



**AGENDA
ENERGY BOARD MEETING
PROVO POWER
Monday, November 9, 2020
4:00 P.M.**

Electronic Meeting Hosted by Provo Power via ZOOM

1. Welcome & Introductions - Chairman Ned Hill
2. Review & Approval of Minutes – September 14, 2020
3. Financial Report – Charlie Fuller
4. KPI Report – Charlie Fuller
5. Mountain Vista Update – Tad Smallcomb
6. Manager Report – Travis Ball
 - GreenXchange Yard Equipment Rebates
7. Calendar & Scheduling
 - Next board meeting: TBD

*A copy of the agenda was posted in the Civic Center, and the Provo City Library,
on November 5, 2020 and also delivered to the Mayor,
City Council Members, required news media, and adjacent cities in
compliance with the Utah Code 52-4-202*

The City of Provo
Department of Energy
Minutes of the Provo City Energy Board Meeting
September 14, 2020
Meeting Hosted via ZOOM

Energy Board Members

Ned Hill
Cheryl Taylor
Gary Winterton
George Stewart
Julie Radle
Jeff Rose

City Staff & Administration

Travis Ball Brian Jones
Kat Linford Karen Larsen
Charlie Fuller Wayne Parker

Municipal Council & Staff

Bill Fillmore - Excused

Welcome & Introduction

Chairman Ned Hill conducted the meeting and welcomed everyone.

Approval of Minutes

Approval of the minutes for February 3, 2020: Gary Winterton motioned to approve; Cheryl Taylor seconded, all approved.

Approval of the minutes for April 6, 2020: Gary Winterton motioned to approve; George Stewart seconded, all approved.

Financial Report

Charlie Fuller gave the financial report through the end of FY20 (June 2020). The general service sales were down and attributed to COVID, and, in addition, BYU's final bill was put on July instead of June. Revenues ended at 95%, operating expenditures at 90%, CIP revenue (aid to construction fees) over exceeded by 50% and the CIP expenditures ended at 60% of the budget.

Currently, finance is still undergoing an audit for FY20, but at this point we are showing a surplus of over \$1 Million. Part of that is attributed to the savings of power costs where we ended up at about 3 million less than estimated in power costs. UMPA did a great job with the market.

UMPA is tolling the power at the West Valley Plant and selling to California. In the last month power costs went up to \$240 per kW because California dropped one of their baseload nuclear plants and didn't have enough power for the state causing rolling blackouts. This helped us (UMPA) because power could be sold at a high rate. In addition, California is also trying to eliminate a second baseload nuclear plant which is causing a lot of issues in the western regions.

With all that is happening, California has increased the carbon dioxide output by eliminating nuclear, replaced it with natural gas increasing the cO₂, and the power rates have increased to 6

times the national average. They have reduced power reliability, increased pollution, and increased the power rates exponentially.

The financials were then given for the beginning of FY21 (July 2020). This is the first month of the new billing system. The July revenue is quite a bit lower than this month last year. Revenues are trending the same and BYU has now started to generate power so we'll be able to see what that looks like in future months.

General service sales are down but we are unsure if it is related to COVID or not. July was not as hot as it was in 2019 so it could be a combination between weather and students being gone during this time.

We are currently trending at a deficit which is normal for this time of year. The fund balance is at \$38 million, but we will be allocating more money towards CIP as more projects are ready to be funded, I.E.: Mountain Vista has a brand-new substation being built among other projects in the works.

KPI Report

Charlie summarized the KPI's for April – June 2020. In April the CAIDI was high, but since then has been reduced and is really low.

We deferred credit disconnects due to COVID, but then the numbers increased dramatically in June. Customer Service called over 1,000 customers who were scheduled for disconnect and only about 100 were actually disconnected. Customer Service did a great job to make contact and explain the circumstances resulting in collecting payments for the majority.

The S-1 numbers are all over the board, some of it due to high estimations on the PCA, but essentially, although the numbers are red, it indicates low power costs.

Manager Report

Travis Ball gave a presentation to update the board members on Provo's Renewable Energy Goal and our Power Resources. Initially the goal was to have 50% renewable/carbon free power resources by the year 2030, but the City Council wanted us to stretch the goal to 60% because we were already planning to hit 48% by 2023.

- Net metering (solar) numbers dropped off but we are now seeing growth. Currently there are 615 net metering customers.
- 52 MW of our resources are Hydro which is about 24% of our portfolio. This includes Olmstead, Glenn Canyon and Deer creek.
- New Resources and timelines:
 - Shared Solar (4MW solar farm in Spanish Fork) – Summer of 2021
 - Clover Creek (80MW solar farm) – Spring of 2022
 - Combined Cycle and Wind Contracts (ongoing)
- Biz Solar – possibility of business in Mountain Vista installing 2 MW.
- Possibility of joining the UAMPS nuclear plant project in Idaho (pending litigation)

Travis also reported that the new GreenXchange Program is a success and is going strong. Customers can exchange small motor yard equipment (lawn mowers, snow blowers, string trimmers and leaf blowers) for rebates. Kat has processed over \$51,000 since June. There have been some complications in the new billing system and other tracking, but mostly the program is running smooth.

Calendaring and Scheduling

The next board meeting has been scheduled for Monday, November 2, 2020. Notifications will be sent out whether an electronic meeting will be necessary or not.

Julie Radle motioned to adjourn; Jeff Rose seconded. Meeting adjourned at 5:06pm.

September FY 2021

Operating Revenues	September	YTD 2021	YTD 2020	Budget	Balance		
3501 INTEREST INCOME	10,568	36,539	386,711	700,000	663,461	5%	
3551 GENERAL SERVICE SALES	3,511,380	9,471,786	10,002,387	36,656,204	27,184,418	26%	
3552 RESIDENTIAL SERVICE SALES	3,690,906	8,980,897	8,292,982	25,322,833	16,341,936	35%	
3553 INDUSTRIAL SERVICE SALES	794,076	2,311,690	3,314,087	9,134,105	6,822,415	25%	
3554 TELECOM DEBT CHARGE	325,881	875,912	899,461	3,250,000	2,374,088	27%	
3753 COMMUNICATION ATTACHMENTS	-	110,920	114,233	850,000	739,080	13%	
OTHER REVENUE	166,900	422,119	260,300	619,000	196,881	68%	
Total Operating Revenue	8,499,711	22,209,863	23,270,161	76,532,142	54,322,279	29%	25%

Operating Expenditures

001 POWER ADMINISTRATION	301,122	1,226,539	1,041,969	5,537,895	4,311,356	22%	
002 ENERGY OFFICE BUILDINGS	26,164	49,766	40,229	231,961	182,195	21%	
003 ENERGY BUDGET & RATE ANALYSIS	12,612	36,417	45,132	260,681	224,264	14%	
004 ENERGY CUSTOMER ASSISTANCE	49,123	96,814	52,942	298,091	201,277	32%	
005 ENERGY WAREHOUSE OPERATIONS	12,646	38,988	40,834	177,059	138,071	22%	
006 ENERGY WAREHOUSE INVENTORY	(986)	(1,161)	(10,799)	10,000	11,161	-12%	
007 ENERGY SYSTEM ENGINEERING	27,874	77,059	98,088	365,437	288,378	21%	
008 ENERGY SERVICE ENGINEERING	38,699	111,834	108,978	593,597	481,763	19%	
009 ENERGY GIS/CAD	31,026	82,689	84,977	289,990	207,301	29%	
011 ENERGY PURCHASED POWER	4,255,635	12,035,087	15,335,980	45,719,301	33,684,214	26%	
012 DISPATCH	47,682	140,997	144,457	785,253	644,256	18%	
013 SUBSTATIONS	56,846	171,608	172,046	823,276	651,668	21%	
016 STREET LIGHTING	994	3,441	6,404	174,472	171,031	2%	
017 SMART GRID	47,284	146,080	120,654	711,719	565,639	21%	
018 STREET TREES	13,452	41,844	41,557	274,431	232,587	15%	
019 FORESTRY	89,509	251,030	230,098	1,165,083	914,053	22%	
020 TRANSMISSION & DISTRIBUTION	213,633	585,272	479,449	2,984,613	2,399,341	20%	
Total Operating Expenditures	5,223,315	15,094,304	18,032,995	60,402,859	45,308,555	25%	25%

Capital Revenues

3651 AID TO CONSTRUCTION	9,587	211,802	185,937	1,250,000	1,038,198	17%	
3754 IMPACT FEES	31,908	89,845	125,437	500,000	410,155	18%	
3761 HOOK-UP FEES	-	650	(400)	25,000	24,350	3%	
3803 CONNECTION FEES	15,633	52,658	-	225,000	172,342	23%	
OTHER REVENUE	5,473	37,186	133,826	515,000	477,814	7%	
Total CIP Revenue	62,601	392,141	444,800	2,515,000	2,122,859	16%	25%

Capital Expenditures

001 DISTRIBUTION SYSTEM	151,256	702,329	379,555	3,382,105	2,679,776	21%	
002 TRANSMISSION SYSTEM	26,273	82,921	36,060	2,695,061	2,612,140	3%	
003 SUBSTATIONS	493,122	910,357	173,410	8,047,607	7,137,250	11%	
004 CITY PROJECTS	5,125	49,892	91,181	630,372	580,480	8%	
005 SCADA/AMI	-	-	-	222,449	222,449	0%	
006 ADMIN	7,522	13,274	-	1,830,094	1,816,820	1%	
Total CIP Expenditures	683,298	1,758,773	680,206	16,807,688	15,048,915	10%	25%

Transfers Out

6110 TRANSFER TO GENERAL FUND	879,600	2,284,081	2,377,040	7,822,446	5,538,365	29%	
6332 TRANSFER TO ERP DEBT SERVICE	25,161	75,482	75,481.74	301,927	226,445	25%	
6360 TRANSFER TO TELECOM DEBT SERV.	325,881	875,912	899,461	3,250,000	2,374,088	27%	
Total Transfer Out	1,230,641	3,235,475	3,351,983	11,374,373	8,138,898	28%	25%

SUMMARY

Total Revenues	8,562,312	22,602,004	23,714,961	79,047,142	56,445,138	29%	25%
Total Expenditures & Transfers Out	7,137,254	20,088,552	22,065,184	88,584,920	68,496,368	23%	25%
Total Surplus (Deficit)	1,425,058	2,513,452	1,649,777	(9,537,778)	(12,051,230)	-26%	25%

FUND BALANCE

Beginning Fund Balance	38,873,291	36,970,349					
CIP Surplus (Deficit)	(1,366,632)	(235,406)					
Operating Surplus (Deficit)	3,880,084	1,885,183					
Ending Fund Balance	41,386,743	38,620,126					

CIP Assigned Fund Balance	15,048,915	15,796,617					
Rate Stabilization Fund Balance	26,337,828	22,823,509					