July 3, 2024, at 3:00 p.m. at the Clifton Wilson Substation located at 526 W 600 N.

In attendance were Mac Hall, Dave Imlay, Joseph Prete (by phone), Tony Certonio, Kerry Prince, Scott Hughes, Brian Anderson, Jared Ross, Fred Resch, Bruce & Linda Zimmerman, and Crystal Wright.

Mac Hall welcomed everyone to the meeting. Kerry Prince led the Pledge of Allegiance and Mac Hall offered the prayer. Tony Certonio motioned to approve minutes from the May 2024 meeting. Dave Imlay seconded the motion. Motion passed unanimously.

Scott Hughes: Scott Hughes provided a brief update on employees. He reminded the board of the UAMPS Member Conference that is coming up in August. He provided an update regarding a few outages we've had early in this summer season. We hit a new peak MW load on June 25th at 53.6 MW. Our previous peak load was in 2023 at 50.4 MW. Temperature forecasts seem to suggest we may peak again next week. We were spotlighted in an article from APPA regarding the completion of the Three Falls Substation. We've been pleased with the return to more stable power market prices and hope they continue.

Brian Anderson: Brian Anderson reported on the Capacity 2.0 project Phase 1 which is reconductoring some wire on 3000 South. It's pulled in and clipped and they just need to pull out the old wire. The Line Crew has installed the Air-Break Switch (ABS) on 400 South 1150 West. This allows us to switch load between circuits. They've been reconfiguring circuits to implement the new Three Falls Substation circuit 503. Our year-end inventory count happened and it was rough, but we ended up pretty close overall at the end.

Mike Ramirez: Scott Hughes reported for Mike Ramirez that the Service Crew has been working almost exclusively in conjunction with the Line Crew on various projects.

Jared Ross: Jared Ross reported updates on the Three Falls Substation. We had problems with two reclosers that weren't working properly. We shipped those back and moved one of our existing reclosers from Anticline to Three Falls. This allows us to continue to have 2 circuits operating out of Three Falls. He provided an update on the generator run. There was a drive coupler on Generator #4 that went bad, and we lost that generator for a couple days waiting for a part to come in. That has been replaced. We are seeing power loss on Generator #6 and #8. He will look into #6 in the off-season to help get that power loss figured out and fixed. Dave Imlay asked if adding those 2 circuits at Three Falls messed up the balancing between phases on the system. It did a little, but we've been working on circuit balancing.

Discussion about requirements for Pre-Qualified Contractors: Scott Hughes reported that we have been discussing this for the last couple months. In talks with the mayor, she would like this discussion to be presented to the City Council. He showed a slide showing the various licenses and what each individual license allows them to do. The State doesn't specify Journeyman Linemen, and only specifies electricians in their licenses. There's



some concern that electricians are qualified for low voltage work, but Journeyman Linemen are certified for high voltage work. However, they don't have any state licenses giving them the ability to be licensed and approved to do the actual work. Discussion about potential options we could investigate and consider. Mac Hall suggested we continue this item to next month.

Discussion about Power Cost Adjustments: Scott Hughes showed a spreadsheet showing our average margin that we've seen before but used that margin to calculate an estimation using historical data and averages. He stated he really liked Joseph Prete's suggestion from the previous meeting that we set up a Power Cost Adjustment (PCA) tied to a reserve balance so that in an emergency, if reserves dropped, it could be implemented. Dave Imlay stated his concern with that option is the reserve balance can be used for things outside of power costs and it wouldn't be right to have it tied to things that are outside of power costs themselves. Scott Hughes stated he is grateful for that insight, because that is correct. We have time to investigate options. If we choose to move forward with a PCA the board's advice to is have an official study done. Dave Imlay stated that he would rather operate in a more traditional sense, but he understands that a PCA protects the department financially and it is viewed positively by bonding agents. Mac Hall stated he would like Scott Hughes to reach out and find out a general sense of what it would cost to investigate the implementation of a PCA. We could look at it as staff, decide how to proceed, present the information to the City Council and request money to move forward with a study, and then decide whether we want to accept the outcome of that study to move forward with implementation.

Update about PacifiCorp Transmission Rate: Scott Hughes reported PacifiCorp increased their transmission rates effective June 1, 2024, by 45%. Our transmission rate was \$6.93/MW and increased to \$9.45/MW. Dave Imlay pointed out the overall impact of \$334,500.00 would not have been included when budgeting for the 24-25FY. Scott Hughes stated he has reached out to the City Administration to notify them of this change but has hesitated to make any permanent changes to our strike price and budget while we wait to find out the results of the challenge UAMPS is presenting to PacifiCorp regarding the 45% increase.

Discussion and possible recommendation concerning connection costs: Scott Hughes stated in the past these have been called fees even though they're hard costs to the Power Department. He read the discussion summary that had been included in the packet. These are dollar amounts that are actual labor, equipment, and material for specific jobs done by our crews. Discussion about how often to review and update these costs. Mac Hall summarized we're asking for this change to be adopted by the City Council with a provision to move approval of future changes from the City Council to the Power Board level with a corresponding notification back to the City Council. Dave Imlay made a motion to recommend approval of that summary by the Power Board to the City Council. Tony Certonio seconded the motion. Motion passed unanimously.

UAMPS Updates: Scott Hughes stated there isn't anything pressing at UAMPS, but the monthly summary was included in the packet. Mac Hall asked about the Carbon Free Power Project (CFPP) and if those costs for shutdown were final. Scott Hughes explained CFPP and UAMPS ran calculations regarding the cost of shutting the project down. Those costs are staying in line with those projections. As a group, UAMPS board members voted to pay off the total bill with the agreement to reconcile actual costs at the end. This saved a lot of money in interest fees each month by doing so.

Dave Imlay asked about a 50-yr celebration for 2025. It could possibly be celebrated in conjunction with Public Power Day. We could get information out to the residents on utility statements, posting something at the City office, including information in a preceding newsletter. Include information about the history of the department.

Power Board adjourned at 4:30 p.m. The next Power Board Meeting is scheduled for August 7, 2024, at 3:00 p.m.
