



PUBLIC  
FINANCE  
ADVISORS



# HURRICANE UTAH

DECEMBER  
2025

## **AMENDMENT** TO 2025 IMPACT FEE ANALYSIS (IFA)

ELECTRICAL TRANSMISSION AND  
SUBSTATIONS

**PREPARED BY:**

**LRB PUBLIC FINANCE ADVISORS**  
FORMERLY LEWIS YOUNG ROBERTSON & BURNINGHAM INC.

# IMPACT FEE CERTIFICATION

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## IFA CERTIFICATION

LRB Public Finance Advisors certifies that the attached impact fee analysis amendment:

1. includes only the costs of public facilities that are:
  - a. allowed under the Impact Fees Act; and
  - b. actually incurred; or
  - c. projected to be incurred or encumbered within six years after the day on which each impact fee is paid;
2. does not include:
  - a. costs of operation and maintenance of public facilities;
  - b. costs for qualifying public facilities that will raise the level of service for the facilities, through impact fees, above the level of service that is supported by existing residents;
  - c. an expense for overhead, unless the expense is calculated pursuant to a methodology that is consistent with generally accepted cost accounting practices and the methodological standards set forth by the federal Office of Management and Budget for federal grant reimbursement;
3. offsets costs with grants or other alternate sources of payment; and,
4. complies in each and every relevant respect with the Impact Fees Act.

## LRB Public Finance Advisors makes this certification with the following caveats:

1. All of the recommendations for implementations of the IFFP made in the IFFP documents or in the IFA documents are followed by City Staff and elected officials.
2. If all or a portion of the IFFP or IFA are modified or amended, this certification is no longer valid.
3. All information provided to LRB is assumed to be correct, complete, and accurate. This includes information provided by the City as well as outside sources.

LRB PUBLIC FINANCE ADVISORS



# SECTION 1: SUMMARY AND AMENDED IMPACT FEE

## SUMMARY

The Hurricane City Electrical Transmission and Substation Impact Fee Analysis (IFA), dated May 2025, is being amended to account for changes to the estimated future facility costs as identified in the City's recently amended 2025 Hurricane City Electrical Transmission and Substation Impact Fee Facilities Plan (Amended IFFP). This amendment updates the calculation of the impact fee to account for the following:

- Updates to IFFP Table 2-3: Summary of CP Demands for the Period 2023-2033.
- Updates to IFFP Table 2-4: Summary of CFP Improvement Projects for the Period 2023-2033.

## EXPLANATION

The City recently amended the 2025 IFFP. The main purpose of this amendment was to update the IFFP with the addition of two substation projects. Furthermore, additional load was added to the coincident-peak ("CP") demand assumptions in the IFFP. This plan reevaluated future facility costs, prioritization, and timing. As a result, the IFA will be amended to reflect these changes.

## REVISED DEMAND

The demand unit used in the calculation of the electrical impact fees is the estimated MW and kW at a power factor of 95 percent for residential and 90 percent for commercial.<sup>1</sup> **TABLE 3.1** has been amended to reflect the Amended IFFP and summarized below.

AMENDED TABLE 3.1: PROJECTED DEMAND

DESCRIPTION	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Total System CP Demands (kW)	50,635	54,686	59,061	63,786	78,888	84,399	87,375	90,470	93,689	97,037	100,518
Ten Year Demand	49,883										

## REVISED FUTURE CAPITAL FACILITIES

Based upon these amendments, the costs found in IFA **TABLE 5.1** have been adjusted. The percentage of the total cost that is attributable to growth is based upon the ratio of the capacity available for meeting future growth in the 10-year IFFP demand period to the total capacity provided by the project. All the projects listed in the table below have a life expectancy of more than 10 years.

<sup>1</sup> Power factor (p.f.) is the ratio of working power, measured in kilowatts (kW), to apparent power, measured in kilovolt amperes (kVA). The power factor of the present system is acceptable, above 0.95. The system power factor is primarily influenced by the types and level of loads on the system and the amount of shunt capacitors installed in the system.



AMENDED TABLE 5.1: SUMMARY OF FUTURE CAPITAL PROJECT COSTS

Project & Title	Opinion of Cost	Year	Const. Year Cost	% to IFFP Demand	Cost to Growth
Replace Anticline T1	\$1,943,675	2025	\$2,021,422	59.1%	\$1,194,660
New Future Substation 1	\$8,132,823	2027	\$9,148,320		\$5,406,657
Three Falls Substation Bay 2	\$3,728,421	2029	\$4,536,194		\$2,680,891
New Sky Mountain Substation	\$5,503,354	2027	\$6,190,525		\$3,658,600
New Future Substation 3	\$8,132,823	2027	\$9,148,320		\$5,406,657
New Future Substation 4	\$8,132,823	2028	\$9,514,253		\$5,622,923
Three Falls substation Bay 1 Upgrade	\$2,119,390	2032	\$2,900,532	35.6%	\$1,032,589
New 138kV-69kV Future Substation 2	\$7,195,069	2033	\$10,240,827	35.6%	\$3,645,734
New 138kV line from Purgatory to Future Sub 1	\$7,329,545	2026	\$7,927,636	59.1%	\$4,685,233
New 138kV line from Future Sub 1 to Three Falls	\$2,469,220	2028	\$2,888,638	59.1%	\$1,707,185
New 69kV line to Sky Mountain	\$200,805	2027	\$225,878	59.1%	\$133,494
New 138kV line to 600 North	\$998,027	2031	\$1,313,335	59.1%	\$776,181
New 138kV line from 600 North to Three Falls	\$1,339,409	2032	\$1,833,074	35.6%	\$652,574
New 138kV line to Future Substation 2	\$210,848	2033	\$300,102	35.6%	\$106,836
<b>Total</b>	<b>\$57,436,232</b>		<b>\$68,189,055</b>		<b>\$36,710,216</b>

Construction cost based on a base year of 2024 with four percent annual construction inflation. According to the 2025 IFFP, the “% to IFFP Demand” percentage was calculated from the ratio of the total estimated growth and the added electrical capacity of the new projects. The electrical capacity of the new substations was determined by using 75% of the 55°C transformer rating which is what each transformer is allowed to be loaded to meet the Level of Service Standard. The total additional capacity added by the proposed substation projects to the system is 84.4 MW. The total estimated growth is 49.883 MW. The corresponding ratio for this approach is 59.1%. Therefore, it is proposed to apply 59.1% of the respective cost of these projects to the impact fees. The other 40.9% of the cost of these projects will be assumed to be captured by impact fees beyond the 10-year window of this current study. The % allocation of the remaining projects were based on a system-wide benefit, with the projects serving existing and future development. Thus, the projects are spread across the combined system demand, with the IFFP demand comprising 35.6% of the total.

## REVISED IMPACT FEE CALCULATION

Based on the amendments discussed above, the amended cost per new kW is shown in **TABLE 6.1**.

AMENDED TABLE 6.1: ESTIMATE OF IMPACT FEE COST PER kW

	TOTAL COSTS	% GROWTH RELATED AND IMPACT FEE FUNDED	GROWTH RELATED & CITY FUNDED COSTS	GROWTH RELATED kW	COST PER NEW kW
Future System Improvements	\$68,189,055	54%	\$36,710,216	49,883	\$735.93
Professional Expense	\$73,925	60%	\$44,380	36,740	\$1.21
Interest Credit	(\$95,000)	100%	(\$95,000)	49,883	(\$1.90)
<b>TOTALS:</b>	<b>\$68,167,980</b>		<b>\$36,659,596</b>		<b>\$735.24</b>

Professional expense is based on the cost to complete the IFFP and IFA.

The fee per kW is then applied to the general usage statistics for residential and commercial users, as shown in **Table 6.2**. The higher impact fee base cost per kW in this analysis comes from the type of proposed projects in this analysis, the higher cost of system components and the increased costs construction labor since the last analysis was done. Additionally, the fee schedule was expanded to include a 4,000 AMP panel.

AMENDED TABLE 6.2: ILLUSTRATION OF IMPACT FEE BY PANEL RATING

PANEL RATING	LINE-TO-LINE VOLTAGE	100% PANEL KVA	AVG PANEL LOADING	AVG PEAK DEMAND @ PANEL (KVA)	POWER FACTOR	ESTIMATED DIVERSIFIED kW	PROPOSED FEE	EXISTING FEE	% CHANGE
<b>Residential (120/240, 1 phase)</b>									
125	240	30	12.50%	3.75	95%	3.56	\$2,619	\$2,592	1%
200	240	48	12.50%	6.00	95%	5.70	\$4,191	\$4,148	1%
400	240	96	12.85%	12.34	95%	11.72	\$8,616	\$8,528	1%
600	240	144	12.85%	18.50	95%	17.58	\$12,925	\$12,792	1%
<b>Commercial (120/240, 1 phase)</b>									
200	240	48	25.00%	12.00	90%	10.80	\$7,941	\$7,859	1%
400	240	96	25.00%	24.00	90%	21.60	\$15,881	\$15,718	1%
600	240	144	25.00%	36.00	90%	32.40	\$23,822	\$23,577	1%
800	240	192	25.00%	48.00	90%	43.20	\$31,762	\$31,436	1%
<b>Commercial (120/208, 3 phase)</b>									
200	208	72	25.00%	18.01	90%	16.21	\$11,920	\$11,797	1%
400	208	144	25.00%	36.03	90%	32.42	\$23,839	\$23,595	1%
600	208	216	25.00%	54.04	90%	48.64	\$35,759	\$35,392	1%
800	208	288	25.00%	72.05	90%	64.85	\$47,679	\$47,189	1%
1,000	208	360	25.00%	90.07	90%	81.06	\$59,599	\$58,987	1%
1,200	208	432	25.00%	108.08	90%	97.27	\$71,518	\$70,784	1%
1,600	208	576	25.00%	144.11	90%	129.70	\$95,358	\$94,378	1%
1,800	208	648	25.00%	162.12	90%	145.91	\$107,277	\$106,176	1%
2,000	208	721	25.00%	180.13	90%	162.12	\$119,197	\$117,973	1%
2,500	208	901	25.00%	225.17	90%	202.65	\$148,996	\$147,466	1%
3,000	208	1,081	25.00%	270.20	90%	243.18	\$178,796	\$176,960	1%
4,000	208	1,441	25.00%	360.27	90%	324.24	\$238,394	NA	NA
<b>Commercial (277/480, 3 phase)</b>									
200	480	166	25.00%	41.57	90%	37.41	\$27,507	\$27,225	1%
400	480	333	25.00%	83.14	90%	74.82	\$55,014	\$54,449	1%
600	480	499	25.00%	124.71	90%	112.24	\$82,521	\$81,674	1%
800	480	665	25.00%	166.28	90%	149.65	\$110,028	\$108,898	1%
1,000	480	831	25.00%	207.85	90%	187.06	\$137,535	\$136,123	1%
1,200	480	998	25.00%	249.42	90%	224.47	\$165,042	\$163,347	1%
1,600	480	1,330	25.00%	332.55	90%	299.30	\$220,056	\$217,796	1%
1,800	480	1,496	25.00%	374.12	90%	336.71	\$247,563	\$245,021	1%
2,000	480	1,663	25.00%	415.69	90%	374.12	\$275,070	\$272,246	1%
2,500	480	2,078	25.00%	519.62	90%	467.65	\$343,838	\$340,307	1%
3,000	480	2,494	25.00%	623.54	90%	561.18	\$412,605	\$408,368	1%
4,000	480	3,326	25.00%	831.38	90%	748.25	\$550,140	NA	NA

## NON-STANDARD IMPACT FEES

The proposed fees are based upon growth in kW. The City reserves the right under the Impact Fees Act to assess an adjusted fee that more closely matches the true impact that the land use will have upon public facilities.<sup>2</sup> A developer may submit studies and data for a particular development and request an adjustment. This adjustment could result in a higher or lower impact fee if the City determines that a particular user may create a different impact than what is standard for its land use.

**Estimated Diversified kW Usage \* \$735.24**

<sup>2</sup> UC 11-36a-402(1)(c)



## REVISED CALCULATION OF IMPACT FEE INTEREST CREDIT

This analysis calculates projected interest earnings and applies a credit in the fee calculation. The table below illustrates that the proposed impact fee revenue collections compared to impact fee expense, with interest credit applied.

AMENDED TABLE 6.3: IMPACT FEE INTEREST CALCULATION

YEAR	KW	NEW KW	FEE PER KW	PROJECTED REVENUE	PROJECTED EXPENSE	PROJECTED BUY-IN EXPENSE	NET	CUMULATIVE	INTEREST EARNED
2023	50,635								
2024	54,686	4,051	\$735	\$2,978,457	\$0	\$0	\$2,978,457	\$2,978,457	\$29,785
2025	59,061	4,375	\$735	\$3,216,675	(\$1,194,660)	\$0	\$2,022,015	\$5,000,472	\$50,005
2026	63,786	4,725	\$735	\$3,474,009	(\$4,685,233)	\$0	(\$1,211,224)	\$3,839,253	\$38,393
2027	78,888	15,102	\$735	\$11,103,594	(\$14,605,408)	\$0	(\$3,501,814)	\$375,832	\$3,758
2028	84,399	5,511	\$735	\$4,051,908	(\$7,330,108)	\$0	(\$3,278,201)	(\$2,898,611)	(\$28,986)
2029	87,375	2,976	\$735	\$2,188,074	(\$2,680,891)	\$0	(\$492,817)	(\$3,420,414)	(\$34,204)
2030	90,470	3,095	\$735	\$2,275,568	\$0	\$0	\$2,275,568	(\$1,179,050)	(\$11,790)
2031	93,689	3,219	\$735	\$2,366,738	(\$776,181)	\$0	\$1,590,556	\$399,716	\$3,997
2032	97,037	3,348	\$735	\$2,461,584	(\$1,685,163)	\$0	\$776,420	\$1,180,133	\$11,801
2033	100,518	3,481	\$735	\$2,559,370	(\$3,752,571)	\$0	(\$1,193,200)	(\$1,266)	(\$13)
<b>Total</b>				<b>\$36,675,977</b>	<b>(\$36,710,216)</b>	<b>\$0</b>			

Assumes interest earnings based on one percent interest rate.

