



HURRICANE CITY

UTAH

Mayor

Nanette Billings

City Manager

Kaden C. DeMille

Power Board

Mac J. Hall, Chair

Dave Imlay, Vice Chair

David Hirschi

Colt Stratton

Kerry Prince

Mark Maag

The Hurricane City Power Board and City Council met on October 28, 2025, at 12:00 p.m. at the Clifton Wilson Substation located at 526 W 600 N.

In attendance were Mac Hall, Dave Imlay, David Hirschi, Kerry Prince, Mark Maag, Nanette Billings, Kevin Thomas, Joseph Prete, Clark Fawcett, Mike Johns, Brian Anderson, Mike Ramirez, Jared Ross, Kaden DeMille, Dayton Hall, Mike Vercimak, Weston Walker, Crystal Wright, Mason Baker, Matt Hastings, and Jackie Coombs.

Mike Johns welcomed everyone to the meeting. The UAMPS staff introduced themselves. Mason Baker is the CEO, Matt Hastings is the Assistant General Manager and the Managing Director of Planning, and Jackie Coombs is the Managing Director of Corporate & Member Relations. Hurricane City Councilman David Hirschi offered the prayer.

Mason Baker gave a brief overview of what will be presented during this meeting. He will provide an overview of Hurricane's specific resource portfolio and have a dialog about what future planning will be needed to accommodate Hurricane's growing load. Then Matt Hastings will discuss the upcoming Extended Day Ahead Market (EDAM) and the shift from a bilateral market into a centralized market that presents a big change for UAMPS and its members. Jackie Coombs will then explain the Pooling Agreement Amendment changes that are being driven by the change to the centralized market. Lastly a new form of membership participation will be discussed. An All-Requirements option is being discussed as an optional alternative to the current project-based membership. There needs to be a percentage of members who desire to go that route for that to be feasible and so far, feedback suggests there are enough members interested. Organizationally, UAMPS has been revisiting its mission statement and coming up with a vision for UAMPS that will carry us into the changing future. Mason Baker described the role of UAMPS in support of Hurricane City Power and the other UAMPS members. He described a wildfire mitigation plan being discussed due to the risk item it has become in recent years and the reasoning behind this becoming more important. He proceeded with his portion of the overview of Hurricane's resource portfolio. Hurricane has heavy reliance on Nebo, which is a natural gas project. UAMPS wants members to look at making sure a resource portfolio is diversified so they're not negatively impacted in case of a single resource project outage. UAMPS has made a recommendation to maintain less than 10% reliance on the pool portion of the portfolio to minimize exposure to pricing volatility. In 2024, Hurricane's pool portion of the portfolio was 31%, but it looks like it may have been more of a calculated risk because most of that came from the shoulder seasons which are months when pricing tends to be down. Jackie Coombs stated Hurricane has made large requests for entitlement for both the two new natural gas projects and that would bring them within that reliance target. Mayor Nanette Billings asked what resource options are coming available. Mason Baker answered the projects that he's aware of include geothermal, natural gas, and solar with battery storage. Jackie Coombs stated that Hurricane is either participating in or investigating all the projects Mason listed. They've been very proactive in resource procurement. Lots of discussion about the power resource landscape politically. Mason Baker continued showing what Hurricane's peak was for the summer of 2024. The challenge in Washington County is the large swing in load peak for summer heat. When the summer peak is close to 60MW and you compare that with shoulder month peaks of 20MW it makes it challenging to procure resources to cover the 60MW summer peaks and not be extra resource long during the rest of the year. He showed the forecasted average price was \$68.43 and the actual price came in at \$66.45 which supports his earlier assumption that allowing the higher percentage of pool reliance was a calculated decision. Crystal Wright supported that by stating that because



the market was soft, decisions were made to allow the market to pick up the load rather than scheduling some resources at times. Mayor Nanette Billings asked if, based on the numbers just presented, if we could compare what the difference would be compared to the numbers if EDAM were live during this time. Matt Hastings stated that because Hurricane has dispatchable resources that can be dispatched based on economics that he would expect that pricing wouldn't get any worse than it currently is. If market pricing is better than Nebo and Hunter, then those units would not run, and cheaper energy would be procured from the market. If market pricing was more expensive than Nebo and Hunter would run. Jackie Coombs stated that in January 2026 they are supposed to be able to run comparisons, so we may have a better idea of the costs for members than we do now. Mason Baker showed a historical graph of the load growth for Hurricane. The build out forecast shows a peak load of around 90MW or so which may not materialize as quickly as the forecast, however we need to be in close coordination because the resource industry typically doesn't build out that quickly.

Matt Hastings presented the process for meeting the requirements of EDAM. He provided a history of where UAMPS and Hurricane have been with the energy market, where we are now, and how energy is purchased currently. In May 2026, CAISO will begin the EDAM. Ten years ago, in 2014, CAISO and PacifiCorp got together to create the energy imbalance market. What happens from a control area perspective when you're balancing between load and resources minute to minute is there are differences between anticipated load and the resources available. To more economically fill that gap, the energy imbalance market was designed to handle the differences within the last hour, last 15 minutes, and last five minutes before real time. At the time, there was a lot of discussion around extending that out to a full day ahead, instead of hourly, or to the minute. PacifiCorp decided not to pursue it at that time. In the intervening 10 years, most of the West has joined the energy imbalance market. UAMPS has not been a participant with resources in the energy imbalance market. UAMPS is going through this transition of not only what happened with the energy imbalance market, but also the EDAM. Earlier it was discussed that 31% of the Hurricane load is being served from the pool. Currently the UAMPS staff, on a day ahead basis, checks the forecast for the overall UAMPS load for the following day and buys a reasonable level of anticipated load, but not the full purchase. Then, on an hour-to-hour basis, the real-time desk is making purchases to meet the full resource need for each hour. That has worked out well over the last 10 years. For the most part, prices have been reasonable, and so that approach to buying as it's needed has worked out well. Going forward, the paradigm is shifting quite a bit. Instead of calling and buying 10MW for the next hour, or 75MW for the next three hours, it must be one on a day ahead basis. A day ahead, UAMPS and each of its members, PacifiCorp, and CAISO will be looking to see what resource is needed over the next day. Those needs will then be purchased a day in advance. Jackie Coombs wanted to mention that what Matt Hastings said is very important. Right now, we can trade within the day of. That's what Crystal Wright does all day. She watches the market and strikes the generation if the market goes higher than the strike price for generation. That will no longer exist under EDAM. The way Hurricane operates its internal fleet will totally change. The market we live in is not the market of the future. Matt Hastings then showed a graph highlighting the differences between the market today and what it will look like in the future. Currently two entities are selling and purchasing energy from each other within the same day. The complexity of a centralized market is that every participant comes to the table with all the resource availability on a day ahead basis. The market will take that information from Hurricane, through UAMPS, and all the other load serving entities within PacifiCorp's balance area authority as well as from CAISO's balance area authority. It will be compiled and then all the resources that are available will be lined up in the most cost-effective order and will be utilized in lowest available price order to meet the load projected, all while looking at things like transmission congestion and losses throughout the entire balancing area. Mayor Nanette Billings asked if we could choose whether to withhold a resource. Matt Hastings replied that in the case of Hurricane's Member Internal Generation (MIG) yes, however, we still must show that we can meet our load need by the day ahead. That may mean making an additional purchase, adding in our MIG, or otherwise, but we will have to make those choices by the day ahead. UAMPS will have to begin scheduling for resources and load by 9 am the day before and meet a Resource Sufficiency Evaluation (RSE) requirement. PacifiCorp has determined to calculate the RSE is to look on a day ahead basis at what resource is needed for the full load. They will look at the last 3-year average and calculate what

percentage of that load belonged to UAMPS. UAMPS will then be responsible for proving resource sufficiency for that amount plus 20%. UAMPS will utilize that same evaluation test to its members. Using the last 3-year average, Hurricane will be responsible for proving resource sufficiency for our percentage of the UAMPS load. Long conversation about how the RSE will be calculated and our specific resources. Dayton Hall asked what happens if the actual load is more than the last 3-year average. Matt Hastings replied that our requirement is to show sufficiency for the amount from the RSE. If the forecast is significantly higher, we'll procure additional resource in advance. However, the way the market is designed is that the market will account for the load and serve the load if we have met our RSE. Kevin Thomas asked what the chances of power costs increasing for everyone due to this change. Matt Hastings replied that it's an unknown market, however, but every effort is being made to be more economic. There will be bumps along the way while everyone figures out their respective roles in the new process. Parallel operations will begin in January when operations happen as if the market is in place, receive settlements, and see what the numbers look like for the RSE. The market goes live on May 1, 2026. He then began to discuss MIG. There is an option to allow our MIG to participate in PacifiCorp's full network model and be operated and tracked by CAISO. Hurricane's MIG fleet falls into a category that is currently not in full network model and is also not charged transmission costs. If MIG is in the full network model, they must either self-schedule or bid themselves into the market. Hurricane can decide whether to include their MIG in the full network model or stay as they are and continue to run them when they want to. The largest difference is the RSE. If the MIG is in the full network model, then the load calculated by CAISO is going to include the MIG into the total Hurricane load. For example, if Hurricane's system load is 50MW and there are 10MW of MIG then the RSE calculation would be 60MW total. If Hurricane stays out of the full network model, that 60MW load would only be calculated at 50MW because the MIG is handling the other 10MW already. Currently, Hurricane Power staff would like to remain out of the full network model due to the loss of the existing transmission agreement, thus having to pay transmission costs on the MIG. UAMPS fully supports that decision. Once you go into the full network model you must stay there, but if you're not in already, you can see how things go and at a future point decide whether to get in or not. To get into the full network model there is a \$10,000 deposit for an 18-month PacifiCorp study, then they turn it over to CAISO to study. Once the study process is finalized, the MIG would then be in the full network model. Hurricane has historically run MIG June through August or the beginning of September. Due to that steady run profile, PacifiCorp will look back over the 3-year average to calculate the RSE and will see the consistent run schedule and the subsequent lowering of the Hurricane load. Crystal Wright stated that we spent time calculating the total generation from this past summer and multiplied it by the current transmission rate. That totaled approximately \$75,000 we saved due to our existing transmission agreement. For us to include the MIG, we would have to pay the \$10,000 study fee and we would lose our grandfathered status meaning we would also be subject to the \$75,000 in transmission costs we saved this summer. Mike Johns reinforced that, adding that it would also change some of our metering points, requiring some SCADA updates and there would be costs associated with updating our system. Brian Anderson asked what happens if an engine shuts down when you thought it would be running. Mason Baker replied that Hurricane would have to tell UAMPS, who tells PacifiCorp, who tells CAISO, then Hurricane would have to pay the market price for the missing generation for the time frame it was down.

Jackie Coombs will be talking about Pooling Agreement Amendments. Currently the Pooling Agreement states that Hurricane is responsible for its own resources. What UAMPS needs is an amendment giving the authority to purchase the RSE position on behalf of the members. The amendment will also dictate how the costs are allocated for their contribution to that deficiency. The participant is currently required to buy all their resource through UAMPS. If a participant goes out on its own to secure an outside resource, it will need to be assigned to UAMPS for scheduling. That is the same. Currently members can sell their surplus to other members, but this agreement would allow UAMPS to be able to sell the surplus in the organized market. That is already happening currently, but this agreement makes the process more contractual. The terms and conditions of the changing market is what is driving most of the changes. The existing contract is the 2nd agreement and was adopted in 1980. It is only 12 pages long and really needs to have language added to meet the new market requirements. We may have to buy our RSE for a larger amount

than our load need, so there needs to be a way to pass those costs back through the members. The pool will establish an entitlement share to do this. The market policy will be an exhibit to the pooling agreement because EDAM may change. That way the Project Management Committee (PMC), who Mike Johns is a member of, will be able to approve any changes without it having to go through City Council each time. City Council will approve the overall agreement, but the PMC will be able to make changes to the exhibit as a group. UAMPS already does a load forecast on behalf of Hurricane, but this will make it a requirement. UAMPS and Hurricane will have to work closely together to anticipate if there will be large load changes due to a large industrial coming because that's how they will purchase our RSE. It will also allow UAMPS to purchase resource up to 12 months out to meet the RSE. Mayor Nanette Billings asked who determines who sits on the PMC. Jackie Coombs stated that each director or UAMPS representative has a seat on that committee as well as any specific projects the member participates in. Mayor Nanette Billings asked when the Pooling Agreement will be coming before City Council. Jackie Coombs stated that Mason Baker will be talking about All-Requirement next, but the plan is to have the All-Requirement and the Pooling Agreement presented together to City Council for approval. Everyone will have to enter into the Pooling Agreement to meet EDAM requirements, however, each member will make their own determination about whether to participate in the All-Requirement portion that Mason Baker will discuss.

Mason Baker described the All-Requirement discussion started from a request from UAMPS membership. The All-Requirement would be set up just like other UAMPS projects with a PMC who governs the project and governed by the UAMPS bylaws and organizational agreement. The main purpose is to look at procuring resource for all the participating project members. This would be done through the existing Firm Power Project which handles purchases for long term power projects that UAMPS does not own as well as the Resource Project where new power resources are developed by UAMPS. The fundamental cornerstone of the All-Requirements model is that all resource will be purchased through UAMPS, except for existing excluded resources which would include internal generation and roof-top solar. Currently, UAMPS is not legally or contractually obligated to meet the load needs of each member, although because of the Pool Project it kind of does this anyway. The term of the agreement is not finalized; however, it needs to be a length of time that would match the length of any new generation project that would come online due to project bonds. This is anticipated to be 25 years or longer. A member could get out of the project through a buy out provision. UAMPS has modeled terms based off similar projects that are operating throughout the country. There will be a 5-yr notice provision to buy out your contractual obligations. It would not be easy, but there is an exit availability. UAMPS has been looking at how to support members seeking to add new large loads, typically referring to data centers. They are investigating ways to provide benefits to both the member and the membership base because it is so difficult to procure resources and it would be beneficial to be able to do it collectively. The UAMPS staff would like to be more routine in coming up with an Integrated Resource Management Plan with each member. They would like to work with each member to come up with a roadmap to handle that. Dayton Hall asked if the All-Requirements PMC would handle decisions regarding involvement in new projects and construction of power projects or if it would be more traditional where those would be done by resolution of the City Council. Mason Baker stated that those would be handled by the PMC and they would be looking at the aggregate need of the members within that project. That would be a change from how Hurricane currently handles individual UAMPS projects that are presented for participation. The PMC would decide which projects the All-Requirement Project would participate in. This would include short, mid, and long-term power purchases. One large goal is to make resource procurement more efficient and easier for members. Another factor is that some members have stated a need to focus on their individual day-to-day operations with less focus on resource procurement and having that handled more as a group. He anticipates not sending out information until February due to changes in city leadership from local elections in January.

Meeting adjourned at 2:17 p.m. The next Power Board meeting is scheduled for November 12, 2025, at 3:00 p.m.
