PAROWAN CITY POWER BOARD MEETING MINUTES

Thursday, September 18, 2025 – 5:30 P.M.
Parowan City Council Chambers
35 E 100 N, Parowan, UT 84761
Office: (435) 477-3331

Commission Members Present: Greg Evans, David Harris, Sharon Downey
Excused: Jared Burton, Jeff Robison,

City Staff Present: Mollie Halterman, Mayor; Dan Jessen, City Manager; Jeremy Franklin, Power Director; Callie Bassett, City Recorder

Public Present: Jennelle Zajac

CALL TO ORDER
Greg Evans called the meeting to order at 6:34 p.m. In the absence of Jared Burton, Greg Evans was nominated to chair the meeting.
Motion to elect Greg Evans as chair for the meeting.
Motion: David Harris. Second: Sharon Downey. Vote: Approved unanimously.

DECLARATION OF CONFLICTS WITH OR PERSONAL INTEREST IN ANY AGENDA ITEM
No conflicts of interest were declared by any board members.

APPROVAL OF POWER BOARD MEETING MINUTES FOR JUNE 19, 2025
Motion to approve the Power Board meeting minutes from June 19, 2025.
Motion: Sharon Downey. Second: Greg Evans. Vote: Approved unanimously.

FREMONT SOLAR POWER PURCHASE AGREEMENT DISCUSSION
Jeremy Franklin presented details on the Fremont Solar Power Purchase Agreement project that has been in development for about a year. The project consists of:

- A 99-megawatt solar installation with a 49.5-megawatt battery system with 4-hour storage capability
- 25-year power purchase agreement
- Expected commercial operation date of December 31, 2027
- Developer is Long Road Energy, which has extensive experience with such projects
- Project will be entirely for Utah Associated Municipal Power Systems (UAMPS) members

Jeremy explained that the pricing includes:

- $35.45 per megawatt hour for solar power (with no escalation clause)
- $13.50 per kW each month for battery capacity
- Combined energy and battery rate between $69-$74 per megawatt hour

He noted that while solar projects have a capacity factor of only 30-35% compared to 90%+ for baseload resources like natural gas, the pricing remains competitive. The battery component makes the project more appealing by allowing control over when power is discharged, helping to cover peak hours.
The project will be located in Iron County, providing some local jobs. Parowan City's allocation would be 0.5% of the overall project, which equals 500 kW.

Dan Jessen emphasized that the timing for this project is critical due to the potential discontinuation of IRA tax credits, which would make future solar projects more expensive. He also mentioned that having this additional power capacity could help if the city needs to accommodate future commercial development, such as electric vehicle charging stations or new industrial customers.

Jeremy noted that with the city's other power resources, including the Hunter plant and newly contracted natural gas projects, the city would be in a surplus position for a few years, but Hunter's long-term status remains uncertain.

The board discussed including language in the resolution to allow for an additional 500 kW allocation (bringing the total to 1 MW) should it become available if other members drop out of the project. Jeremy shared data showing that Parowan's peak power usage has been consistently higher in 2025 compared to 2024, reinforcing the need for additional capacity.

Motion to make a positive recommendation for the 500 kilowatt Fremont Solar Power Purchase Agreement with the option to add up to an additional 500 kW if it becomes available.

Motion: Sharon Downey Second: David Harris. Vote: Approved unanimously.
Jeremy mentioned that he would present this to the City Council at their next work meeting with the recommendation from the Power Board.

REPORTS, UPDATES, OLD BUSINESS FOLLOW UP
Jeremy Franklin reported on his attendance at a conference in August where various topics were discussed including:

- Battery storage and its growing importance in energy systems
- EDAM (Extended Day-Ahead Market) developments
- Community engagement during "Public Power Week" by other municipalities

He also noted that another solar project he was recently informed about would have significantly higher prices (12-13% increase) due to new tariffs, emphasizing that the timing of the Fremont Solar project is advantageous.

Sharon Downey shared information about rate structures being implemented by NV Energy and Colorado Springs utilities:

- NV Energy: Taking the highest 15-minute usage, multiplying by 4 to get hourly usage, then multiplying by 8 to determine daily charges
- Colorado Springs: Doubling rates during peak hours (5-10 PM)

The board discussed the implications of these rate structures and how they differ from Parowan's approach.

Jeremy noted that there will be a UAMPS board retreat in October at the California ISO operations center in Sacramento to learn more about EDAM operations.

ADJOURNMENT
Motion to adjourn.
Motion: Greg Evans. Second: Sharon Downey. Vote: Approved unanimously. The meeting adjourned at 6:12 p.m.

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PAROWAN CITY CORPORATION

Callie Bassett, CMC, City Recorder
Date Approved: 2/19/2026