



MINUTES
Springville Power Advisory Board Meeting - February 12, 2020

MINUTES OF THE SPRINGVILLE POWER ADVISORY BOARD MEETING HELD ON WEDNESDAY, FEBRUARY 12, 2020 AT 6:30 A.M. AT THE WHITEHEAD POWER PLANT, 450 WEST 700 NORTH, SPRINGVILLE, UTAH.

Committee Members in Attendance: Councilman Patrick Monney, Vice-Chairman Mark Lamoreaux, Travis Ball, Clair Anderson, Rod Andrew

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

CALL TO ORDER

The meeting was called to order by Vice-Chairman Lamoreaux at 6:30 a.m. Mr. Monney has been released as the Board Chairman due to being elected to the City Council. He is now the Council Representative assigned to the Board.

APPROVAL OF THE MINUTES

The motion to approve the December 11, 2019 meeting minutes as transcribed was made by Mr. Anderson. The motion was seconded by Mr. Ball. The Board did not vote on the motion.

COMMITTEE BUSINESS

1. RESOURCE COST

a. RESOURCE COST REPORT - FY2020, AS OF NOVEMBER 30, 2019:

Mr. Black reported that the use of Nebo Power Station was lower than normal for the month. Olmstead Hydro production was extremely low driving the cost up. The total cost for all resources for the month was \$64.61 per MWh.

b. RESOURCE COST REPORT - FY2020, AS OF DECEMBER 31, 2019:

The cost for Olmstead Hydro was corrected to \$47.75 per MWh on the handout. San Juan production was lower than expected for the month at \$76.07 per MWh. Production at Horse Butte Wind was more than 720,000 kWh, this is good production from the project at a cost of \$69.58 per MW. The combined cost for all resources during the month was \$60.78 per MWh.

2. RATE REVENUE SUMMARY

a. RATE REVENUE REPORT - FY2020, AS OF JANUARY 31, 2020:

Mr. Fredrickson reported that with 58% of the fiscal year elapsed, Residential sales are at 60.56% of kWh sales budgeted. Small Commercial sales are at 58.16% of kWh sales budgeted. The Department is at 60.44% of budgeted revenue. Mr. Fredrickson also provided a graph showing the average yearly residential usage. The average Springville residence uses 700 kWh per month.

3. RESOURCE UPDATE:

Staff has been working with City Council approval and entering into contracts and Power Purchase Agreements (PPA) to diversify the City's Resource Portfolio. Three (3) additional gas contracts have been signed, a PPA with the UAMPS Red Solar Mesa in

the Navajo Nation has been agreed to, and Mr. Black has prepared a proposal for the Whitehead Power Plant Upgrade Project. The proposal was recently presented to the Springville City Council. It is recommended that three (3) of the existing engines be replaced and the exhaust stacks raised. It is also recommended that this be funded by using a combination of reserve funds and bonding. The UAMPS project cost summary detailing the year-to-date margins on each project was provided for the Board Members to review.

4. NEW POWER ADVISORY BOARD MEMBERS OPTIONS:

Board members Liz Crandall and Patrick Monney were recently elected to the Springville City Council vacating their seats. Mr. Monney is now the Council Representative, filling that seat. The terms for Members Mr. Ball and Mr. Lamoreaux will expire at the beginning of April. Both were asked to consider another four (4) years on the Board. Previous recommendations for the empty seats have been: Marci Johansen, Deborah Hall, Deborah Balzotti, and Phil Bird. An invitation was extended to out-going Councilman Miller to remain on the Board. The Board added two (2) names to the list, Joel Eaves and Craig Bingham. Each member fills out a volunteer application which is then reviewed by the Mayor for an appointment, the individual is then invited to join the Board. If the person agrees the appointment is voted on as part of the Council consent agenda.

REPORTS

1. DISTRIBUTION:

Mr. Graham reported that crews have been working on the following projects.

- a. Main St. Lights: The lights between 400 S. and 800 S. on Main Street have been upgraded and re-located due to the Fox Ridge Condos project. Crews installed twenty-two (22) new LED lights.
- b. Circuit 202 Re-conductor: Crews ran a new 600 Amp circuit conductor across 400 S. on Sunday, February 9th. This was necessary to meet UDOT permit requirements.
- c. Maintenance: Crews continue to work on system maintenance as needed.
- d. New Construction: Crews set eighteen (18) new permanent meters last month.
- e. Switch Change: The switch change capital project has been completed. The project started as an upgrade to 1100 MCM wire for a 600 Amp circuit backbone. As part of that crews started upgrading the live-front switchgear to dead-front switchgear, this increased reliability in the Industrial Park. The project extended City wide to improve reliability for all underground locations.

2. GENERATION:

A report was not provided.

OTHER

No additional items were presented.

ADJOURNMENT

Meeting adjourned at 7:29 a.m. The motion to adjourn was made by Rod Andrew. The motion was seconded by Clair Anderson and was not voted on.