



**MINUTES FOR THE REGULAR MEETING
OF THE POWER BOARD
OF THE CITY OF SPRINGVILLE, UTAH
WHITEHEAD POWER PLANT
APRIL 13, 2016 – 6:30 A.M.**

MEMBERS PRESENT: Councilman Craig Conover, Chairman Clair Anderson, Travis Ball,
Patrick Monney, Liz Crandall, Mark Lamoreaux

MEMBERS ABSENT: Rod Andrew

DEPARTMENT STAFF: Leon Fredrickson, Matt Hancock, Brandon Graham

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 Chairman Anderson. The members were in attendance as listed.

APPROVAL OF THE MINUTES

A motion to approve the March 9, 2016 meeting minutes as transcribed was made by Liz Crandall. The motion was seconded by Patrick Monney, the motion was passed with a unanimous vote.

BUSINESS

2. RESOURCE PORTFOLIO UPDATE

- b. **NET METERING – DISTRIBUTED GENERATION POLICY UPDATE:** The Board considered the Distributed Generation policy as currently written. Discussion ranged from what the obligation of offering a distributed generation rate was, to not offering the option at all, to what the correct rate should be if offered. The updated version of the policy has a base rate, a defined tiered usage rate structure, and a defined production rate structure paying the customer at a pre-determined wholesale resource cost. A bi-directional meter would be used and the customer cannot go below zero (0) usage. The Board also discussed the options for grandfathering current distributed generation customers onto the new rate structure. It was determined that some type of a time limit be set in order to get all distributed generation customers on the same rate. It was also noted that the grandfathered customers be moved at a residence ownership change, service change, occupancy change, or something similar. The following recommendation motion was made by Travis Ball. The motion was seconded by Mark Lamoreaux, the motion was passed with a unanimous vote.

It is the recommendation of the Springville City Power Board that the Springville City Council approve and adopt the proposed Electric Department solar customer rate schedule, with the demand rate included, and pay said customers for their delivered energy. It is also the recommendation of the Power Board that the Council place all existing solar customers on the same rate schedule within a five (5) year period.

1. **RESOURCE AND RATE FINANCIAL REPORTS:** The Board was asked to review the reports in detail at their convenience. The items were discussed briefly.
- a. **RESOURCE COST REPORT – FY COST OF RESOURCE – FEBRUARY 2016:** Mr. Hancock reported that there were no concerns for the month. All resources were producing as normal.

Councilman Conover was excused from the meeting.

- b. **RATE REVENUE SUMMARY – AS OF MARCH 31, 2016:** Mr. Fredrickson reported that rates continue to meet the budget requirements.
- c. **FY16 BUDGET REVIEW AND EXPENDICTURE SUMMARY, 75% BUDGET YEAR ELAPSED:** It was noted that the New Development budget was extremely over budget. Springville City experienced a

higher than expected development rate causing the higher expenditures. The budget will be amended to adjust for the difference.

2. RESOURCE PORTFOLIO UPDATE

- a. WHPP ENGINE GENERATOR PROJECT UPDATE: Mr. Hancock reported that engine stacks and radiators have been placed on the building. Staff will be visiting the factory in early May to inspect the engines and oversee the firing process. The anticipated delivery date of the units is late May. The project is anticipated to be available for use in August.

REPORTS

1. GENERATION: Crews have found cracks in the bearing pockets of one (1) of the R4 units during a routine maintenance inspection. The repairs have been completed. The R4 engines have met their estimated life cycle and are not supported by many parts suppliers. The engines may be viable for an additional five (5) years. It is the goal of Staff to decommission two (2) units and replace them with a natural gas option. The remaining two (2) units will remain for emergency use purposes as they start and can run on diesel.

BUSINESS

2. RESOURCE PORTFOLIO UPDATE

- c. UAMPS PROJECT: Mr. Fredrickson reported that the small modular nuclear project in Idaho continues to move forward. The DOE has issued a site investigation permit for the INL (Idaho National Laboratory) site. The total project cost is still unavailable. Springville is not currently participating in the project. San Juan is currently down for repairs. The Payson Nebo project has suffered a major failure due to tube damage in the steam transport system. The project had funds available to repair the damage, with all repairs being completed.

REPORTS

2. DISTRIBUTION: The Board members were asked to review the report at their convenience.

OTHER

1. RECOMMENDATIONS FOR NEW POWER BOARD MEMBERS: Mr. Fredrickson requested that the Board consider who may be interested in joining the Power Board. Recommended members must either live in Springville or be employed by a business located in Springville. The Board is short by a minimum of two (2) members. A copy of the Power Board member's duties and term length was handed out as part of an earlier agenda item.

Travis Ball was excused from the meeting.

2. MAY POWER BOARD MEETING: Mr. Hancock and his staff will be traveling to view the engines during the May meeting. There are no pressing items needing the Board's attention. It was determined that the May meeting will be cancelled.

ADJOURN

A motion to adjourn the meeting was made by Mark Lamoreaux. The motion was then seconded by Patrick Monney. The motion was passed by unanimous vote of the members present. The meeting was adjourned at 7:43 a.m.