



MINUTES
Springville Power Advisory Board Meeting - FEBRUARY 13, 2019

MINUTES OF THE SPRINGVILLE POWER ADVISORY BOARD MEETING HELD ON WEDNESDAY, February 13, 2019 AT 6:30 A.M. AT THE WHITEHEAD POWER PLANT, 450 WEST 700 NORTH, SPRINGVILLE, UTAH.

Committee Members in Attendance: Councilman Jason Miller, Chairman Patrick Monney, Liz Crandall, Clair Anderson, Travis Ball

Committee Members Excused: Rod Andrew, Mark Lamoreaux

City Staff: Director Leon Fredrickson, Shawn Black, Brandon Graham

CALL TO ORDER

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

APPROVAL OF THE MINUTES

A motion to approve the December 12, 2018 meeting minutes as transcribed was made by Clair Anderson. The motion was seconded by Liz Crandall and was passed by unanimous vote.

COMMITTEE BUSINESS

1. RESOURCE COST REPORT - FY19, END OF YEAR: Mr. Black reported that natural gas pricing for the months of November and December had increased. This may be due to the expectation of colder weather. The higher natural gas pricing caused the cost of Nebo and the UAMPS Pool to increase their overall cost. The total cost of power for November was \$64.28 per MW and December was \$64.57 per MW. The yearly target average cost is \$62.50 per MW, the current average through December is \$59.31 per MW.

Mr. Black also reported on the recent five (5) year gas hedge securing additional summer fuel for the Nebo Power Station that was presented to the City Council, and approved, in January. A proposal was received, and agreed on, via the UAMPS Natural Gas Project at a locked in cost of \$2.41 per MMBTU. The agreement was entered into as a preventative measure for the resource cost stabilization due to staff expecting the cost of natural gas to rise.

2. RATE REVENUE SUMMARY REPORT

- a. RATE REVENUE SUMMARY - FY19, AS OF JANUARY 31, 2019: Mr. Fredrickson reported that the total meter count for the City is now 11,969. The sale of kWh is lower than the same time period in 2018. The year to date numbers against budgeted shows sales are up 2% through January.

3. RESOURCE PROJECT UPDATES

- a. NTUA SOLAR: The project is in the UAMPS Resource Project Committee study stage. The project is located on 250 acres in the Four Corners area. The study budget is \$55,000.00, Springville's portion will be approximately \$3,400.00. The project is initially offered as a 50 MW capacity, and a cost of less than \$.03 per kWh. The project could add an additional renewable resource to Springville's portfolio.
- b. IDAHO GEOTHERMAL: A low temp geothermal well is being offered near Preston Idaho. Geothermal is a possible base load replacement. It is being offered as a 10 MW initially and the project may consider a Power Purchase Agreement (PPA).
- c. SAN JUAN: This project is a base load coal resource expiring 2022 or 2023.

REPORTS

1. DISTRIBUTION

- a. AMI METER CHANGE: Crews have changed 2194 power line carrier (PLC) meters to the AMI RF (Radio Frequency) mesh system. Meters are changed as part of the monthly shut off list and as needed. All new construction is installed with AMI meters.
- b. SWITCH UPGRADE: Crews are waiting for the weather to warm up before changing out switches in the canyon.
- c. 400 S. DECORATIVE LIGHTING: The lights were designed with the banner arm on the road side of the pole. This has delayed the production.

- d. CIRCUIT 704 CONSTRUCTION: The project has been placed on hold until the Wavetronix complex project is designed.

A copy of the line crew, metering crew, and electrician crew hourly report was provided for the Board to review at their convenience. The information was recently presented to the City Council.

2. GENERATION: Crews have been working on the K3 cooling valves and diesel return line. The original return line was threaded schedule 40 pipe, it has been replaced with schedule 80 weld socket fittings. Crews have also been replacing the engine PLC's in K3 and K4. Crews also completed a repair on the K3 #3 rod. This was an on-going issue with the rod spinning in the bearing. The original set of bearings was installed and the surface was glass bead blasted to create more grip.

ADJOURNMENT

The motion to adjourn the meeting was made by Clair Anderson and was seconded by Liz Crandall. The motion passed by unanimous vote. The meeting adjourned at 7:54 a.m.