



**MINUTES FOR THE REGULAR MEETING  
OF THE POWER BOARD  
OF THE CITY OF SPRINGVILLE, UTAH  
WHITEHEAD POWER PLANT  
MARCH 9, 2016 – 6:30 A.M.**

**MEMBERS PRESENT:** Councilman Craig Conover, Liz Crandall, Rod Andrew, Mark Lamoreaux, Patrick Monney, Darren Wolz

**MEMBERS ABSENT:** Chairman Clair Anderson, Travis Ball

**DEPARTMENT STAFF:** Leon Fredrickson, Matt Hancock, Brandon Graham, Shawn Black

Minutes were transcribed from recording by Kami Craudell, Power Board Secretary.

**CALL TO ORDER**

The meeting was called to order at 6:30 a.m. by Councilman Conover. The members were in attendance as listed.

**BUSINESS**

1. **VICE-CHAIRMAN NOMINATIONS:** Vice-Chairman Jason Miller was recently elected to the Springville City Council, leaving the position vacant. Councilman Conover requested nominations for a new Vice-Chairman. Mr. Fredrickson nominated Liz Crandall, Mr. Wolz seconded the nomination. Ms. Crandall was approved with a unanimous vote of the Board members.. The remainder of the meeting was conducted by Ms. Crandall.
2. **RESOURCE AND RATE FINANCIAL REPORTS**
  - a. **RATE REVENUE SUMMARY – AS OF FEBRUARY 29, 2016:** Mr. Fredrickson reported to the Board that with 66% of the fiscal year elapsed, the Electric Department is at 71.16% of budgeted revenue billed. The higher than expected revenues can be contributed to some customer base growth and recent weather patterns which have caused higher usage. Staff is anticipating that the customer base growth will continue during the next year as a few larger retail users start operations.

**APPROVAL OF THE MINUTES**

The motion to approve the February 10, 2016 minutes as written was made by Mr. Monney. The motion was seconded by Mr. Andrew and passed with a unanimous vote.

**BUSINESS**

2. **RESOURCE AND RATE FINANCIAL REPORTS**
  - b. **RESOURCE COST REPORT – FY COST OF RESOURCE – JANUARY 2016:** Mr. Hancock reported that Staff is in the process of compiling the budget for FY16-17. Mr. Hancock provided a handout detailing the information used to create the proposed budget. The predicted budget shows a raw kWh City usage of 18 million to 27 million kWh per month, with a yearly total of 268 million kWh. The Whitehead Power Plant, including the new generators, is expected to produce 24 million kWh of that yearly total requirement. The expected budgeted cost for FY16-17 fuel and resource expenses are predicted at \$15.7 million. Based on all figures, the monthly kWh wholesale cost will maintain at the \$0.057 to \$.06 per kWh range.  
Mr. Hancock also reported on the January 2016 resource costs. CRSP was received at \$29.46 per MWh and San Juan was received at \$75.01 per MWh. San Juan has been running after completed repairs and Staff noted that a coal contract has been signed through 2017. There is debt service on this contract until 2022. The Market PX contracts were received at \$55.44 per MWh, and PV Wind was received at \$57.77 per MWh. Nebo Power Station was utilized for 6.8 million kWh at a cost of \$77.73 per MWh. The total for all UAMPS projects was \$57.50 per MWh. The biogas project was received at \$61.82, combined with the UAMPS cost the total monthly cost was \$58.32 per MWh.
3. **RESOURCE PORTFOLIO UPDATE**
  - a. **WHPP ENGINE GENERATOR PROJECT UPDATE:** Mr. Hancock reported that crews have been on site constructing the new dry site storage for the generation parts and the necessary concrete for the new

- engines. The radiators are scheduled to be delivered in mid-March. Projected online time for the new engines is mid-August. Matt will be traveling to the plant in May for initial testing on the engines.
- b. NET METERING POLICY REVIEW AND DISCUSSION: Mr. Black brought the Board up to date on the current Net Metering proposal. Staff has been working on creating a policy that will be fair for the general public and the residential renewable energy producers. The proposed policy is to provide electricity at the normal residential per kWh rate and purchase electricity at a rate of \$.055 per kWh. The lower purchase rate is equal to the avoided cost of not providing power to the residence during those times that solar production for the connected customer is higher than the load. A demand charge of \$3.16 per kW would be charged along with an \$11.00 per month service fee to cover the fixed costs of being connected to the City power grid. The information needed to figure the charges can be determined from current meters; ie: delivered power, received power, net use, and demand. A residential producer has two (2) meters installed to figure the difference between received and production. It is a possibility that a Time Of Use (TOU) meter may need to be installed. It was mentioned that utilities are trying to accommodate residential producers but that one way forward may be to not accommodate and purchase the extra production.

Councilman Conover, Darren Wolz, and Rod Andrew were excused from the meeting during the discussion.

- c. UAMPS PROJECTS: The Board was asked to review the provided information at their convenience.

### **REPORTS**

1. GENERATION: The Board was asked to review the provided information at their convenience.
2. DISTRIBUTION: The Board was asked to review the provided information at their convenience.

### **OTHER**

No additional items were brought to the table for discussion.

### **ADJOURN**

The motion to adjourn the meeting was made by Ms. Crandall. The motion was seconded by Patrick Monney. The motion was not voted on.