



HEBER LIGHT & POWER COMPANY

31 S 100 W
Heber City, UT 84032

BOARD MEETING NOTICE & AGENDA

Date: **April 28, 2021**
Work Meeting: **2:30 pm**
Board Meeting: **4:00 pm**
Location: **Best Western Meeting Room**
1227 S US 40
Heber City, UT 84032

Board of Directors:

Heber City Mayor - Kelleen Potter
Midway City Rep. – Steve Dougherty
Charleston Town Mayor - Brenda Kozlowski
Wasatch County Council Rep. - Kendall Crittenden
Heber City Council Rep. – Wayne Hardman
Heber City Council Rep. – Rachel Kahler

AGENDA

2:30 Work Meeting – Review of proposed new facilities plan

4:30 Board Meeting

1. Approval of consent agenda:
 - a. March 24, 2021 Board Meeting Minutes
 - b. March 2021 Financial Statements
 - c. March 2021 Warrants
2. Approval to lift staff travel restriction (Jason Norlen)
3. Presentation of 2020 Financial Statements and Compliance Reports (Matt Geddes, Squire)
4. Approval of Resolution 2021-02 Distributions to Members for First Quarter 2021 (Bart Miller)
5. Update on schedule for 2021 Rate and Fee Study (Jason Norlen)
6. Wholesale Power Report (Emily Brandt)
7. Report on additional natural gas purchase for July, August, September (Emily Brandt)
8. Capital Plan Report (Staff)
 - Transmission Line Update (Harold Wilson)
9. Approval of surplus fleet vehicles to be placed in sealed bid auction (Rob Tuft)
10. Update on Unit 8 generator bearing failure (Rob Tuft)
11. General Manager's Report
12. Closed Session to discuss pending litigation and personnel matters



HEBER LIGHT & POWER COMPANY

31 South 100 West
Heber City, Utah 84032

BOARD MEETING

March 25, 2021, 4:00 pm

The Board of Directors of Heber Light & Power met on March 24, 2021 at 4:00 pm through a virtual Zoom meeting.

Board Member Attendance: Board Chair - Kelleen Potter: Present
Director - Steve Dougherty: Present
Director - Brenda Kozlowski: Not Present
Director - Wayne Hardman: Present
Director - Rachel Kahler: Present
Director - Kendall Crittenden: Present

Others Present: Jason Norlen, Bart Miller, Harold Wilson, Karly Schindler, Emily Brandt, Adam Long, Jake Parcell, Colby Houghton, Rob Tuft, Lane Lythgoe, Bob Kowallis, and others.

Chair Potter welcomed those in attendance.

1. Consent agenda - approval of a) February 24, 2021 and March 2, 2021 Board Meeting Minutes, b) February 2021 Financial Statements, c) February 2021 Warrants. Chair Potter called for a motion regarding the consent agenda.

Motion. Director Crittenden moved to approve the consent agenda as presented. Director Hardman seconded the motion. The motion carried with the following vote:

Board Chair - Kelleen Potter: Approve
Director - Steve Dougherty: Approve
Director - Brenda Kozlowski: Not Present
Director - Wayne Hardman: Approve
Director - Rachel Kahler: Approve
Director - Kendall Crittenden: Approve

2. Review and approval of annual liability insurance renewal. Bart Miller presented the annual liability insurance renewal provided by Olympus Insurance Agency. Bart reported that the annual premium is increasing approximately \$30,000. The biggest factor affecting the increases is system growth. Other factors influencing insurance rates are last season's wildfires, Covid, the Texas weather event, and an uptick in cybercrime. Bart stated that this is a 17% increase over last year. Director Crittenden asked how often we go out with an RFP for insurance agents. Bart explained that agents across the industry take about the same percentage, so the question comes down to if you are satisfied with the service. Olympus does go out and gets updated bids from carriers for us every three years. Director Dougherty mentioned that as discussed in audit committee, the value of assets has increased and that plays into the premium increase. Bart explained that the underwriters look at our exposure, but that we did benefit from the Plant 3 fire suppression system

that was installed. Bart also explained that we continue to put money in PTIF so we can self-insure older assets.

Motion. Director Kahler moved to approve the annual liability insurance renewal in the amount of \$212,126. Director Dougherty seconded the motion. The motion carried with the following vote:

Board Chair - Kelleen Potter: Approve
Director - Steve Dougherty: Approve
Director - Brenda Kozlowski: Not Present
Director - Wayne Hardman: Approve
Director - Rachel Kahler: Approve
Director - Kendall Crittenden: Approve

3. Decision on direction on new building: Director Crittenden reported that the building committee discussed two options for the new office building construction. The first option is to build the new office building and once it is completed proceed with the remodel of the Operations Center. The second option is a dual track of moving forward with the new office building and Operations Center remodel at the same time which would require moving some staff into temporary portables for about six to nine months. The building committee's recommendation to the Board is to do the dual track. Jason stated that the other thing discussed was whether to go out with an RFP on design or make a decision based on the bids received previously. The Board and staff discussed that Lane Lythgoe's bid was competitive and included design. Lane has also put in a lot of work already with the needs and analysis. Director Potter asked at what step in the process can we give input on the design details. Jason suggested a work meeting to get input from Heber City as far as the site design along 600 West.

4. Capital Plan Report. Jason Norlen reported that we have released two RFPs within the capital plan as reported below.

5. Report on SCADA vendor selection. Emily Brandt and Jake Parcell reported on the SCADA RFP and selection. Emily explained that SCADA is a supervisory control and data acquisition system that we use to operate and monitor our grid. Jake stated that it is how we control all of the remote devices in our substations and out in the field. The dispatchers also use the tools for trending and reporting. The last major upgrade to the system was in 2012. Director Crittenden asked how the upgrade affects equipment out in the field. Jake explained that the RFP specified the communication protocols needed, so there will be a lot of work testing and confirming all of the telemetry points out in the field. Emily reported that we received six responses to the RFP. Andrew Dedrickson managed the RFP process and grading system. Emily and Jake both did due diligence and talked with other companies that use both systems. The two leading vendors were OSI and Survalent. The final pick was Survalent. Jake reported that they feel comfortable that Survalent would be the best system for HLP and has adaptability for future systems. The next step is to put a contract together and then schedule a kick-off meeting with their project managers. The process will include transferring and converting databases. Survalent will build the databases and screens for one substation, one power plant, one hydro and a couple of other screens, and then we will follow up and build the remainder inhouse in an effort to learn how to use the system. Full project completion and commission will fall into next year. Jake also reported that Survalent will come onsite for commissioning of the first few stations and also do remote training for us to learn how to operate the system. Director Dougherty asked how long Survalent has been in business, where they are located, and if they have done similar work before. Jake reported that they are located in Canada and have done this exact thing many times. Bart reported that they have been in business 57 years.

6. Report on contractor selection for Midway segment of transmission line. Harold Wilson reported on the RFP for the segment of transmission line from the fish hatchery to the Midway substation. Six vendors responded with competitive pricing. Summit Line was selected with the low bid. Harold stated that we have a good working history with them, and it made sense to go with them as they are already on site with the RMP portion of the line. Construction on the Midway segment is anticipated in the August-September

timeframe. Summit's bid of \$547,667 was just for labor on the transmission line. We will do most of the burying of the distribution inhouse as well as procuring materials. The Board and staff discussed the contract, corner poles in Midway, and the construction on Southfield Road. Director Kahler requested that a press release and information go out to the public. Chair Potter suggested providing monthly updates of what to expect. Board and staff discussed disseminating information through the website, the Wave, and social media. Jason suggested a quick Zoom meeting tomorrow with Chair Potter and Emily Brandt to coordinate communications.

7. General Manager's Report. Jason Norlen showed videos from the virtual APPA Engineering and Operations Conference where Heber Light & Power received the APPA RP3 Award and Safety Award of Excellence. Jason reported that the unit 8 generator failure was a catastrophic failure. More will be reported on that, but we are still trying to find a generator to fit on that frame. The UAMPS Horse Butte Wind study is going forward and will also include an analysis of whether to upgrade the existing turbines because of advances in technology. Jason reported that UAMPS has asked for a meeting with this Board to discuss the latest developments in the CFPP. Chair Potter suggested that UAMPS could email any updates or new information about the project. Jason also reported that UAMPS will not hold their annual Tool Kit Workshop in conjunction with the Utah League of Cities and Towns in St George. Karly Schindler reported on the employee wellness program. Director Dougherty asked if we have a policy on Covid vaccinations. Jason stated that we are encouraging employees to get vaccinated but will not mandate it. Regarding transmission line easements, Jason updated that we have acquired all but two for the portion from Jordanelle to the fish hatchery. Right-of-way and easement agents are working to formalize easements along the Midway segment.

With no further business to discuss, the Chair called for a motion to adjourn the meeting.

Motion: Director Kahler moved to adjourn the meeting. Director Hardman seconded the motion. The motion carried with the following vote:

- Board Chair - Kelleen Potter: Approve
- Director - Steve Dougherty: Approve
- Director - Brenda Kozlowski: Not Present
- Director - Rachel Kahler: Approve
- Director - Wayne Hardman: Approve
- Director - Kendall Crittenden: Approve

Meeting adjourned.

Karly Schindler
Board Secretary

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Accounts Payable Check Register

03/01/2021 To 03/31/2021

Bank Account: 1 - ZIONS BANK GENERAL FUND

Check / Tran Date	Pmt Type	Vendor	Vendor Name	General Ledger			BU Project	Distr Amount	Amount
Invoice			GL Reference	Div Account	Dept	Actv			
1410 3/4/21	WIRE	910	SENSUS USA INC						57,984.00
ZZ21000463			PO Material Received	0 154.0	0	0		57,984.00	
1411 3/22/21	WIRE	276	CIMA ENERGY, LP						26,913.32
0221-109120			February Fuel Purchases	0 547.0	4	0		26,913.32	
1412 3/11/21	WIRE	558	UNITED STATES TREASURY						35,221.73
20210310100624001			PL Federal Withholding-Married	0 241.1	0	0		7,138.57	
			PL Federal Withholding-Single	0 241.1	0	0		6,412.58	
			PL Medicare-Employee	0 926.2	1	0		2,053.75	
			PL Medicare-Employer	0 926.2	1	0		2,053.75	
			PL Social Security-Employee	0 926.2	1	0		8,781.54	
			PL Social Security-Employer	0 926.2	1	0		8,781.54	
Total for Check/Tran - 1412:								35,221.73	
1413 3/11/21	WIRE	1322	HEALTH EQUITY						1,612.31
20210310100624002			PL Employee HSA Contributions	0 243.0	0	0		1,558.31	
			Admin Fees	0 926.0	1	0		54.00	
Total for Check/Tran - 1413:								1,612.31	
1414 3/11/21	WIRE	1065	UTAH STATE RETIREMENT						35,702.33
20210310100624003			PL Employee 401k Deferral	0 242.4	0	0		4,904.33	
			PL Employee 457 Deferral	0 242.4	0	0		2,295.00	
			PL Employee Roth IRA Deferrals	0 242.4	0	0		819.46	
			PL URS Employer 401k Contribution	0 926.3	1	0		1,850.64	
			PL URS Tier 1	0 926.3	1	0		16,267.67	
			PL URS Tier 2	0 926.3	1	0		8,523.18	
			PL URS Loan Repayment	0 930.2	1	0		1,042.05	
Total for Check/Tran - 1414:								35,702.33	
1415 3/11/21	WIRE	121	AFLAC						471.52
592442			March Withholding Submissions	0 926.0	1	0		471.52	
1416 3/15/21	WIRE	268	BRENDA KOZLOWSKI						475.32
STIPEND-MAR21			Monthly Board Meeting Stipend - Mar	0 920.0	1	0		475.32	

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	General Ledger			BU Project	Distr Amount	Amount
Invoice			GL Reference	Div Account	Dept	Actv			
1417 3/15/21	WIRE	747	STEVE DOUGHERTY						475.32
STIPEND-MAR21			Monthly Board Meeting Stipend - Mar	0 920.0	1	0		475.32	
1419 3/24/21	WIRE	964	STATE TAX COMMISSION-SALES						67,030.63
FEB21SALESTAX			February Sales Tax Collection	0 241.0	0	0		67,030.63	
1420 3/25/21	WIRE	1322	HEALTH EQUITY						1,608.31
20210324124427002			PL Employee HSA Contributions	0 243.0	0	0		1,608.31	
1421 3/25/21	WIRE	1065	UTAH STATE RETIREMENT						35,290.05
20210324124427003			PL Employee 401k Deferral	0 242.4	0	0		4,901.10	
			PL Employee 457 Deferral	0 242.4	0	0		2,295.00	
			PL Employee Roth IRA Deferrals	0 242.4	0	0		819.46	
			PL URS Employer 401k Contribution	0 926.3	1	0		1,823.62	
			PL URS Tier 1	0 926.3	1	0		15,823.00	
			PL URS Tier 2	0 926.3	1	0		8,585.82	
			PL URS Loan Repayment	0 930.2	1	0		1,042.05	
Total for Check/Tran - 1421:									35,290.05
1422 3/11/21	WIRE	688	EQUITABLE						5,771.08
1206118			April Premiums	0 926.0	1	0		5,771.08	
1423 3/25/21	WIRE	558	UNITED STATES TREASURY						34,609.27
20210324124427001			PL Federal Withholding-Married	0 241.1	0	0		7,083.21	
			PL Federal Withholding-Single	0 241.1	0	0		6,174.10	
			PL Medicare-Employee	0 926.2	1	0		2,023.54	
			PL Medicare-Employer	0 926.2	1	0		2,023.54	
			PL Social Security-Employee	0 926.2	1	0		8,652.44	
			PL Social Security-Employer	0 926.2	1	0		8,652.44	
Total for Check/Tran - 1423:									34,609.27
1424 3/29/21	WIRE	965	STATE TAX COMMISSION-W/H						13,320.15
MAR 2021 WH			March State Payroll Withholding	0 241.2	0	0		13,320.15	
1427 3/31/21	WIRE	760	ZIONS CREDIT CARD ACCT						16,785.12

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	General Ledger			Distr	Amount
Invoice			GL Reference	Div Account	Dept	Actv BU Project		Amount
MARCH 2021			LinkedIn Learning	0 401.2	1	0		1,691.22
			SHRM Certification	0 401.2	1	0		100.00
			World at Work Conf	0 401.2	1	0		899.50
			Safety Gloves	0 402.1	6	0		111.31
			Trimble Phone Repair	0 402.2	2	0		82.35
			SavaTree	0 591.0	2	0		8,757.14
			Wireless Car Charges	0 591.0	2	0		239.93
			GE Charging Motor	0 592.0	3	0		2,276.19
			Schwitzer Engineering	0 592.0	3	0		88.00
			Laptop Chargers	0 597.0	7	0		59.07
			Chamber Lunch	0 930.2	1	0		23.00
			Employee All Hands Lunch Meeting	0 930.2	1	0		406.25
			Employee Drone gift card Giveaway	0 930.2	1	0		15.00
			Dispatch Safety Meeting	0 930.2	5	0		31.41
			March All West	0 935.1	6	0		1,031.03
			Amazon Web Services	0 935.3	6	0		27.48
			Backup/Recovery SSD's	0 935.3	6	0		146.45
			Desktop Speakers	0 935.3	6	0		96.96
			It Supplies - Keyboards, Mouse, Kits	0 935.3	6	0		702.83
							Total for Check/Tran - 1427:	16,785.12
61619 3/26/21	CHK	287	CODALE ELECTRIC SUPPLY, INC					4,677.12
S7160112.004			PO Materials Received	0 154.0	0	0		2,111.50
S7342272.001			Service Charge	0 401.0	1	0		48.12
S7241732.002			PO Materials Received	0 154.0	0	0		2,517.50
							Total for Check/Tran - 61619:	4,677.12
61659 3/1/21	CHK	70	BRAIDEN DESPAIN					137.50
STEP TESTING 0321			St. George Step Testing Per Diem	0 401.2	2	0		137.50
61660 3/1/21	CHK	239	BRAD FRYER					137.50
STEP TESTING 0321			St. George Step Testing Per Diem	0 401.2	2	0		137.50
61661 3/1/21	CHK	1138	HAROLD WILSON					500.38
IPSA MEETING 0321			Mesquite, IPSA Per Diem and Mileage	0 401.2	2	0		500.38

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	General Ledger			BU Project	Distr Amount	Amount
Invoice			GL Reference	Div Account	Dept	Actv			
61662 3/1/21	CHK	1280	STEVEN HENNING						137.50
STEP TESTING 0321			St. George Step Testing Per Diem	0 401.2	2	0		137.50	
61663 3/1/21	CHK	287	CODALE ELECTRIC SUPPLY, INC						773.78
S7241732.002-2			PO Materials Received	0 154.0	0	0		773.78	
61664 3/5/21	CHK	1	J PHILLIP COOK, LLC						15,000.00
25634			Shotgun Valuation Estimate Creation	0 107.0	0	0		15,000.00	
61665 3/5/21	CHK	11	ARAMARK						138.49
458000017248			Coverall Rental 01/26 - 02/01	0 402.1	4	0		34.20	
458000024690			Coverall Rental 02/16 - 02/22	0 402.1	4	0		34.20	
458000022253			Coverall Rental 02/09 - 02/15	0 402.1	4	0		34.20	
458000027145			Coverall Rental 02/23 - 03/01	0 402.1	4	0		35.89	
Total for Check/Tran - 61665:								138.49	
61666 3/5/21	CHK	63	POINT S HEBER CITY						1,227.42
0173535			New Tires / Oil Change - Truck 252	0 935.2	4	0		1,227.42	
61667 3/5/21	CHK	256	CDW-G						7,281.45
8037616			Cisco Meraki - 3 year license	0 165.0	0	0		7,194.73	
			Cisco Meraki - Feb 2021	0 935.3	6	0		86.72	
Total for Check/Tran - 61667:								7,281.45	
61668 3/5/21	CHK	261	CENTURYLINK						119.70
4356573093502B-FEB21			Phone Bill 02/19-03/18	0 935.1	6	0		119.70	
61669 3/5/21	CHK	325	SIGNARAMA						1,900.00
8310			Aluminum Pole Sign Blanks	0 591.0	2	0		1,900.00	
61670 3/5/21	CHK	406	FASTENAL COMPANY						1,229.37
UTLIN147826			Labels, Green Plasic Tags	0 591.0	2	0		523.97	
UTLIN147863			Vending Machine	0 402.1	1	0		4.53	
			Vending Machine	0 402.1	2	0		90.77	

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	General Ledger			Distr Amount	Amount
Invoice		GL Reference		Div Account	Dept	Actv BU Project		
		Vending Machine		0 402.1	5	0	2.47	
		Vending Machine		0 402.2	2	0	65.27	
		Vending Machine		0 556.0	5	0	28.62	
		Vending Machine		0 591.0	2	0	260.63	
		Vending Machine		0 592.0	3	0	90.51	
		Vending Machine		0 921.3	1	0	1.68	
		Vending Machine		0 921.3	2	0	20.01	
		Vending Machine		0 921.3	3	0	1.68	
		Vending Machine		0 921.3	4	0	1.68	
		Vending Machine		0 921.3	5	0	1.68	
		Vending Machine		0 935.2	4	0	13.68	
UTLIN147972		Bolt Bin		0 591.0	2	0	122.19	
Total for Check/Tran - 61670:							1,229.37	
61671 3/5/21	CHK	428	FREEDOM MAILING					3,547.59
39940			February Cycle 1 Statement Print & Mail	0 921.5	1	0	3,547.59	
61672 3/5/21	CHK	478	ANIXTER POWER SOLUTIONS LLC					23,030.00
4841847-00			PO Material Received	0 154.0	0	0	23,030.00	
61673 3/5/21	CHK	698	LYTHGOE DESIGN GROUP, INC					1,699.75
2178			February Design Hours - Dispatch Remodel	0 107.0	0	0	1,699.75	
61674 3/5/21	CHK	716	DELTA FIRE SYSTEMS					13,712.75
1037-P049509			Fire Supression - Final Billing	0 107.0	0	0	13,712.75	
61675 3/5/21	CHK	734	MOUNTAINLAND ONE STOP					14.80
129006			Forklift Propane	0 935.2	4	0	14.80	
61676 3/5/21	CHK	740	IRBY CO.					27,466.49
S012203176.005			PO Material Received	0 154.0	0	0	394.24	
S012220074.011			PO Material Received	0 154.0	0	0	3,156.00	
S012220074.012			PO Material Received	0 154.0	0	0	147.84	
S012220159.012			PO Material Received	0 154.0	0	0	2,409.00	
S012220159.013			PO Material Received	0 154.0	0	0	147.84	

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Accounts Payable Check Register

03/01/2021 To 03/31/2021

Bank Account: 1 - ZIONS BANK GENERAL FUND

Check / Tran Date	Pmt Type	Vendor	Vendor Name	General Ledger			BU Project	Distr Amount	Amount
Invoice			GL Reference	Div Account	Dept	Actv			
S012239470.004			PO Material Received	0 154.0	0	0		3,440.00	
S012244221.008			PO Material Received	0 154.0	0	0		2,254.00	
S012244221.009			PO Material Received	0 154.0	0	0		293.80	
S012274071.005			PO Material Received	0 154.0	0	0		5,020.00	
S012274071.006			PO Material Received	0 154.0	0	0		327.00	
S012284160.001			PO Material Received	0 154.0	0	0		6.40	
S012291668.001			PO Material Received	0 154.0	0	0		859.75	
S0121060125.021			PO Material Received	0 154.0	0	0		2,287.56	
S012279237.002			PO Material Received	0 154.0	0	0		6,325.06	
S012262076.001			MILW 49-66-5101 SW LINEMANS DIST	0 402.2	2	0		398.00	
Total for Check/Tran - 61676:								27,466.49	
61677 3/5/21	CHK	908	SECURITY INSTALL SOLUTIONS						487.00
I-2225			iclass reader repair	0 935.3	6	0		247.00	
I-2162			March Brivo Hosting Charges	0 935.3	6	0		240.00	
Total for Check/Tran - 61677:								487.00	
61678 3/5/21	CHK	922	SHRED-IT USA						139.61
8181484038			Office Shredding - February	0 921.0	1	0		67.74	
8181486413			Operations Shredding - February	0 921.0	1	0		71.87	
Total for Check/Tran - 61678:								139.61	
61679 3/5/21	CHK	1024	TRACY'S AUTO REPAIR CORP						237.32
26133			Oil Change - Truck 251	0 935.2	4	0		237.32	
61680 3/5/21	CHK	1038	UAMPS						552,553.90
HLP-0121			January Energy Usage Payment	0 555.0	5	0		552,553.90	
61681 3/5/21	CHK	1256	PURE WATER SOLUTIONS						333.08
753822			February Water Service	0 401.1	1	0		333.08	
61682 3/5/21	CHK	1337	WINN-MARION BARBER, LLC						13,624.79
3290771			Thermocouple Set	0 548.0	4	0		966.96	

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	General Ledger			BU Project	Distr Amount	Amount
Invoice			GL Reference	Div Account	Dept	Actv			
3291966			EPA Emissions Analyzer	0 394.0	0	0		12,657.83	
								Total for Check/Tran - 61682:	13,624.79
61683 3/5/21	CHK	1345	B-BOYZ REPAIR INC						200.00
3866			Gate Repair	0 935.0	1	0		200.00	
61684 3/5/21	CHK	1389	RITZ SAFETY						1,656.09
41053			Fryer FR Clothing	0 402.1	2	0		78.81	
			Graham FR Clothing	0 402.1	2	0		624.81	
			Graham FR Clothing	0 402.1	3	0		912.04	
			Graham FR Clothing	0 402.1	5	0		40.43	
								Total for Check/Tran - 61684:	1,656.09
61685 3/5/21	CHK	1415	UTILITY TRANSFORMER BROKERS						2,385.00
3218			PO Material Received	0 591.0	2	0		2,385.00	
61686 3/5/21	CHK	1450	ON-SITE FLEET MANAGEMENT						3,965.57
27268			Winch Cable - Truck 206	0 935.2	4	0		3,965.57	
61687 3/5/21	CHK	1481	UPPER CASE PRINTING INK						107.81
16745			1/3 Sheet Vaccine Flyer Cycle 2	0 426.4	1	0		107.81	
61688 3/5/21	CHK	2	TOM LUND						129.99
20210309163146306			Credit Balance Refund	0 142.99	0	0		129.99	
61689 3/5/21	CHK	513	COLBY HOUGHTON						268.55
ITREIMB			Data/Hard Drive Recovery Tools	0 402.2	6	0		268.55	
61690 3/12/21	CHK	1	H.M. BALL						1,350.00
BALL 0321			Multiple qualifying rebates	0 555.2	1	0		1,350.00	
61691 3/12/21	CHK	1	GLENN BROUSSARD						300.00
BROUSSARD 0321			Heat Pump Energy Rebate	0 555.2	1	0		300.00	
61692 3/12/21	CHK	1	SUZANNE LARSON						300.00
LARSON 0321			Mini Split Energy Rebate	0 555.2	1	0		300.00	

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	General Ledger			BU Project	Distr Amount	Amount
				Div Account	Dept	Actv			
Invoice			GL Reference						
61693 3/12/21	CHK	11	ARAMARK						35.89
458000029852			Coverall Rental 03/02 - 03/08	0 402.1	4	0		35.89	
61694 3/12/21	CHK	52	LEE'S MARKETPLACE HEBER						26.97
35159			Employee meeting refreshments	0 930.2	1	0		26.97	
61695 3/12/21	CHK	167	SMITH HARTVIGSEN,PLLC						12,783.50
49011			Legal General Matters	0 923.0	1	0		6,028.00	
49012			Transmission Line Legal Services	0 107.0	0	0		3,520.00	
49013			Water Rights Legal Resolution	0 923.0	1	0		116.00	
49014			2nd POI Legal Matters - February 2021	0 107.0	0	0		1,121.00	
49015			New Office Building Legal	0 107.0	0	0		292.00	
49016			Midway Substation Legal Title Resolution	0 923.0	1	0		1,706.50	
Total for Check/Tran - 61695:								12,783.50	
61696 3/12/21	CHK	206	BLUE STAKES OF UTAH 811						400.83
UT202100317			February Email Notifications	0 591.0	2	0		400.83	
61697 3/12/21	CHK	239	BRAD FRYER						103.01
ST GEORGE FUEL			Truck Fuel Reimbursment	0 935.2	4	0		103.01	
61698 3/12/21	CHK	256	CDW-G						746.04
8308597			Cisco Meraki - 3 Year License	0 935.3	6	0		746.04	
61699 3/12/21	CHK	262	CENTURYLINK - DATA SERVICES						2,133.33
201231659			Data Billing - 12/20 - 01/19	0 935.1	6	0		2,133.33	
61700 3/12/21	CHK	273	SQUIRE						6,500.00
165712			Progress Bill for Audit of 12/31/20	0 923.0	1	0		6,500.00	
61701 3/12/21	CHK	320	CUWCD						90,442.00
11955			Feb 2020 Hydropower Generation	0 555.0	5	0		90,442.00	
61702 3/12/21	CHK	353	DISH NETWORK						154.15

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	General Ledger			BU Project	Distr Amount	Amount
Invoice			GL Reference	Div Account	Dept	Actv			
DISH-0221			March Dish	0 401.0	5	0		154.15	
61703 3/12/21	CHK	396	A T & T MOBILITY						2,911.30
X02282021			Jan 21 - Feb 20 Cell Coverage	0 935.1	6	0		2,911.30	
61704 3/12/21	CHK	406	FASTENAL COMPANY						34.10
UTLIN148070			Vending Machine	0 402.1	2	0		28.71	
			Vending Machine	0 921.0	1	0		3.16	
			Vending Machine	0 921.3	1	0		0.22	
			Vending Machine	0 921.3	2	0		2.01	
Total for Check/Tran - 61704:									34.10
61705 3/12/21	CHK	436	HYRUM STEWART						225.63
2021 BOOT			2021 Boot Reimbursement	0 402.1	2	0		225.63	
61706 3/12/21	CHK	451	GUARDIAN						1,463.10
GUARD 0221			February Accident Insurance Premium	0 926.0	1	0		1,463.10	
61707 3/12/21	CHK	480	HEBER CITY CORPORATION						290.86
10.23970.1 FEB21			Feb Water & Sewer Heber Sub	0 401.1	1	0		31.19	
10.24620.1 FEB21			Feb Water & Sewer Operations	0 401.1	1	0		71.26	
10.24625.1 FEB21			Feb Water & Sewer Plant 1	0 401.1	1	0		31.79	
10.24630.1 FEB21			Feb Water & Sewer Line Shop	0 401.1	1	0		102.51	
9.22740.1 FEB21			Feb Water & Sewer Office	0 401.1	1	0		54.11	
Total for Check/Tran - 61707:									290.86
61708 3/12/21	CHK	500	COMFORT SYSTEMS USA						68,063.40
29015			Evap Coolers with VFD's	0 107.0	0	0		68,063.40	
61709 3/12/21	CHK	624	LABRUM FORD						259.90
32595			Part for Truck 263	0 935.2	4	0		259.90	
61710 3/12/21	CHK	740	IRBY CO.						17,936.25
S012203176.006			PO Material Received	0 154.0	0	0		6,750.00	
S012244221.010			PO Material Received	0 154.0	0	0		1,897.50	

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	General Ledger			BU Project	Distr Amount	Amount
Invoice			GL Reference	Div Account	Dept	Actv			
S012274071.007			PO Material Received	0 154.0	0	0		1,949.50	
S012274139.001			PO Material Received	0 154.0	0	0		1,242.00	
S012279237.003			PO Material Received	0 154.0	0	0		1,068.50	
S012300919.001			PO Material Received	0 154.0	0	0		4,600.00	
S012279237.005			PO Material Received	0 154.0	0	0		208.75	
S012293498.001			PO Material Received	0 591.0	2	0		220.00	
Total for Check/Tran - 61710:								17,936.25	
61711 3/12/21	CHK	777	MONTROSE AIR QUALITY SERVICES, L						15,500.00
CINV-016961			Emissions Testing - Units 11,12, and 13	0 935.2	4	0		15,500.00	
61712 3/12/21	CHK	844	PEHP GROUP INSURANCE						719.24
03/11/21 FLEX			Employee FSA Contribution	0 926.0	1	0		719.24	
61713 3/12/21	CHK	845	DOMINION ENERGY						7,358.21
5060020000-FEB21B			Cogen February Gas Service	0 547.0	4	0		6,969.76	
0382516748-MAR21			March Gas Service - Probst House	0 401.1	1	0		285.99	
1344060000-MAR21			March Gas Service - Snake Creek Garag	0 401.1	1	0		102.46	
Total for Check/Tran - 61713:								7,358.21	
61714 3/12/21	CHK	962	STATE OF UTAH DIV WATER RIGHTS						40.00
ASSESSMENT 2021			2021 Water Assessment Accoun No: 101913	0 401.0	1	0		40.00	
61715 3/12/21	CHK	1014	TIMBERLINE GENERAL STORE						50.55
140232			Box of screws	0 591.0	2	0		50.55	
61716 3/12/21	CHK	1091	WASATCH AUTO PARTS						15.50
215878			Part - Truck 251	0 935.2	4	0		6.23	
218236			Pad Lock Grease	0 592.0	3	0		9.27	
Total for Check/Tran - 61716:								15.50	
61717 3/12/21	CHK	1100	WASATCH COUNTY SOLID WASTE						288.00
02298			Roll Off Containter + Pull Fee	0 591.0	2	0		288.00	

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	General Ledger			BU Project	Distr Amount	Amount
Invoice			GL Reference	Div Account	Dept	Actv			
61718 3/12/21	CHK	1131	WHEELER MACHINERY CO.						627.38
PS001103084			Unit 7 Coolant Leak	0 935.2	4	0		627.38	
61719 3/12/21	CHK	1389	RITZ SAFETY						4,211.38
41283			Allen FR Clothing	0 402.1	2	0		600.47	
			Bangerter FR Clothing	0 402.1	2	0		198.09	
			Bond FR Clothing	0 402.1	2	0		1,000.00	
			Daley FR Clothing	0 402.1	2	0		81.86	
			Sweat FR Clothing	0 402.1	2	0		108.11	
			Jepperson FR Clothing	0 402.1	5	0		343.29	
			Brereton FR Clothing	0 402.1	8	0		887.21	
40319			Wilson FR Clothing	0 402.1	2	0		198.14	
			Ford FR Clothing	0 402.1	5	0		794.21	
Total for Check/Tran - 61719:								4,211.38	
61720 3/12/21	CHK	1415	UTILITY TRANSFORMER BROKERS						1,800.00
3218-SHIPPING			PO 2036 - Shipping	0 921.3	2	0		1,800.00	
61721 3/12/21	CHK	1496	THE WILSON BOHANNAN COMPANY						385.49
0180099-IN			Brass Padlocks	0 592.0	3	0		385.49	
61722 3/17/21	CHK	216	JAN-PRO CLEANING SYSTEMS						200.00
316211			Extra Cleaning Days	0 401.1	1	0		200.00	
61723 3/17/21	CHK	734	MOUNTAINLAND ONE STOP						21.73
128284			Forklift Propane	0 935.2	4	0		21.73	
61724 3/17/21	CHK	793	JACOB PARCELL						293.94
SECURITY SENSOR			Security Sensors Reimbursement	0 935.0	1	0		293.94	
61725 3/19/21	CHK	2	MAURINE VEATER						41.02
2021031615480348			Credit Balance Refund	0 142.99	0	0		41.02	
61726 3/19/21	CHK	19	VEOLIA ES TECHNICAL SOLUTIONS LL						14,760.25
EW1592220			Removal of old Transformers/ Oil	0 591.0	2	0		14,760.25	

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	General Ledger			BU Project	Distr Amount	Amount
Invoice			GL Reference	Div Account	Dept	Actv			
61727 3/19/21	CHK	105	A T & T						6.68
0512678561001 FEB21			February Long Distance	0 935.1	6	0		6.68	
61728 3/19/21	CHK	216	JAN-PRO CLEANING SYSTEMS						1,326.00
317121			March Cleaning Fee	0 401.1	1	0		1,326.00	
61729 3/19/21	CHK	386	BORDER STATES INDUSTRIES INC.						1,317.59
921591555			Extension Cord	0 592.0	3	0		73.96	
921599637			Material for Plant 3 Cooling System	0 107.0	0	0		547.54	
921614198			Material for Plant 3 Cooling System	0 107.0	0	0		404.04	
921614357			Material for Plant 3 Cooling System	0 107.0	0	0		121.87	
921615377			Material for Plant 3 Cooling System	0 107.0	0	0		129.03	
921631409			Material for Plant 3	0 107.0	0	0		41.15	
Total for Check/Tran - 61729:								1,317.59	
61730 3/19/21	CHK	406	FASTENAL COMPANY						1,349.83
UTLIN148261			Vending Machine	0 402.1	2	0		143.55	
			Vending Machine	0 402.1	5	0		18.90	
			Vending Machine	0 921.3	2	0		15.46	
			Vending Machine	0 921.3	5	0		2.04	
UTLIN148322			Bolt Bin	0 591.0	2	0		407.19	
UTLIN148368			Bottled Water	0 402.1	2	0		762.69	
Total for Check/Tran - 61730:								1,349.83	
61731 3/19/21	CHK	478	ANIXTER POWER SOLUTIONS LLC						59,580.00
4747921-00			PO Material Received	0 154.0	0	0		21,680.00	
4857018-00			PO Material Received	0 154.0	0	0		37,900.00	
Total for Check/Tran - 61731:								59,580.00	
61732 3/19/21	CHK	644	US BANK NATIONAL ASSOCIATION						1,950.00
5980830			2012 Bond Trustee Fee	0 921.4	1	0		1,950.00	
61733 3/19/21	CHK	734	MOUNTAINLAND ONE STOP						43.08
129241			Forklift Propane	0 935.2	4	0		20.88	

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	General Ledger			BU Project	Distr Amount	Amount
Invoice			GL Reference	Div Account	Dept	Actv			
129821			Forklift Propane	0 935.2	4	0		22.20	
								Total for Check/Tran - 61733:	43.08
61734 3/19/21	CHK	740	IRBY CO.						36,632.48
S012274071.001			PO Material Received	0 154.0	0	0		8,906.42	
S012197423.002			PO Material Received	0 154.0	0	0		2,737.65	
S012210987.005			PO Material Received	0 154.0	0	0		3,105.79	
S012220074.013			PO Material Received	0 154.0	0	0		730.04	
S012220159.014			PO Material Received	0 154.0	0	0		1,791.77	
S012262076.003			MILW 48-22-9216M LINEMANS 5IN1	0 402.2	2	0		250.00	
S012274071.008			PO Material Received	0 154.0	0	0		912.55	
S012274139.002			PO Material Received	0 154.0	0	0		182.51	
S012279237.004			PO Material Received	0 154.0	0	0		1,825.10	
S012181359.011			PO Material Received	0 154.0	0	0		439.61	
S012251706.002			PO Material Received	0 154.0	0	0		4,387.50	
S012307694.001			PO Material Received	0 154.0	0	0		9,525.20	
S012307694.003			PO Material Received	0 154.0	0	0		773.34	
S012294683.001			Cold Shrink Elbow Kit, 600 amp plug	0 591.0	2	0		1,065.00	
								Total for Check/Tran - 61734:	36,632.48
61735 3/19/21	CHK	768	CANON SOLUTIONS AMERICA						128.91
4035563703			Office Copier Maintenance	0 921.0	1	0		87.89	
4035564655			Operations Copier Maintenance	0 921.0	1	0		41.02	
								Total for Check/Tran - 61735:	128.91
61736 3/19/21	CHK	825	PRAXAIR						73.00
61907024			OxyAcetylene Bottle Replacements	0 592.0	3	0		34.88	
61932311			Stargon	0 592.0	3	0		38.12	
								Total for Check/Tran - 61736:	73.00
61737 3/19/21	CHK	862	RHINEHART OIL						12,942.88
IN-221252-21			Mobil Pegasus 805	0 548.0	4	0		12,942.88	

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Invoice			GL Reference	Div Account	Dept	Actv			
61738 3/19/21	CHK	892	SAFETY-KLEEN SYSTEMS, INC.						128.00
R002761691			Self-Recycling Parts Washer	0 548.0	4	0		128.00	
61739 3/19/21	CHK	1047	US DEPT OF ENERGY						162,256.44
JJPB1643B0221			February 21 Provo River	0 555.0	5	0		2,653.97	
JJPB1643A0221			February Hydro Charges	0 555.0	5	0		159,602.47	
Total for Check/Tran - 61739:									162,256.44
61740 3/19/21	CHK	1075	VERIZON WIRELESS						173.69
9874600372			February Cell Phone Bill	0 935.1	6	0		173.69	
61741 3/19/21	CHK	1100	WASATCH COUNTY SOLID WASTE						260.00
90083-MAR21			March Office Solid Waste Removal	0 401.1	1	0		75.00	
93539-MAR21			February Operations Waste Removal	0 401.1	1	0		185.00	
Total for Check/Tran - 61741:									260.00
61742 3/19/21	CHK	1131	WHEELER MACHINERY CO.						4,617.10
PS001105547			Unit 8 Material	0 107.0	0	0		132.79	
PS001104499			Generation Parts	0 548.0	4	0		123.58	
PS001106148			Unit 8 Water Heater	0 107.0	0	0		4,360.73	
Total for Check/Tran - 61742:									4,617.10
61743 3/19/21	CHK	1467	NISC						8,204.32
485444			February 2021 Recurring Invoice	0 401.0	1	0		8,204.32	
61744 3/19/21	CHK	1	ROGER A LEFEVRE						50.00
LEFEVRE 0321 REBATE			Thermostat Energy Rebate	0 555.2	1	0		50.00	
61745 3/19/21	CHK	2	ERIC MAINORD						1,381.33
20210323154246169			Credit Balance Refund	0 142.99	0	0		1,381.33	
61746 3/19/21	CHK	267	CHARLESTON TOWN						2,827.82
0221FRAN			Franchise Tax Collection Remittance	0 241.5	0	0		2,827.82	
61747 3/19/21	CHK	323	DANIEL TOWN						1,779.21

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	General Ledger			BU Project	Distr Amount	Amount
Invoice			GL Reference	Div Account	Dept	Actv			
0221FRAN			Franchise Tax Collection Remittance	0 241.6	0	0		1,779.21	
61748 3/19/21	CHK	480	HEBER CITY CORPORATION						52,068.92
0221FRAN			Franchise Tax Collection Remittance	0 241.3	0	0		50,510.36	
STIPEND-MAR21			Monthly Board Meeting Stipend - Mar	0 920.0	1	0		1,558.56	
Total for Check/Tran - 61748:									52,068.92
61749 3/19/21	CHK	484	HEBER LIGHT & POWER CO						10,000.00
MAR21-RESERV			Monthly Reserve Funding	0 131.2	0	0		10,000.00	
61750 3/19/21	CHK	644	US BANK NATIONAL ASSOCIATION						120,920.83
2012 MAR21			March Trust Payment - 2012 Bond	0 136.2	0	0		29,566.67	
2019 MAR21			March Trust Payment - 2019 Bond	0 136.6	0	0		91,354.16	
Total for Check/Tran - 61750:									120,920.83
61751 3/19/21	CHK	705	MIDWAY CITY OFFICES						23,416.87
0221FRAN			Franchise Tax Collection Remittance	0 241.4	0	0		23,416.87	
61752 3/19/21	CHK	961	STAPLES CREDIT PLAN						25.98
2791306521			Scotch Tape	0 921.0	1	0		25.98	
61753 3/19/21	CHK	1095	WASATCH COUNTY						475.32
STIPEND-MAR21			Monthly Board Meeting Stipend - Mar	0 920.0	1	0		475.32	
61754 3/19/21	CHK	1481	UPPER CASE PRINTING INK						104.95
16846			1/3 sheet covid vaccine flyer	0 426.4	1	0		104.95	
61755 3/26/21	CHK	11	ARAMARK						35.89
458000034987			Coverall Rental 03/16 - 03/22	0 402.1	4	0		35.89	
61756 3/26/21	CHK	83	UTAH TRUCKING ASSOC						350.00
9538			Annual Membership Dues	0 401.0	4	0		350.00	
61757 3/26/21	CHK	105	A T & T						176.44
0300550933001 MAR21			March Long Distance	0 935.1	6	0		128.84	

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Check / Tran Date	Pmt Type	Vendor	Vendor Name	General Ledger			BU Project	Distr Amount	Amount
Invoice			GL Reference	Div Account	Dept	Actv			
0513087539001	MAR21		March Long Distance	0 935.1	6	0		47.60	
								Total for Check/Tran - 61757:	176.44
61758	3/26/21	CHK 204	CLIFF BLONQUIST						3,000.00
OMBUDSMAN 0321			Ombudsman Retainer Thru April 13 2022	0 923.0	1	0		3,000.00	
61759	3/26/21	CHK 216	JAN-PRO CLEANING SYSTEMS						250.00
317596			Extra Cleaning - Feb	0 401.1	1	0		250.00	
61760	3/26/21	CHK 256	CDW-G						90.96
8504212			Micro 4-Cell Li-Ion Battery	0 935.3	6	0		90.96	
61761	3/26/21	CHK 261	CENTURYLINK						207.05
4356540084254B-MAR21			March Phone Bill	0 935.1	6	0		122.15	
4356541118732B-MAR21			March Phone Bill	0 935.1	6	0		37.61	
4356541682903B-MAR21			March Phone Bill	0 935.1	6	0		47.29	
								Total for Check/Tran - 61761:	207.05
61762	3/26/21	CHK 353	DISH NETWORK						164.15
DISH-0321			April Dish	0 401.0	5	0		164.15	
61763	3/26/21	CHK 428	FREEDOM MAILING						3,939.40
40028			February Cycle 2 Statement Print & Mail	0 921.5	1	0		3,939.40	
61764	3/26/21	CHK 635	RECYCLOPS						60.00
98958			February Recycling	0 401.1	1	0		60.00	
61765	3/26/21	CHK 637	LATIMER DO IT BEST HARDWARE						67.55
B314554			Unit 2 - Steel Epoxy	0 935.2	4	0		5.99	
C177801			Unit 8 - Tarp	0 935.2	4	0		26.99	
C178353			Tool Box	0 402.2	4	0		34.57	
								Total for Check/Tran - 61765:	67.55
61766	3/26/21	CHK 740	IRBY CO.						39,765.90
S012176819.008			PO Material Received	0 154.0	0	0		1,600.70	

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Accounts Payable Check Register

03/01/2021 To 03/31/2021

Bank Account: 1 - ZIONS BANK GENERAL FUND

Check / Tran Date	Pmt Type	Vendor	Vendor Name	General Ledger			BU Project	Distr Amount	Amount
Invoice			GL Reference	Div Account	Dept	Actv			
S012244221.011			PO Material Received	0 154.0	0	0		3,201.48	
S012247659.002			PO Material Received	0 998.0	0	0		3,201.48	
S012274071.009			PO Material Received	0 154.0	0	0		14,302.22	
S012274139.003			PO Material Received	0 154.0	0	0		1,600.74	
S012282090.001			PO Material Received	0 591.0	2	0		3,009.40	
S012279237.007			PO Material Received	0 154.0	0	0		12,849.88	
Total for Check/Tran - 61766:								39,765.90	
61767 3/26/21	CHK	746	FUEL NETWORK						2,809.44
F2108E00734			February Fleet Fuel Usage	0 935.2	4	0		2,809.44	
61768 3/26/21	CHK	775	OLYMPUS INSURANCE AGENCY						1,663.00
15694			Pro-rated Generator coverage	0 401.0	1	0		1,663.00	
61769 3/26/21	CHK	844	PEHP GROUP INSURANCE						694.24
03/25/21 FLEX			Employee FSA Contribution	0 926.0	1	0		694.24	
61770 3/26/21	CHK	1044	UNUM LIFE INSURANCE COMPANY OF						173.55
0906877-001 MAR21			LTD Insurance Premium - April	0 926.0	1	0		173.55	
61771 3/26/21	CHK	1075	VERIZON WIRELESS						65.02
9875059402			March Back-UP Router	0 935.1	6	0		65.02	
61772 3/26/21	CHK	1131	WHEELER MACHINERY CO.						17.31
PS001109705			Unit 8 Water Heater Parts	0 107.0	0	0		17.31	
61773 3/26/21	CHK	1148	WCF INSURANCE						19,874.00
2021 PREM			2021 Workers Compensation Prem	0 165.0	0	0		19,874.00	
61774 3/26/21	CHK	1178	ZIPLOCAL						25.00
045656-MAR1521			Mar E-Directory Listing	0 935.1	6	0		25.00	
61775 3/26/21	CHK	1433	EXECUTECH						3,248.24
EXEC-93843			March 2021 Support	0 935.3	6	0		2,750.00	
156560			Acronis Storage - February	0 935.3	6	0		498.24	

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Accounts Payable Check Register

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03/01/2021 To 03/31/2021

Bank Account: 1 - ZIONS BANK GENERAL FUND

Check / Tran Date	Pmt Type	Vendor	Vendor Name	General Ledger			BU Project	Distr Amount	Amount	
Invoice		GL Reference		Div Account	Dept	Actv				
								Total for Check/Tran - 61775:	3,248.24	
								Total for Bank Account - 1 :	(133)	1,845,582.08
								Grand Total :	(133)	1,845,582.08

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Accounts Payable Check Register

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PARAMETERS ENTERED:

Check Date: 03/01/2021 To 03/31/2021
Bank: 1
Vendor: All
Check:
Journal: All
Format: GL Accounting Distribution
Extended Reference: No
Sort By: Check/Transaction
Voids: None
Payment Type: All
Group By Payment Type: No
Minimum Amount: 0.00
Authorization Listing: No
Credit Card Charges: No

General Ledger Financial And Operating Report Electric Distribution

BALANCE SHEET FOR MAR 2021

	Last Year	This Year	Variance
ASSETS AND OTHER DEBITS			
1. Total Utility Plant in Service	67,795,785.30	72,771,675.56	4,975,890.26
2. Construction Work in Progress	1,853,177.30	2,694,232.67	841,055.37
3. Total Utility Plant (1 + 2)	69,648,962.60	75,465,908.23	5,816,945.63
4. Accum. Provision for Depreciation and Amort.	31,557,692.44	33,969,499.37	2,411,806.93
5. Net Utility Plant (3 - 4)	38,091,270.16	41,496,408.86	3,405,138.70
6. Non-Utility Property (Net)	0.00	0.00	0.00
7. Invest. in Subsidiary Companies	0.00	0.00	0.00
8. Invest. in Assoc. Org. - Patronage Capital	0.00	0.00	0.00
9. Invest. in Assoc. Org. - Other - General Funds	0.00	0.00	0.00
10. Invest. in Assoc. Org. - Other - Nongeneral Funds	0.00	0.00	0.00
11. Invest. in Economic Development Projects	0.00	0.00	0.00
12. Other Investments	0.00	0.00	0.00
13. Special Funds	0.00	0.00	0.00
14. Total Other Property & Investments (6 thru 13)	0.00	0.00	0.00
15. Cash - General Funds	5,683,945.71	5,836,542.29	152,596.58
16. Cash - Construction Funds - Trustee	0.00	0.00	0.00
17. Special Deposits	5,099,785.84	5,642,528.69	542,742.85
18. Temporary Investments	15,621,388.15	15,688,017.60	66,629.45
19. Notes Receivable (Net)	0.00	0.00	0.00
20. Accounts Receivable - Sales of Energy (Net)	2,480,680.54	2,743,726.68	263,046.14
21. Accounts Receivable - Other (Net)	1,343,687.15	55,727.69	-1,287,959.46
22. Renewable Energy Credits	0.00	0.00	0.00
23. Material and Supplies - Electric & Other	1,565,215.01	2,442,873.61	877,658.60
24. Prepayments	475,420.55	534,145.27	58,724.72
25. Other Current and Accrued Assets	0.00	0.00	0.00
26. Total Current and Accrued Assets (15 thru 25)	32,270,122.95	32,943,561.83	673,438.88
27. Regulatory Assets	0.00	0.00	0.00
28. Other Deferred Debits	0.00	0.00	0.00
29. Total Assets and Other Debits (5 + 14 + 26 thru 28)	70,361,393.11	74,439,970.69	4,078,577.58

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General Ledger Financial And Operating Report Electric Distribution

BALANCE SHEET FOR MAR 2021

	Last Year	This Year	Variance
LIABILITIES AND OTHER CREDITS			
30. Memberships	0.00	0.00	0.00
31. Patronage Capital	0.00	0.00	0.00
32. Operating Margins - Prior Years	36,500,729.45	41,397,461.21	4,896,731.76
33. Operating Margins - Current Year	2,786,024.38	2,954,117.16	168,092.78
34. Non-Operating Margins	0.00	0.00	0.00
35. Other Margins and Equities	0.00	0.00	0.00
36. Total Margins & Equities (30 thru 35)	39,286,753.83	44,351,578.37	5,064,824.54
37. Long-Term Debt - RUS (Net)	22,692,649.45	20,954,652.85	-1,737,996.60
38. Long-Term Debt - FFB - RUS Guaranteed	0.00	0.00	0.00
39. Long-Term Debt - Other - RUS Guaranteed	0.00	0.00	0.00
40. Long-Term Debt - Other (Net)	1,219,886.00	1,232,818.00	12,932.00
41. Long-Term Debt - RUS Econ. Devel. (Net)	0.00	0.00	0.00
42. Payments - Unapplied	0.00	0.00	0.00
43. Total Long-Term Debt (37 thru 41 - 42)	23,912,535.45	22,187,470.85	-1,725,064.60
44. Obligations Under Capital Leases - Noncurrent	1,422,539.90	1,296,976.75	-125,563.15
45. Accumulated Operating Provisions	0.00	0.00	0.00
46. Total Other Noncurrent Liabilities (44 + 45)	1,422,539.90	1,296,976.75	-125,563.15
47. Notes Payable	0.00	0.00	0.00
48. Accounts Payable	964,933.56	2,318,853.55	1,353,919.99
49. Consumers Deposits	0.00	0.00	0.00
50. Current Maturities Long-Term Debt	0.00	0.00	0.00
51. Current Maturities Long-Term Debt - Econ. Devel.	0.00	0.00	0.00
52. Current Maturities Capital Leases	0.00	0.00	0.00
53. Other Current and Accrued Liabilities	2,276,025.89	2,367,696.28	91,670.39
54. Total Current & Accrued Liabilities (47 thru 53)	3,240,959.45	4,686,549.83	1,445,590.38
55. Regulatory Liabilities	2,498,604.48	1,917,394.89	-581,209.59
56. Other Deferred Credits	0.00	0.00	0.00
57. Total Liab. & Other Credits (36+43+46+54 thru 56)	70,361,393.11	74,439,970.69	4,078,577.58
Current Assets To Current Liabilities	9.96	7.03	to 1
Margins and Equities To Total Assets	55.84	59.58	%
Long-Term Debt To Total Utility Plant	34.33	29.40	%

General Ledger

Financial And Operating Report Electric Distribution

INCOME STATEMENT FOR MAR 2021

Item	-----Year - To - Date-----			-----Period - To - Date-----	
	Last Year	This Year	Budget	Current	Budget
1. Operating Revenue and Patronage Capital	4,949,409.84	5,303,082.94	5,213,468.02	1,578,633.23	1,583,121.34
2. Power Production Expense	181,865.78	198,821.80	249,270.40	39,929.78	83,759.15
3. Cost of Purchased Power	2,292,302.70	2,498,552.02	2,399,029.50	799,517.67	744,040.50
4. Transmission Expense	0.00	0.00	0.00	0.00	0.00
5. Regional Market Expense	0.00	0.00	0.00	0.00	0.00
6. Distribution Expense - Operation	83,735.69	118,924.68	107,926.55	41,018.56	36,303.85
7. Distribution Expense - Maintenance	399,091.24	358,069.01	561,678.75	172,436.01	187,226.25
8. Customer Accounts Expense	87,759.94	118,980.31	181,985.47	42,504.05	62,328.49
9. Customer Service and Informational Expense	4,255.04	4,081.38	6,049.99	104.95	683.33
10. Sales Expense	0.00	0.00	0.00	0.00	0.00
11. Administrative and General Expense	586,955.92	619,278.78	604,797.55	196,628.43	201,287.07
12. Total Operation & Maintenance Expense (2 thru 11)	3,635,966.31	3,916,707.98	4,110,738.21	1,292,139.45	1,315,628.64
13. Depreciation & Amortization Expense	602,378.66	646,995.28	656,250.00	217,742.08	218,750.00
14. Tax Expense - Property & Gross Receipts	0.00	0.00	0.00	0.00	0.00
15. Tax Expense - Other	0.00	0.00	0.00	0.00	0.00
16. Interest on Long-Term Debt	19,168.72	17,416.26	0.00	17,476.76	0.00
17. Interest Charged to Construction - Credit	0.00	0.00	0.00	0.00	0.00
18. Interest Expense - Other	0.00	0.00	0.00	0.00	0.00
19. Other Deductions	0.00	0.00	0.00	0.00	0.00
20. Total Cost of Electric Service (12 thru 19)	4,257,513.69	4,581,119.52	4,766,988.21	1,527,358.29	1,534,378.64
21. Patronage Capital & Operating Margins (1 minus 20)	691,896.15	721,963.42	446,479.81	51,274.94	48,742.70
22. Non Operating Margins - Interest	109,111.56	23,532.91	41,250.00	7,189.95	13,750.00
23. Allowance for Funds Used During Construction	0.00	0.00	0.00	0.00	0.00
24. Income (Loss) from Equity Investments	0.00	0.00	0.00	0.00	0.00
25. Non Operating Margins - Other	1,985,016.67	2,208,620.83	845,455.98	713,739.18	239,394.66
26. Generation and Transmission Capital Credits	0.00	0.00	0.00	0.00	0.00
27. Other Capital Credits and Patronage Dividends	0.00	0.00	0.00	0.00	0.00
28. Extraordinary Items	0.00	0.00	0.00	0.00	0.00
29. Patronage Capital or Margins (21 thru 28)	2,786,024.38	2,954,117.16	1,333,185.79	772,204.07	301,887.36
Operating - Margin	2,786,024.38	2,954,117.16	1,333,185.79	772,204.07	301,887.36
Non Operating - Margin	0.00	0.00	0.00	0.00	0.00
Times Interest Earned Ratio - Operating	37.10	42.45			
Times Interest Earned Ratio - Net	146.34	170.62			
Times Interest Earned Ratio - Modified	146.34	170.62			

General Ledger
Directors Report 2 - Detail

MAR 2021

Div	Account	Description	Budget YTD	Current YTD	Budget PTD	Current PTD
0	414.0	OTHER INCOME	3,750.00	3,921.68	1,250.00	-2,279.84
0	414.1	POLE ATTACHMENT FEE INCOME	0	0	0	0
0	414.2	CONNECTION FEE INCOME	8,749.98	7,000.00	2,916.66	1,960.00
0	414.3	PENALTY INCOME	9,999.99	10,822.03	3,333.33	3,756.38
0	418.0	NON-OPERATING RENTAL INCOME	4,500.00	4,500.00	1,500.00	1,500.00
0	440.0	ELECTRIC - RESIDENTIAL INCOME	3,114,979.01	3,344,923.63	907,372.61	954,919.15
0	440.99	UNBILLED REVENUE	0	0	0	0
0	442.0	ELECTRIC - GENERAL SERVICES INCOME	1,843,524.84	1,725,509.45	588,508.55	548,381.23
0	445.0	JORDANELLE POWER SALES	212,948.00	192,780.42	73,084.00	66,165.31
0	445.1	JORDANELLE O & M	14,766.21	13,265.73	5,072.86	4,111.00
0	451.0	WRITE OFFS COLLECTED	0	0	0	0
0	451.1	METER READING CHARGE	249.99	360.00	83.33	120.00
Line 1. Operating Revenue and Patronage Capital			5,213,468.02	5,303,082.94	1,583,121.34	1,578,633.23
0	542.0	HYDRO MAINTENANCE	38,922.99	19,378.24	12,974.33	7,134.24
0	547.0	GAS GENERATION - FUEL COSTS	126,476.32	99,276.33	42,827.79	10,181.32
0	548.0	GENERATION EXPENSE	83,871.09	80,167.23	27,957.03	22,614.22
Line 2. Power Production Expense			249,270.40	198,821.80	83,759.15	39,929.78
0	555.0	POWER PURCHASES	1,938,731.50	2,160,702.01	588,506.50	688,503.72
0	555.1	JORDANELLE PARTNER ENERGY	212,948.00	192,780.42	73,084.00	66,165.34
0	555.2	ENERGY REBATES	37,500.00	5,254.95	12,500.00	694.95
0	556.0	SYSTEM CONTROL AND LOAD DISPATCHI	209,850.00	139,814.64	69,950.00	44,153.66
Line 3. Cost of Purchased Power			2,399,029.50	2,498,552.02	744,040.50	799,517.67
Line 4. Transmission Expense			0	0	0	0
Line 5. Regional Market Expense			0	0	0	0
0	401.0	OPERATION EXPENSE	68,584.67	73,975.00	23,064.89	25,938.76
0	402.0	MATERIALS - OPERATIONS	187.50	20.13	187.50	0
0	402.1	SAFETY MATERIALS	19,729.50	30,648.83	6,576.50	10,289.30
0	402.2	MATERIALS - TOOL EXPENSE	6,249.90	2,312.22	2,083.30	801.00
0	586.0	METER EXPENSES	13,174.98	11,968.50	4,391.66	3,989.50
Line 6. Distribution Expense - Operation			107,926.55	118,924.68	36,303.85	41,018.56
0	591.0	MAINTENANCE OF STRUCTURES	457,425.00	272,207.47	152,475.00	142,010.60
0	592.0	MAINTENANCE OF STATION EQUIPMENT	104,253.75	85,861.54	34,751.25	30,425.41
Line 7. Distribution Expense - Maintenance			561,678.75	358,069.01	187,226.25	172,436.01

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General Ledger
Directors Report 2 - Detail

MAR 2021

Div	Account	Description	Budget YTD	Current YTD	Budget PTD	Current PTD
0	597.0	METERING MAINTENANCE	72,227.73	46,371.96	24,075.91	16,769.13
0	903.23	COLLECTION FEE/COMMISSIONS	600.00	466.65	200.00	98.17
0	904.0	BAD DEBTS	2,500.00	0	2,500.00	0
0	908.0	CUSTOMER ASSISTANCE EXPENSES	82,657.74	54,063.57	27,552.58	18,107.38
0	921.5	BILLING STATEMENT EXPENSES	24,000.00	18,078.13	8,000.00	7,529.37
Line 8. Customer Accounts Expense			181,985.47	118,980.31	62,328.49	42,504.05
0	426.4	COMMUNITY RELATIONS	5,500.00	4,081.38	500.00	104.95
0	910.0	MISC CUSTOMER SERVICE AND INFORMA	549.99	0	183.33	0
Line 9. Customer Service and Informational Expense			6,049.99	4,081.38	683.33	104.95
Line 10. Sales Expense			0	0	0	0
0	401.1	BUILDING EXPENSES	9,376.21	9,017.73	3,810.32	2,836.63
0	401.2	TRAINING & TRAVEL	51,215.10	49,634.56	18,324.67	17,384.48
0	920.0	SALARIES ADMINISTRATIVE	254,058.54	197,984.00	84,686.18	66,289.15
0	920.1	PAID ADMINISTRATIVE LEAVE	0	44,083.48	0	6,880.54
0	920.99	PAYROLL ALLOCATION (SICK, COMP, CAL	0	0	0	0
0	921.0	BUSINESS OFFICE SUPPLIES	3,150.00	754.23	1,050.00	313.48
0	921.1	OPERATIONS OFFICE SUPPLIES	0	0	0	0
0	921.2	LEGAL OFFICE SUPPLIES	0	0	0	0
0	921.3	POSTAGE/SHIPPING	2,137.53	4,187.90	712.51	116.29
0	921.4	BANK & CREDIT CARD FEES	23,599.98	26,398.27	7,866.66	10,925.84
0	923.0	OUTSIDE SERVICES	49,000.00	42,517.60	15,000.00	22,173.10
0	926.0	EMPLOYEE PENSION & BENEFITS	0	0	0	0
0	926.1	POST EMPLOYMENT BENEFITS	6,499.98	5,133.09	2,166.66	1,711.03
0	926.2	FICA - MEDICARE/SOC SECURITY	0	35,486.18	0	0
0	926.3	RETIREMENT	0	53.97	0	0
0	926.4	ACTUARIAL CALCULATED PENSION EXPE	0	0	0	0
0	930.2	MISCELLANEOUS	3,500.00	820.17	250.00	-252.71
0	935.0	MAINTENANCE OF GENERAL PLANT	7,500.00	3,091.40	2,500.00	1,578.98
0	935.1	COMMUNICATIONS	26,538.99	24,639.61	8,846.33	8,095.17
0	935.2	TRUCKS	98,911.23	105,819.86	32,970.41	32,351.87
0	935.3	IT MAINT/SUPPORT	69,309.99	69,656.73	23,103.33	26,224.58
0	935.4	GENERAL PLANT EXPENSE	0	0	0	0
Line 11. Administrative and General Expense			604,797.55	619,278.78	201,287.07	196,628.43

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General Ledger Directors Report 2 - Detail

MAR 2021

Div	Account	Description	Budget YTD	Current YTD	Budget PTD	Current PTD
Line 12.		Total Operation & Maintenance Expense (2 thru 11)	4,110,738.21	3,916,707.98	1,315,628.64	1,292,139.45
0	403.0	DEPRECIATION	656,250.00	646,995.28	218,750.00	217,742.08
Line 13.		Depreciation & Amortization Expense	656,250.00	646,995.28	218,750.00	217,742.08
Line 14.		Tax Expense - Property & Gross Receipts	0	0	0	0
Line 15.		Tax Expense - Other	0	0	0	0
0	427.0	INTEREST EXPENSE	0	17,416.26	0	17,476.76
Line 16.		Interest on Long-Term Debt	0	17,416.26	0	17,476.76
Line 17.		Interest Charged to Construction - Credit	0	0	0	0
Line 18.		Interest Expense - Other	0	0	0	0
Line 19.		Other Deductions	0	0	0	0
Line 20.		Total Cost of Electric Service (12 thru 19)	4,766,988.21	4,581,119.52	1,534,378.64	1,527,358.29
Line 21.		Patronage Capital & Operating Margins (1 minus 20)	446,479.81	721,963.42	48,742.70	51,274.94
0	419.0	INTEREST INCOME	41,250.00	23,532.91	13,750.00	7,189.95
Line 22.		Non Operating Margins - Interest	41,250.00	23,532.91	13,750.00	7,189.95
Line 23.		Allowance for Funds Used During Construction	0	0	0	0
Line 24.		Income (Loss) from Equity Investments	0	0	0	0
0	415.0	CONSTRUCTION INCOME	499,999.98	1,699,588.17	166,666.66	553,751.26
0	421.0	IMPACT FEE REVENUE	345,456.00	509,032.66	72,728.00	159,987.92
0	421.1	GAIN ON SALE OF ASSET	0	0	0	0
Line 25.		Non Operating Margins - Other	845,455.98	2,208,620.83	239,394.66	713,739.18
Line 26.		Generation and Transmission Capital Credits	0	0	0	0
Line 27.		Other Capital Credits and Patronage Dividends	0	0	0	0
Line 28.		Extraordinary Items	0	0	0	0
Line 29.		Patronage Capital or Margins (21 thru 28)	1,333,185.79	2,954,117.16	301,887.36	772,204.07
		Operating - Margin	1,333,185.79	2,954,117.16	301,887.36	772,204.07
		Non Operating - Margin	0	0	0	0
		Times Interest Earned Ratio - Operating		42.45		
		Times Interest Earned Ratio - Net		170.62		
		Times Interest Earned Ratio - Modified		170.62		

March - 2021 - HLP Investment/Banking Summary

Investment Statement

Holding	Purpose	02/28 Balance	Activity	Interest	03/31 Balance
2019 Bond	Project Fund	15,198,761	-	5,226	15,203,987
PTIF	Reserve Account	4,384,076	-	1,583	4,385,659
Zions - General	Main Operations	1,291,530	785,961	95	2,077,586
Zions - Impact Fee	Impact Capital Improvements	3,217,978	117,032	156	3,335,166
Grand Valley Bank	Equipment Reserve Account	401,933	10,000	38	411,971
		24,494,279	912,993	7,098	25,414,370

Summary of Activity

- Project account had standard monthly interest activity.
- PTIF account had standard monthly interest activity.
- General fund had positive cash flow.
- Impact fee March payments.
- Grand Valley Bank monthly fleet deposit.

Heber Light & Power - Five Year Forecast and Capital Improvement Plan

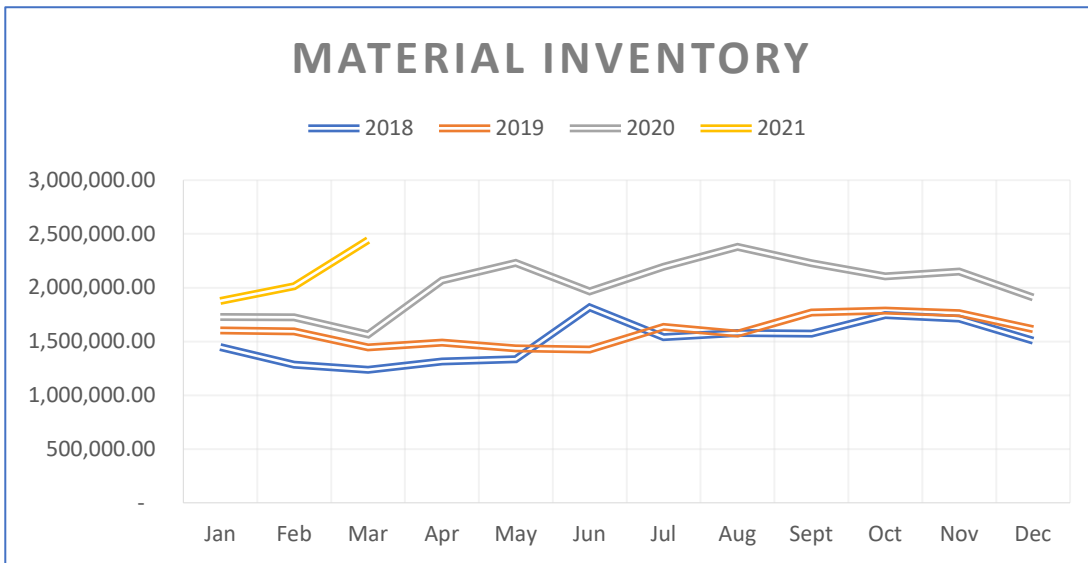
Upcoming Projects	Impact Fee Related %	Impact Fee	Prior Actuals	Estimated Projected Cost (\$1,000)					Total Project Estimates	Total Project Actuals	2021 Budget Total	2021 Actual Total	Est. Start	Est. Finish
				2021	2022	2023	2024	2025						
<i>Buildings</i>														
Generator Fire Suppression System (WO 10732)	0%	\$ -	330	291	498	684	666	-	2,515	627	291	297	11/1/2020	2023
New Office Building (WO 10677)	0%	\$ -	76	1,010	8,010	-	-	-	9,133	83	1,010	7	1/1/2020	2022
EV Charging Systems	0%	\$ -	-	130	-	-	-	-	130	-	130	-	3/15/2021	8/31/2021
Millflat Water Line Replacement	0%	\$ -	-	50	-	-	-	-	50	-	50	-	9/1/2021	10/31/2021
Plant 2 Switchgear Room AC Unit	0%	\$ -	-	18	-	-	-	-	18	-	18	-	Ordered	4/30/2021
Gas Plant Security Measures	0%	\$ -	-	55	-	-	-	-	55	-	55	-	6/1/2021	8/31/2021
Plant 1 Electrical Upgrades	0%	\$ -	-	-	-	-	50	-	50	-	-	-	2024	2024
Plant HVAC Upgrades (WO 10015)	0%	\$ -	-	199	74	84	84	-	441	76	199	76	2/15/2021	4/30/2021
		\$ -	406	1,753	8,582	768	800	-	12,392	786	1,753	380		
<i>Generation</i>														
Annual Generation Capital Improvements	0%	\$ -	-	50	50	50	200	-	350	-	50	-	As needed	--
Lower Snake Creek Plant Upgrade	0%	\$ -	-	15	5	5	5	5	35	-	15	-	As needed	--
Upper Snake Creek Capital Improvements	0%	\$ -	-	2	5	5	5	5	22	-	5	-	As needed	--
Lake Creek Capital Improvements	0%	\$ -	-	5	5	5	15	5	35	-	5	-	As needed	--
New Generation (Battery, Engine) (WO 10734, 10013)	0%	\$ -	70	1,200	1,315	1,215	-	-	3,730	71	-	1	2020	2023
Unit Overhauls	0%	\$ -	-	-	188	83	188	-	647	-	-	-	As needed	--
Gas Plant 1 XFMR Upgrade	200%	\$ 1,000	-	-	-	-	500	-	500	-	-	-	2024	2024
Gas Plant 3 Switchgear Upgrade	0%	\$ -	-	-	-	-	80	-	80	-	-	-	2024	2024
Lake Creek Bearing Replacement	0%	\$ -	-	-	-	-	-	10	10	-	-	-	2025	2025
Mobile Standby Generator	0%	\$ -	-	66	-	-	-	-	66	-	66	-	Jun-2021	Dec-2021
Lake Creek Breaker Replacement (WO 10016)	100%	\$ 75	-	75	-	-	-	-	75	-	-	-	2/10/2021	Jun-2021
		\$ 1,075	70	1,413	1,568	1,363	993	25	5,550	71	141	1		
<i>Lines</i>														
Cross-Valley Transmission Line(POI) (WO 10312, 557, 597, 598, 812)	100%	\$ 6,164	3,082	3,300	-	-	-	-	6,164	3,234	3,300	152	Started	2/21/2022
Underground System Improvements (WO 5221)	0%	\$ -	-	150	75	75	75	75	456	8	150	8	On-going	--
Aged & Environmental Distribution Replacement/Upgrade (WO 5121)	0%	\$ -	-	150	150	150	150	150	900	41	150	41	On-going	--
Fault Indicator - Underground System	0%	\$ -	-	10	10	10	10	10	50	-	10	-	2021	2022
Rebuild PR201_Main Street to Burgi Lane	100%	\$ 400	-	200	200	-	-	-	400	-	200	-	Oct-21	2022
Additional Circuits out of Jailhouse to the East (WO 10320)	100%	\$ 560	340	-	140	140	-	-	560	340	-	-	2022	2023
Additional Circuits out of College to South and East (WO 10565)	100%	\$ 280	85	-	140	140	-	-	280	85	-	-	2022	2023
Install Voltage Regulators at Timber Lakes Gate	100%	\$ 100	-	-	100	-	-	-	100	-	-	-	2022	2022
Heber Substation Additional Circuits (South & West)	100%	\$ 280	-	-	280	-	-	-	280	-	-	-	2022	2022
Reconductor HB305_600 West - Substation to 300 South	100%	\$ 50	-	-	-	25	25	-	50	-	-	-	2021	2024
Midway Substation - Get Aways	50%	\$ 80	-	-	-	160	-	-	160	-	-	-	2023	2023
Load to Parsons (Reconductor)	0%	\$ -	-	-	-	100	-	-	100	-	-	-	2023	2023
Reconductor Heber City Main 600 S to 1000 S	100%	\$ 100	-	-	-	100	-	-	100	-	-	-	2023	2023
1200 S Transmission Line	100%	\$ 3,900	-	-	-	3,900	-	-	3,900	-	-	-	2023	2023
Reconductor Pine Canyon Road - Midway	60%	\$ 108	-	-	-	-	180	-	180	-	-	-	2024	2024
Reconductor JH502/503_Old Mill Drive - 800 South to 1200 South	100%	\$ 300	-	-	-	-	300	-	300	-	-	-	2024	2024
Reconductor MW101/102 from 4/0 to 477	100%	\$ 350	-	-	-	-	350	-	350	-	-	-	2024	2024

Heber Light & Power - Five Year Forecast and Capital Improvement Plan

Upcoming Projects	Impact Fee Related %	Impact Fee	Prior Actuals	Estimated Projected Cost (\$1,000)					Total Project Estimates	Total Project Actuals	2021 Budget Total	2021 Actual Total	Est. Start	Est. Finish
				2021	2022	2023	2024	2025						
Rebuild CL402_600 West to Tate Lane	100%	\$ 550	-	-	-	-	550	-	550	-	-	-	2024	2024
Tie line from 305 to 402 to 303	100%	\$ -	-	-	-	-	-	-	-	-	-	--	--	
Tie from 702 up to 500 East in Heber (HB304)	100%	\$ -	-	-	-	-	-	-	-	-	-	--	--	
2021 Customer Driven (CIAC)	0%	\$ -	-	-	-	-	-	-	2,000	500	2,000	500	On-going	12/31/2021
		\$ 13,222	3,507	3,810	1,095	4,800	1,640	235	16,880	4,208	5,810	701		
<i>Substation</i>														
2nd Point of Interconnect Substation (WO 10177)	70%	\$ 7,490	2,384	10,400	300	-	-	-	10,700	2,391	10,400	7	Started	9/30/2022
Replacement Recloser for Joslyn Reclosers	0%	\$ -	-	25	-	-	-	-	100	-	25	-	10/1/2021	10/31/2021
Substation Bird Guard	0%	\$ -	-	6	3	-	-	-	9	-	6	-	6/1/2021	12/31/2021
East Substation	100%	\$ 4,750	-	750	-	4,000	-	-	4,750	-	750	-	1/1/2021	12/31/2023
Cloyes LTC Rebuild	0%	\$ -	-	-	40	-	-	-	40	-	-	-	2022	2022
Provo River Substation Rebuild	100%	\$ 5,000	-	-	1,000	4,000	-	-	5,000	-	-	-	2022	2023
Battery Replacement Program	0%	\$ -	-	-	10	-	19	8	37	-	-	-	2022	2025
Midway Substation - High Side Rebuild	90%	\$ 450	-	-	-	-	500	-	500	-	-	-	2024	2024
Heber Relay Upgrade	0%	\$ -	-	-	-	-	25	-	25	-	-	-	2024	2024
Jailhouse Fence Replacement	0%	\$ -	-	-	-	-	-	129	129	-	-	-	2025	2025
		\$ 17,690	2,384	11,181	1,353	8,000	544	137	21,290	2,391	11,181	7		
<i>Systems & Technology</i>														
Annual IT Upgrades (WO 10011)	0%	\$ -	-	124	22	85	22	44	297	1	124	1	1/1/2021	12/31/2021
Annual OT Upgrades (WO 10012)	0%	\$ -	3	318	68	30	30	30	476	7	318	4	1/1/2021	12/31/2021
Smart Grid Investment	0%	\$ -	-	10	10	10	10	10	50	-	10	-	1/1/2021	12/31/2021
Meter Deployment	0%	\$ -	-	70	-	-	-	-	70	-	70	-	1/1/2021	12/31/2021
			3	522	100	125	62	84	893	8	522	5		
<i>Tools & Equipment</i>														
Annual Tool & Equipment Purchases	0%	\$ -	-	55	45	45	45	45	235	30	55	30	1/1/2021	12/31/2021
<i>Vehicle</i>														
Line/Bucket Truck			-	300	300	-	600	750	1,950	-	300	-	3/1/2021	12/31/2021
Service Truck			-	85	-	-	-	-	85	-	85	-	3/1/2021	12/31/2021
Fleet Vehicle			-	50	-	170	35	70	325	-	50	-	3/1/2021	12/31/2021
			-	435	300	170	635	820	2,360	-	435	-		
2021-2025 Capital Plan Totals:			6,370	19,169	13,043	15,271	4,719	1,346	59,600	7,494	19,897	1,124		

**Material Inventory Balances
as of 03/31/2021**

	2018	2019	2020	2021
Jan	1,448,304.85	1,601,740.98	1,728,766.37	1,876,937.53
Feb	1,283,948.23	1,592,627.56	1,724,716.01	2,012,415.24
Mar	1,236,811.52	1,444,949.84	1,565,215.01	2,442,873.61
Apr	1,314,153.27	1,488,644.72	2,066,865.53	
May	1,333,960.80	1,437,242.68	2,229,751.79	
Jun	1,817,227.58	1,425,132.71	1,965,712.29	
Jul	1,540,591.16	1,635,905.94	2,195,774.62	
Aug	1,580,343.98	1,572,530.18	2,379,717.31	
Sept	1,573,070.68	1,769,879.46	2,226,443.13	
Oct	1,745,477.35	1,787,293.48	2,106,447.02	
Nov	1,713,125.85	1,762,336.64	2,151,167.13	
Dec	1,507,984.47	1,615,660.43	1,908,637.41	



Prepaid Expenses Activity
as of 03/31/2021

Account Activity

<i>Beginning Balance:</i>		<i>361,303.96</i>
New Prepaid Amounts	260,359.42	
Prepaid Xfers Out (Jan-Mar)	(87,518.11)	
Change in Balance:	172,841.31	
<i>Ending Balance:</i>		<u><u>534,145.27</u></u>

New Prepaids

January

ESRI - Mapping Solutions	11,500.00
Drone2Map ArcGIS License	1,503.00

February

Cisco Meraki - 3 Year Service License	7,194.73
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January

Cisco Meraki - 3 Year Service License	2,306.50
Cisco Meraki Cloud	5,855.19
2021 WCF Premium	19,874.00
05/21 - 04/22 Liability Insurance Premium	212,126.00

Open Miscellaneous Receivable Invoices
as of 03/31/2021

Customer	Purpose	Period	Amount
The Crossing 78B, LLC	Development	Dec-20	19,130.20
The Crossings at Lake	Development	Feb-21	30,515.40
The Crossing 2B, LLC	Development	Feb-21	6,082.09
			<hr/>
			55,727.69

**Open Projects and Balances
as of 03/31/2021**

Work Order	Open Date	Cost-To-Date
10011 - Mapwise Implementation	10/1/2020	865.86
10012 - NEW SCADA System	10/1/2020	4,193.37
10013 - Lake Creek Battery Bank	10/7/2020	37,714.47
10015 - Plant 3 Cooling System	1/1/2021	76,442.75
10016 - Lake Creek Breaker Replacement	1/1/2021	-
10017 - Unit 8 Jacket Water Heater	2/24/2021	4,545.28
10018 - Plant Security Upgrades	2/25/2021	1,821.68
10177 - 2nd POI Substation	12/1/2015	304,908.78
10312 - Midway CUP Permitting Process	12/1/2019	45,163.84
10320 - Jailhouse Additional Circuits East	1/30/2017	40,139.44
10434 - New Circuit	12/7/2017	314,824.01
10438 - Underground repair on college access roa	6/1/2018	861.63
10525 - HWY 113 and Tate Lane - UDOT Project	8/1/2018	294,691.73
10552 - Greenwood Farms	10/26/2018	-
10557 - Cross-Valley Transmission Line	11/1/2018	169,643.80
10562 - SAWMILL PHASE 1A	12/6/2018	31,572.08
10565 - College Sub get aways	12/28/2018	81,062.84
10576 - SAWMILL PH 1B	1/22/2019	139,196.32
10594 - RED LEDGES XR-3B MOUNTAINSIDE	12/3/2020	3,427.64
10597 - Transmission Underbuild Bury Midway	3/25/2019	5,119.09
10598 - Transmission Underbuild Bury Heber	3/25/2019	471,762.51
10609 - Jailhouse 506 Circuit	4/22/2019	44,796.08
10614 - Timberlakes LT 864	5/2/2019	-
10639 - Center Creek Recloser Replacement	7/1/2019	47,972.53
10642 - Mill Road Apartments	7/23/2019	216.81
10656 - 10694 Cottonwood Lane Timberlakes	9/3/2019	-
10664 - Grant Strong Transformer Addition	10/3/2019	639.80
10666 - Stephen Miller Transformer Upgrade	10/4/2019	152.42
10677 - New Office Building	10/30/2019	82,897.59
10689 - Heber City Mixed Use	12/31/2019	-
10698 - Sawmill 1B Offsite	2/25/2020	112,077.06
10701 - Mountain Valley RV - Ph 3	3/2/2020	964.55
10704 - Center Creek Meadows Ph 1	3/13/2020	1,544.60
10706 - Scotch Fields Ph 3A	3/2/2020	20,391.71
10712 - 500 North Main Street light Hit	4/26/2020	628.96
10714 - Heber Meadows North	5/7/2020	2,179.94
10718 - John Crook Line Extension	5/19/2020	-
10719 - Car Hit Pole 600 West 100 North	6/1/2020	153.93
10722 - Heber City 600 South Roundabout	6/4/2020	133,110.39
10725 - Tim Jones Secondary Box Addition	6/11/2020	163.73
10728 - 2362 East Red Knob Way Transformer Move	6/24/2020	467.23
10729 - Hit Secondary Box Red Ledges Lot 330	6/24/2020	-
10731 - Lake Creek Crossings Backbone - 2A	6/22/2020	1,608.35
10734 - Caterpillar G3520 Install (unit 13)	7/1/2020	32,634.07

**Open Projects and Balances
as of 03/31/2021**

Work Order	Open Date	Cost-To-Date
10738 - Wayne Foy Power North Fields	7/21/2020	305.07
10741 - Lake Creek Farms Line Relocate	7/29/2020	6,734.36
10743 - Probst Farms Service Upgrade	8/10/2020	1,930.04
10746 - 402/403 Neutral Overcurrent Problem	7/1/2020	2,059.70
10749 - Kyle Widdison 10611 Spring Creek TL	8/20/2020	-
10757 - Karl Malone Polaris	9/14/2020	2,501.85
10760 - Ernie Giles Line Extension	9/16/2020	-
10764 - Valley Hills Drive URD Replacement	9/1/2020	19,757.72
10765 - Timberlakes Lot 303 Transformer	9/24/2020	477.01
10767 - America First Credit Union Heber Branch	9/28/2020	617.73
10771 - Remund Farms Phase 2 B	10/9/2020	5,153.43
10772 - Highlands at Soldier Hollow Subdivision	10/13/2020	-
10773 - Heber Junction	10/13/2020	515.33
10775 - Olde Town Square	10/14/2020	821.73
10777 - BESS Field Follow Project	10/16/2020	1,170.72
10780 - Scotch Fields Ph 3B	10/26/2020	52,800.58
10781 - RMP State Park	10/28/2020	1,764.88
10783 - Wasatch Business Park Ph 1	11/9/2020	742.61
10785 - Brown Property (Midway Lane)	11/12/2020	7,309.30
10786 - Car hit Transformer 1200 S 500 E	11/11/2020	2,103.18
10790 - Switzer Dr OH to UG - Section #1	11/18/2020	261.19
10791 - Switzer Dr OH to UG - Section #2	11/18/2020	247.04
10792 - Switzer Dr OH to UG - Section #3	11/18/2020	204.50
10793 - Crossings at Lake Creek 7B/8B	12/3/2020	296.09
10794 - Center Creek Meadows Ph 2	12/2/2020	281.87
10795 - Chris Gay JBS Ranch, LLC - Barn	12/9/2020	428.87
10796 - Switzer Dr OH to UG - Swiss Mountain Est	12/9/2020	-
10797 - Daniels Rd/US 40 Collector Road	12/9/2020	601.16
10798 - Midway City River Rd Improvements	12/7/2020	237.07
10799 - The Reserve at Midway	12/17/2020	352.76
10802 - Center Creek Line Extension	1/8/2021	-
10803 - 35 Burgi Lane Line Extension	1/11/2021	156.62
10804 - Sequoia at Turner Mill, Heber City	1/14/2021	544.97
10805 - Brookside Phase 3 - Millhaven Dev.	1/14/2021	1,446.44
10807 - Wasatch Business Park Ph 2	1/19/2021	-
10808 - The UPS Store	1/19/2021	14,909.32
10809 - Red Ledges Public Park	1/25/2021	-
10810 - Swiss Alpine Water Co Water System	1/25/2021	160.19
10811 - Webb Property/Sunset Ridge Development	1/25/2021	96.20
10812 - Midway 138kV Line Project	1/1/2021	16,966.33
10813 - Plant Exhaust Stack DAQ Compliance	1/1/2021	97.94
10814 - Alan Anderson Commercial Building	1/27/2021	3,681.89
10815 - Kennedy Residence XFMR - Charleston	1/27/2021	128.14
10816 - Brookside Ph 4B - Lots 73-92	1/28/2021	17,066.98

**Open Projects and Balances
as of 03/31/2021**

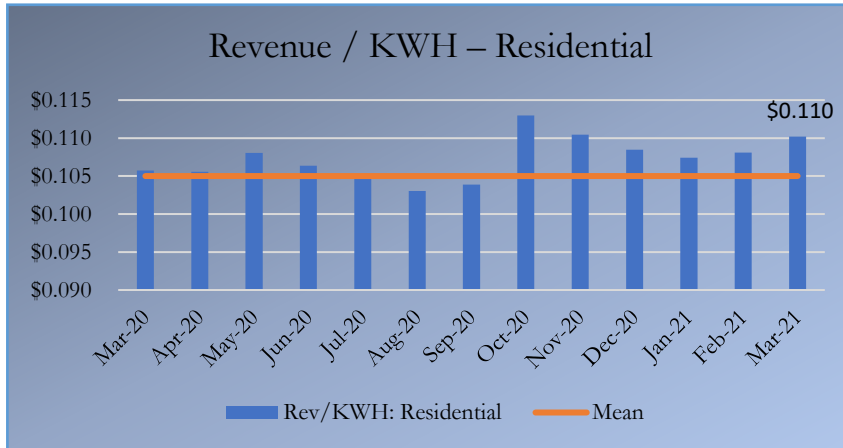
Work Order	Open Date	Cost-To-Date
10817 - Red Ledges A1 Peak Hit XFMR Replacement	2/1/2021	2,575.18
10818 - Coyote Ridge Phase 1 - Offsite	2/3/2021	625.55
10819 - Lake Creek Crossings Ph 2B	2/3/2021	128.21
10820 - Car Hit Transformer 9200 E. Lake Pines	44223	1,511.32
10821 - Car Hit Transformer. 882 Schneitter Circ	44223	2,380.36
10822 - Car Hit Secondary Box Windflower	44223	171.59
10823 - Kam Kohler Barn	44244	-
10824 - Center Creek Water	44244	22,100.38
10825 - The Orchard Subdivision	44250	192.25
10826 - Self Help Homes Wasatch Vista Plat C	44250	-
10827 - William Farrel Property	44256	-
10828 - Edelweiss Meadows Subdivision	44264	192.29
10829 - Klein Huis @ Turner Mill	44270	64.07
10830 - Turner Mill Commercial Property	44256	160.17
10831 - Highlander Ski Lift Services	44279	-
10832 - Jordanelle Ridge V2 Pods 20/21 Backbone	44279	-
10833 - Heber Retail Pad B	44279	-
10834 - 12th South Road Widening	44286	3,171.16
10835 - Giles Acres Subdivision	44291	-
10836 - Saddle Creek Ph1 - 9 Lot Subdivision	44292	-
10837 - Taylor Buisness Park	44292	-
10838 - Giles Acres Subdivision	44292	-
10839 - Heber Valley Station	44292	-
10840 - Titensor Family Home	44292	-
10841 - Homestead Resort Remodel	44292	-
10842 - Cottages at Old Farm	44294	-
10843 - Unit 8 New Generator	44294	-
10844 - 2021 F-550 Substation Truck	44294	49,600.00
10845 - Electric Vehicle Charging Stations	44294	-
5021 - Avian Protection 2021	44197	-
5121 - Pole Replacement 2021	44195	38,731.81
5221 - Underground Replacement 2021	44197	5,681.15
5321 - Outages 2021	44195	2,091.10
5421 - Service Work 2021	44195	22,006.56
5521 - Blue Stakes 2021	44195	-
5621 - Wire Pull 2021	44197	-
6021 - Mapping/System Improvement 2021	44197	3,295.24
6121 - Mapping/Labeling Streetlights 2021	44197	-
6221 - Customer Consultation - 2021	44195	15,942.06

March 2021 - Capitalized Projects Actual versus Estimate

Work Order	Project Description	Open Date	Closed Date	Actual Costs	Estimate	CIAC
10570 - Brookside Phase 2	Phase 2 of the Brookside Subdivision - 25 Lots	1/22/2019	3/5/2021	78,217.30	104,736.23	104,736.23
10581 - Parkview Place Subdivision	Parkview Place Subdivision - 49 Lots	1/21/2019	3/10/2021	112,532.96	115,542.63	122,194.28
10748 - Sawmill Subdivision Phase 5	Phase 5 of the Sawmill Subdivision - 65 Lots	7/31/2020	3/31/2021	70,135.00	137,143.08	137,143.08
10750 - Coppertop Transformer Relocation	Move a XFMR in the Weathervane subdivision	8/17/2020	3/31/2021	2,709.51	2,547.96	2,547.96
10756 - Heber Gateway Plaza # 2	Commercial building next to state liquor store in Heber	9/14/2020	3/5/2021	18,921.32	27,326.92	23,288.43
10769 - Cozens Plat Amendmnet 3 Lot Subdivision	Line extension to 2 lots along Stringtown Road	10/2/2020	3/31/2021	12,643.14	7,820.66	7,820.66
				295,159.23	395,117.48	397,730.64



Heber Light & Power - Select Operating and Financial Ratios

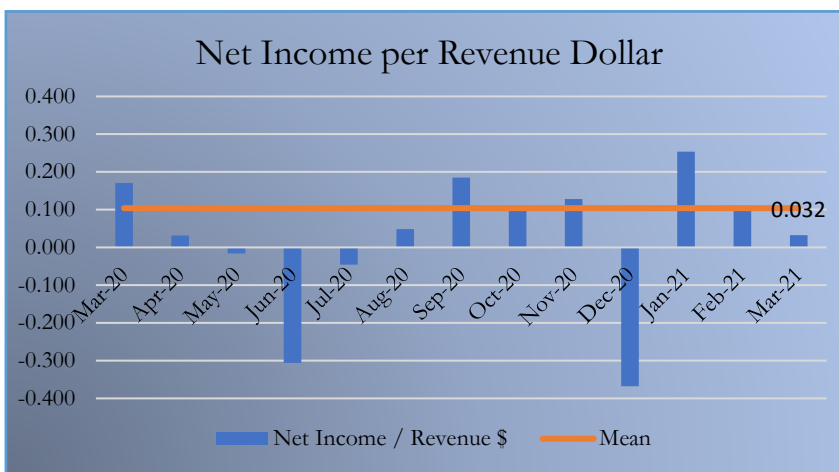
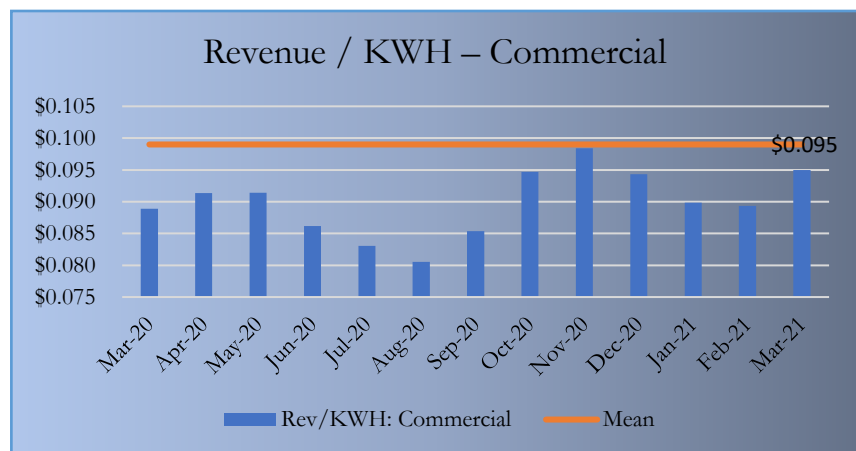


The Residential average Revenue per Kilowatt hour for utilities that service 10,000 – 20,000 customers is 10.5 cents.

Heber Light & Power’s average for the trailing 13 months is at 10.7 cents.

The Commercial average Revenue per Kilowatt hour for utilities that service 10,000 – 20,000 customers is 9.9 cents.

Heber Light & Power’s revenue per kilowatt hour average for the trailing 13 months is 8.9 cents.

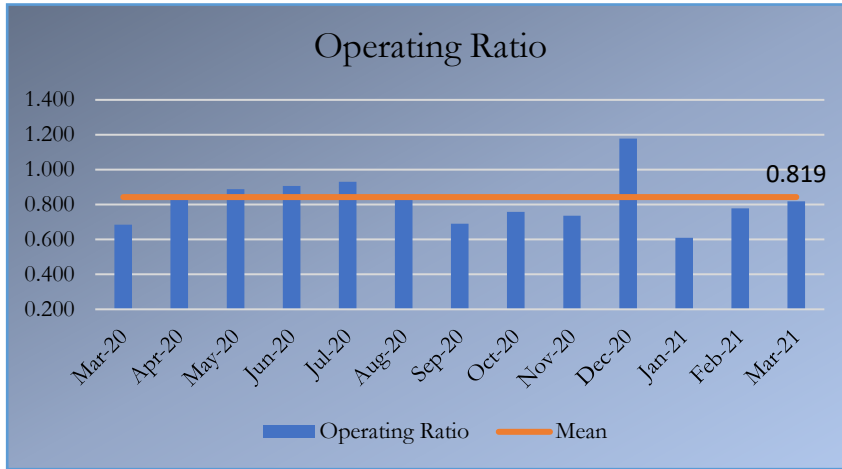


Heber Light & Power has an average of 3.1 cents Net Income per Revenue Dollar in the last 13 months.

The industry average for utilities in comparable size is 10.4 cents.



Heber Light & Power - Select Operating and Financial Ratios



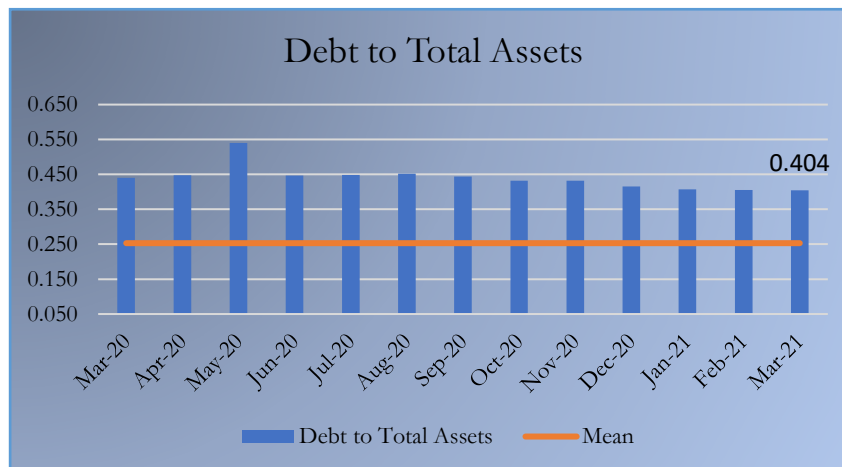
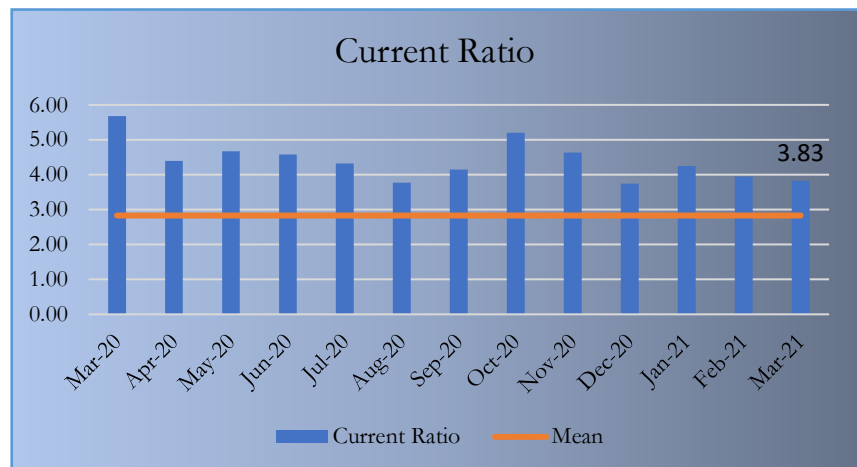
The ratio of total operation and maintenance to total operating revenues.

HLP has an average ratio of .816 in the past 13 months.

The industry average operating ratio for our size of utility is .843

The ratio of total current assets to total current liabilities.

The current ratio industry average is 2.83 and HLP has an average of 4.39 over the past 13 months.

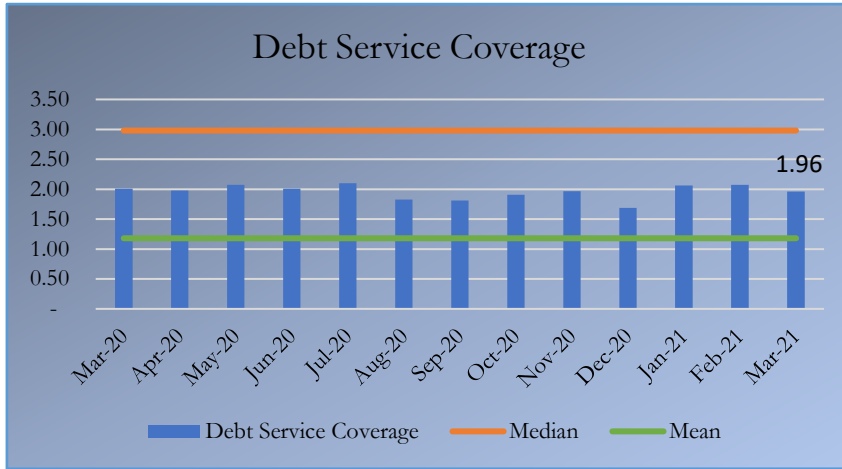


The debt to total assets for utilities of similar size is .225.

HLP has a debt to total assets average of .443



Heber Light & Power - Select Operating and Financial Ratios



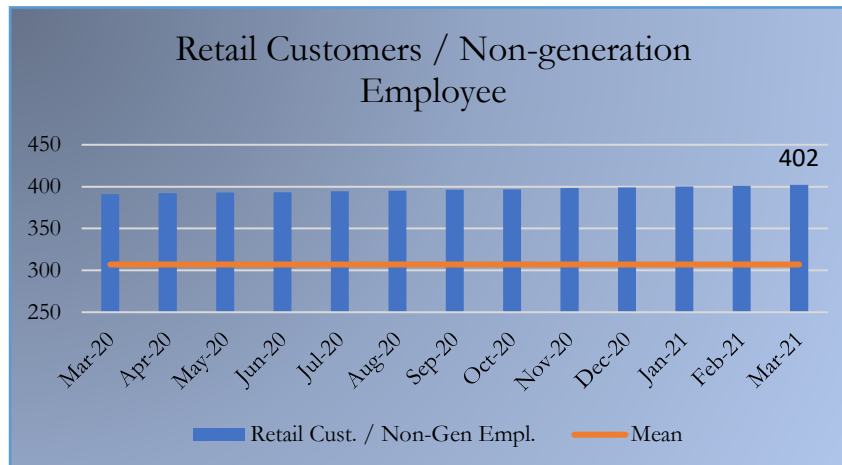
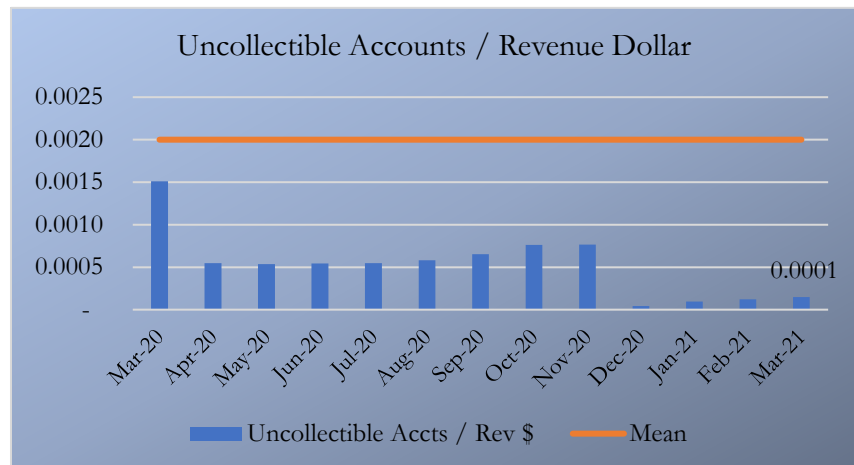
The average debt service coverage minimum Indenture Security is 1.18

The industry median debt service coverage is 2.98

HLP's average is 1.94 for the trailing 13 months

The industry average for Uncollectible Accounts to every Revenue Dollar is .0020.

HLP's average in this category over 13 months is .0014.

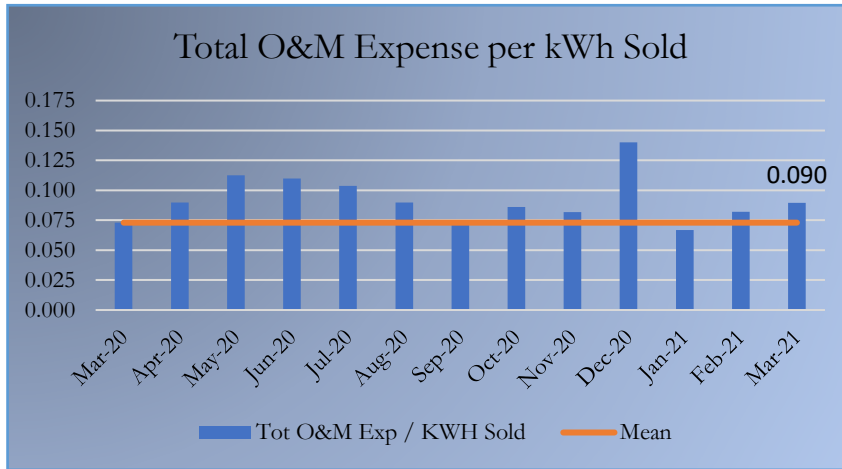


Heber Light & Power has had a gradual increase to 401 in the ratio of retail customer to non-generation employees.

For utilities of similar size there is an average of 307 retail customers to every non-generation employee.



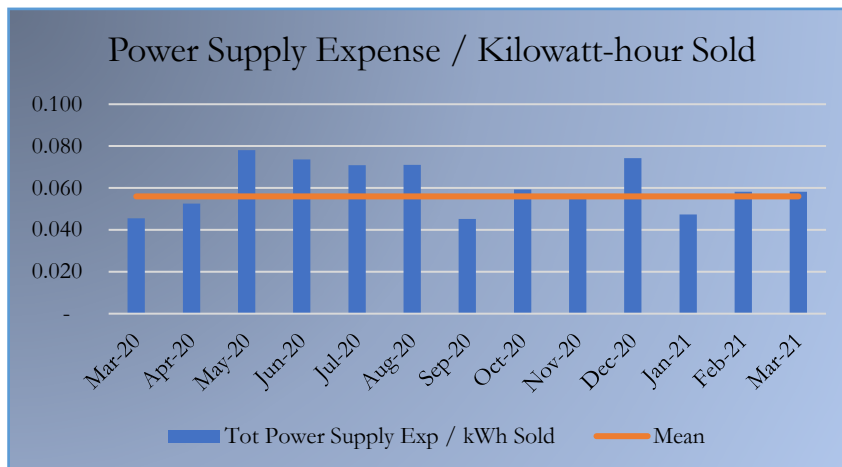
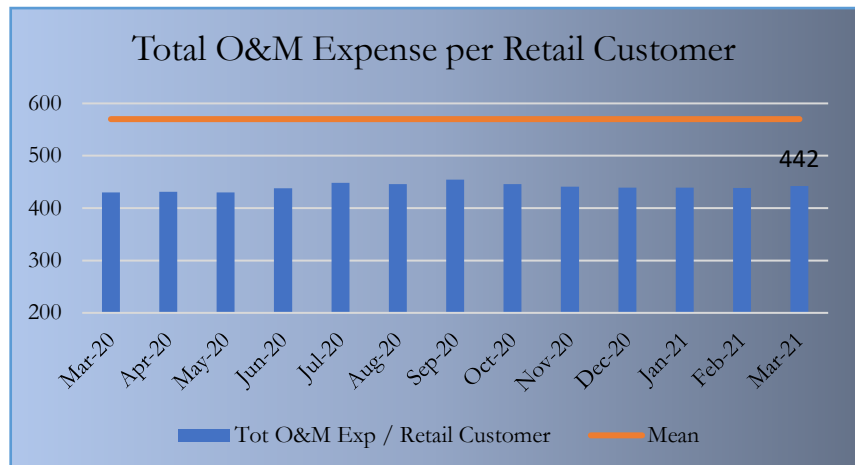
Heber Light & Power - Select Operating and Financial Ratios



HLP's average Operation and Maintenance per kilowatt sold for the last 13 months is .091

.073 is the average for utilities of similar size.

HLP's average Operation and Maintenance expense per retail customer of 437 is consistently below the industry average of 570.

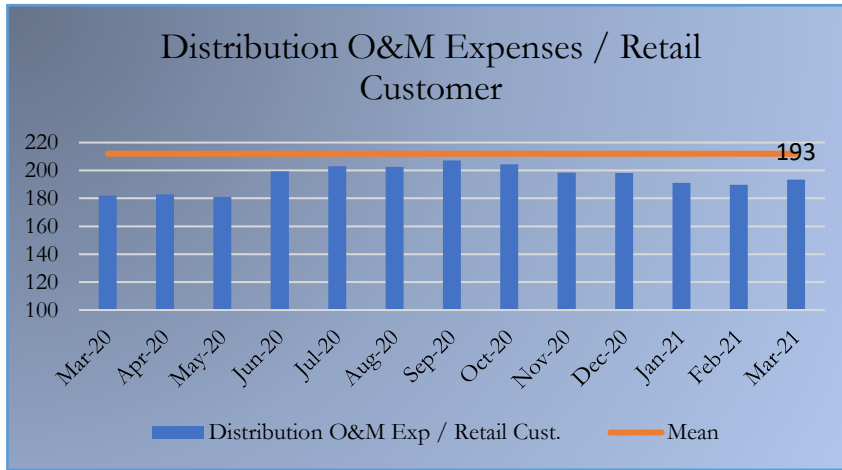


The average power supply expense to kilowatt-hour sold for the industry is .056.

HLP also has an average of .060 over the last 13 months.



Heber Light & Power - Select Operating and Financial Ratios

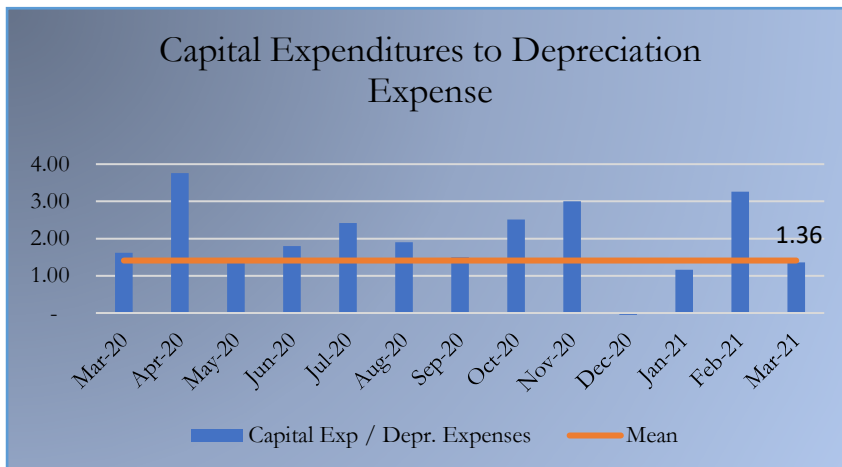
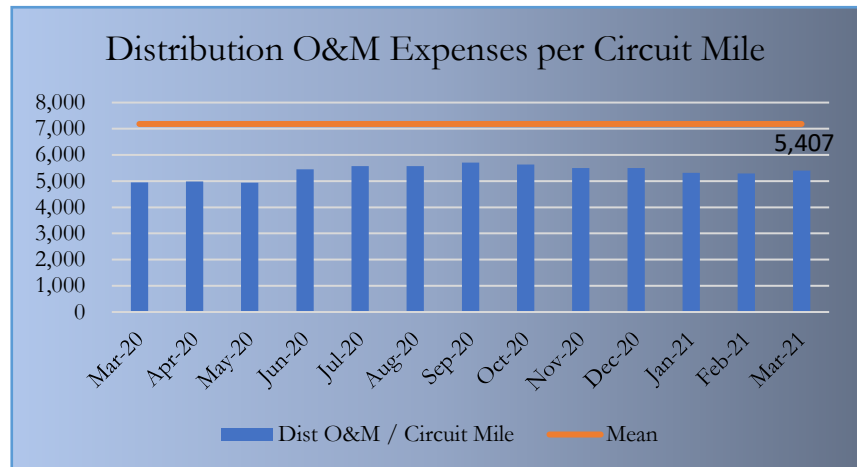


HLP averages \$193 in operation and maintenance expenses to every retail Customer.

Compared to the industry average of \$212 per retail customer.

HLP averages \$5,310 in operation and maintenance expenses for every circuit mile.

Utilities that compare in size average \$7,183 for every circuit mile.



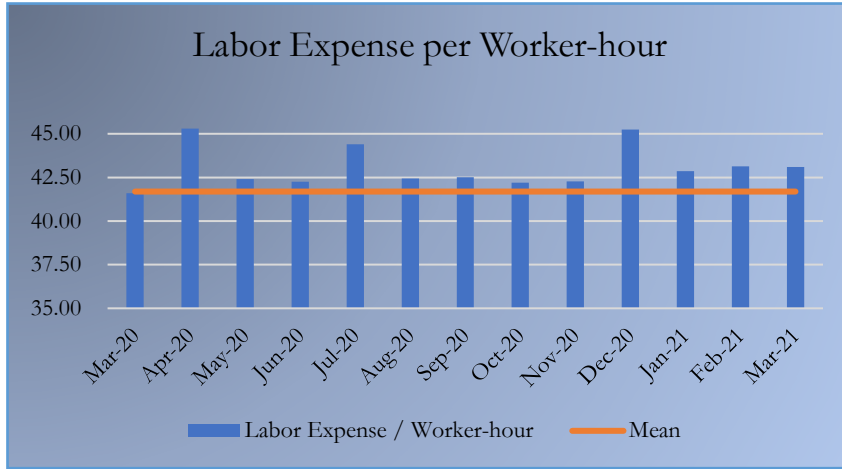
The industry average of capital expenditures to depreciation expense is 1.41

Heber Light & Power has an average of 1.08 over the past 13 months

December had negative depreciation due to retiring assets



Heber Light & Power - Select Operating and Financial Ratios

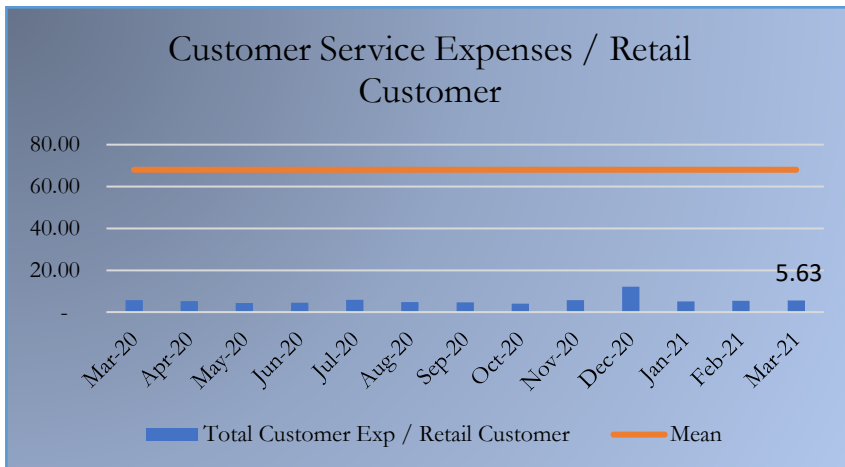
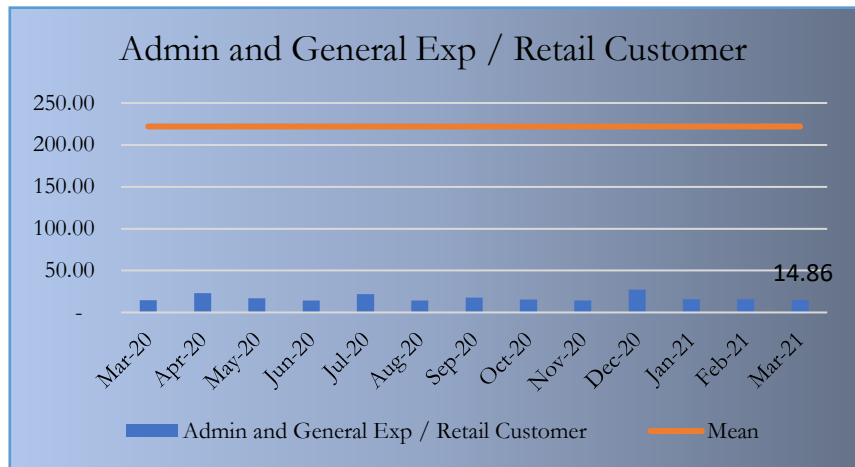


HLP average labor expense is \$42.91 per worker-hour.

The industry average labor expense is \$41.69 per worker-hour.

The industry average administration and general expense is \$222 to every retail customer.

HLP has an average admin and general expense of \$17.36 to every retail customer.



HLP has an average customer service cost of \$5.56 for each retail customer.

The average cost for the industry is \$68.

HEBER LIGHT & POWER COMPANY

FINANCIAL STATEMENTS AND
COMPLIANCE REPORTS

Years Ended December 31, 2020 and 2019

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Heber Light & Power Company

Report on the Financial Statements

We have audited the accompanying financial statements of Heber Light & Power Company (the Company), as of and for the years ended December 31, 2020 and 2019, and the related notes to the financial statements, which collectively comprise the Company's financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audit contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Heber Light & Power Company as of December 31, 2020 and 2019 and the respective changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis, the schedules of the Company's proportionate share of the net pension liability (asset) – Utah Retirement Systems, and the schedules of Company's contributions – Utah Retirement Systems, as listed in the table of contents as required supplementary information, be presented to supplement the financial statements. Such information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the required supplementary information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 23, 2021, on our consideration of the Company's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Company's internal control over financial reporting and compliance.

Squire & Company, PC

Orem, Utah
March 23, 2021

HEBER LIGHT & POWER COMPANY

Management's Discussion and Analysis

As management of Heber Light & Power Company (the Company), we offer readers of the Company's financial statements this narrative overview and analysis of the financial activities of the Company for the fiscal years ended December 31, 2020 and 2019. We encourage readers to consider the information presented here in conjunction with the financial statements and notes.

Financial Highlights

The assets and deferred outflows of resources of the Company exceeded its liabilities and deferred inflows of resources at December 31, 2020 by \$41,472,457 (net position). Of this amount \$6,627,941 (unrestricted net position) may be used to meet the Company's ongoing obligations to customers, employees, and creditors.

During 2020, the Company's total net position increased by \$4,896,727. In 2020, the Company's operating expenses increased \$1,241,219 primarily attributable to an increase in power purchases of \$1,268,657.

The assets and deferred outflows of resources of the Company exceeded its liabilities and deferred inflows of resources at December 31, 2019 by \$36,575,730 (net position). Of this amount \$7,812,395 (unrestricted net position) may be used to meet the Company's ongoing obligations to customers, employees, and creditors.

During 2019, the Company's total net position increased by \$3,566,599. During 2019, the Company issued electric revenue and refunding bonds totaling \$18,160,000. The Company incurred bond issuance costs totaling \$218,734 in connection with the issuance of these bonds.

Overview of the Financial Statements

The financial statements consist of three separate statements, which are similar to a private-sector business. The Statements of Net Position present information on all of the Company's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the Company is improving or deteriorating.

The Statements of Revenues, Expenses, and Changes in Net Position present information showing how the Company's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected fees charged, and earned but unused vacation leave).

The Statements of Cash Flows present the activities of the Company on a cash-received and cash-paid basis. These statements show the sources and uses of cash for the fiscal year and reconciles the change in the cash accounts for the Company for that year.

HEBER LIGHT & POWER COMPANY

Management's Discussion and Analysis

Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of the Company's financial position. Assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$41,472,457 at the close of the most recent fiscal year.

A portion of the Company's net position, \$31,946,656 (77.0 percent), reflects its net investment in capital assets (e.g., power and generation plants, distribution and metering systems, and machinery, equipment and tools). The Company uses these capital assets to provide services to participating cities and customers; consequently, these assets are not available for future spending. Net position of \$2,897,860 (7.0 percent) is restricted for capital projects. The remaining balance of unrestricted net position of \$6,627,941 (16.0 percent) may be used to meet the Company's ongoing obligations.

The following tables summarize information presented in the financial statements:

Heber Light & Power Company **NET POSITION** December 31, 2020, 2019, and 2018

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Current assets	\$ 10,587,076	\$ 12,177,025	\$ 8,333,471
Restricted current assets	18,175,626	17,022,006	3,178,234
Capital assets	<u>40,826,526</u>	<u>37,744,375</u>	<u>35,281,798</u>
Total assets	69,589,228	66,943,406	46,793,503
Deferred outflows of resources	1,257,593	1,853,847	1,452,522
Current liabilities	2,940,881	3,395,964	2,098,298
Noncurrent liabilities	<u>25,787,365</u>	<u>28,709,546</u>	<u>12,193,366</u>
Total liabilities	28,728,246	32,105,510	14,291,664
Deferred inflows of resources	646,118	116,013	945,230
Net investment in capital assets	31,946,656	26,835,058	24,674,469
Restricted for capital projects	2,897,860	1,928,277	3,178,234
Unrestricted net position	<u>6,627,941</u>	<u>7,812,395</u>	<u>5,156,428</u>
Net position	<u>\$ 41,472,457</u>	<u>\$ 36,575,730</u>	<u>\$ 33,009,131</u>

HEBER LIGHT & POWER COMPANY
Management's Discussion and Analysis

Heber Light & Power Company
CHANGE IN NET POSITION
Years Ended December 31, 2020, 2019, and 2018

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Operating revenues	\$ 20,530,165	\$ 19,448,654	\$ 18,862,974
Operating expenses	<u>19,624,916</u>	<u>18,383,697</u>	<u>18,264,741</u>
Operating income	905,249	1,064,957	598,233
Nonoperating revenues (expenses)	1,016,351	406,924	766,911
Contributions (distributions)	<u>2,975,127</u>	<u>2,094,718</u>	<u>1,430,298</u>
Change in net position	4,896,727	3,566,599	2,795,442
Net position, beginning of year	<u>36,575,730</u>	<u>33,009,131</u>	<u>30,213,689</u>
Net position, end of year	<u>\$ 41,472,457</u>	<u>\$ 36,575,730</u>	<u>\$ 33,009,131</u>

In comparing 2020 with 2019, the following items should be noted:

During 2020, the Company's total net position increased by \$4,896,727. In 2020, the Company's operating revenues increased \$1,081,511 due to a 2.0% growth in the customer base as well as a rate change that went into effect in October 2019. In 2020, the Company's operating expenses increased \$1,241,219 primarily attributable to an increase in power purchases due to customer growth in Heber Valley as well as higher power costs for market energy purchased.

In comparing 2019 with 2018, the following items should be noted:

During 2019, the Company's total net position increased by \$3,566,599. In 2019, the Company's operating revenues increased \$585,680 due to a 4% growth in the customer base as well as a rate change that went into effect in October 2019. In 2019, the Company's operating expenses increased \$118,956 primarily attributable to an increase in unallocated depreciation expense of \$199,072. During 2019, the Company also incurred additional nonoperating expenses attributable to bond issuance costs totaling \$218,734 when it issued the 2019 electric revenue and refunding bonds.

Capital Asset and Debt Administration

Capital asset additions totaled \$5,852,219 and \$4,995,744 in 2020 and 2019, respectively. At the end of 2020 and 2019 the Company had \$24,559,703 and \$26,431,919, respectively, of capital-related debt. During 2019, the Company issued electric revenue and refunding bonds totaling \$18,160,000. Additional information on capital assets and noncurrent liabilities can be found in Note 4 and Note 5, respectively, to the financial statements.

HEBER LIGHT & POWER COMPANY
Management's Discussion and Analysis

Economic Factors and Next Year's Budgets and Rates

The Company prepared its 2021 budget anticipating nominal overall growth. The Company continues to review its rates to ensure appropriate expense recovery and to fund for capital projects. Where possible, the goal of the Company is to fund its capital projects without incurring additional debt.

Requests for Information

This financial report is designed to provide a general overview of the Company's finances for all those with an interest in the Company's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Bart Stanley Miller, 31 South 100 West, Heber City, Utah 84032.

FINANCIAL STATEMENTS

HEBER LIGHT & POWER COMPANY
STATEMENTS OF NET POSITION

December 31, 2020 and 2019

	2020	2019
ASSETS		
Current Assets:		
Cash and investments	\$ 5,384,426	\$ 7,515,128
Restricted cash and investments	18,175,626	17,022,006
Accounts receivable, net of allowance for uncollectible accounts	1,686,188	1,608,177
Unbilled receivables	1,227,497	1,068,573
Prepaid expenses	361,304	187,892
Inventory	1,908,637	1,615,660
Other current assets	19,024	181,595
Total current assets	<u>28,762,702</u>	<u>29,199,031</u>
Capital Assets:		
Land, construction in progress, and water rights	5,396,457	3,955,227
Depreciable, net of accumulated depreciation	<u>35,430,069</u>	<u>33,789,148</u>
Net capital assets	<u>40,826,526</u>	<u>37,744,375</u>
Total assets	69,589,228	66,943,406
DEFERRED OUTFLOWS OF RESOURCES		
Deferred charges on refundings	402,067	428,873
Pension related	<u>855,526</u>	<u>1,424,974</u>
Total deferred outflows of resources	1,257,593	1,853,847
LIABILITIES		
Current Liabilities:		
Accounts payable	443,391	552,823
Accrued expenses	1,197,374	1,567,371
Related party payable	197,006	178,927
Current portion of noncurrent liabilities	<u>1,103,110</u>	<u>1,096,843</u>
Total current liabilities	2,940,881	3,395,964
Noncurrent Liabilities:		
Revenue bonds payable	18,695,000	20,055,000
Bond premium	2,734,907	3,084,492
Capital lease obligations	1,167,898	1,296,977
Compensated absences	713,319	697,079
Early retirement incentive	160,337	158,612
Contract payable	1,232,819	1,219,887
Net pension liability	<u>1,083,085</u>	<u>2,197,499</u>
Total noncurrent liabilities	<u>25,787,365</u>	<u>28,709,546</u>
Total liabilities	28,728,246	32,105,510
DEFERRED INFLOWS OF RESOURCES		
Pension related	646,118	116,013
NET POSITION		
Net investment in capital assets	31,946,656	26,835,058
Restricted for capital projects	2,897,860	1,928,277
Unrestricted	<u>6,627,941</u>	<u>7,812,395</u>
Total net position	<u>\$ 41,472,457</u>	<u>\$ 36,575,730</u>

The accompanying notes are an integral part of these financial statements.

HEBER LIGHT & POWER COMPANY
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

Years Ended December 31, 2020 and 2019

	2020	2019
Operating Revenues:		
Electricity sales	\$ 18,451,012	\$ 17,406,935
Electricity sales - Jordanelle	1,804,706	1,639,521
Connection fees	37,400	38,740
Other income	237,047	363,458
	<hr/>	<hr/>
Total operating revenues	20,530,165	19,448,654
Operating Expenses:		
Power purchases	8,618,520	7,569,661
Power purchases - Jordanelle	1,804,707	1,639,521
Salaries, wages, and benefits (unallocated)	1,350,940	1,458,395
System maintenance and training	3,530,575	3,393,076
Depreciation (unallocated)	2,499,494	2,325,393
Gas generation	702,432	909,728
Other	217,426	204,523
Vehicle	394,712	310,392
Office	137,591	103,259
Energy rebates	39,656	128,912
Professional services	138,018	179,010
Materials	137,546	105,252
Building	37,295	33,919
Bad debts	16,004	22,656
	<hr/>	<hr/>
Total operating expenses	19,624,916	18,383,697
Operating Income	905,249	1,064,957
Nonoperating Revenues (Expenses):		
Impact fees	1,404,681	895,703
Interest income	253,314	124,000
Gain on sale of capital assets	24,171	-
Bond issuance costs	-	(218,734)
Interest expense	(665,815)	(394,045)
	<hr/>	<hr/>
Total nonoperating revenues (expenses)	1,016,351	406,924
Contributions (Distributions):		
Contributed capital	3,275,127	2,394,718
Distributions to owners	(300,000)	(300,000)
	<hr/>	<hr/>
Total contributions (distributions)	2,975,127	2,094,718
Change in Net Position	4,896,727	3,566,599
Net Position at Beginning of Year	<hr/>	<hr/>
	36,575,730	33,009,131
Net Position at End of Year	<hr/> <hr/>	<hr/> <hr/>
	\$ 41,472,457	\$ 36,575,730

The accompanying notes are an integral part of these financial statements.

HEBER LIGHT & POWER COMPANY
STATEMENTS OF CASH FLOWS
Years Ended December 31, 2020 and 2019

	2020	2019
Cash Flows from Operating Activities:		
Cash received from customers	\$ 20,455,801	\$ 19,054,524
Cash paid to suppliers	(11,655,610)	(9,737,611)
Cash paid to employees and for employee benefits	(6,058,244)	(5,087,961)
Net cash provided by operating activities	<u>2,741,947</u>	<u>4,228,952</u>
Cash Flows from Capital and Related Financing Activities:		
Interest paid	(988,594)	(416,134)
Impact fees collected	1,404,681	895,703
Purchases of capital assets	(4,410,989)	(4,995,744)
Proceeds from sale of capital assets	24,225	-
Principal payments on revenue bonds	(1,410,000)	(370,000)
Principal payments on capital lease obligations	(125,563)	(122,117)
Contributed capital	1,833,897	2,394,718
Distributions to owners	(300,000)	(300,000)
Proceeds from bond issuance	-	15,676,813
Net cash provided (used) by capital and related financing activities	<u>(3,972,343)</u>	<u>12,763,239</u>
Cash Flows from Investing Activities:		
Interest received	<u>253,314</u>	<u>124,000</u>
Net Change in Cash and Cash Equivalents	<u>(977,082)</u>	<u>17,116,191</u>
Cash and Cash Equivalents at Beginning of Year	<u>24,537,134</u>	<u>7,420,943</u>
Cash and Cash Equivalents at End of Year , displayed as cash and investments and restricted cash and investments on the statements of net position (see Note 2)	<u>\$ 23,560,052</u>	<u>\$ 24,537,134</u>

Supplemental Data:

A reconciliation of operating income to net cash provided by operating activities follows:

Operating income	\$ 905,249	\$ 1,064,957
Depreciation expense	2,770,014	2,533,167
Changes in operating assets, deferred outflows of resources, liabilities and deferred inflows of resources:		
Accounts receivable	(78,011)	(115,590)
Unbilled receivables	(158,924)	(151,710)
Prepays	(173,412)	(69,329)
Inventory	(292,977)	(107,676)
Other current assets	162,571	(126,830)
Accounts payable	(109,432)	353,703
Accrued expenses	(369,997)	592,749
Related party payable	18,079	26,714
Compensated absences	67,616	213,560
Early retirement incentive	3,100	(38,549)
Contract payable	12,932	14,376
Net pension assets, deferred outflows of resources, liabilities, and deferred inflows of resources	<u>(14,861)</u>	<u>39,410</u>
Net cash provided by operating activities	<u>\$ 2,741,947</u>	<u>\$ 4,228,952</u>

The Company recognized bond issuance costs totaling \$218,734 and deferred amounts on refunding totaling \$428,873 as a result of the issuance of electric revenue refunding bonds during the year ended December 31, 2019. The Company had no noncash investing or financing activities during the year ended December 31, 2020.

The accompanying notes are an integral part of these financial statements.

HEBER LIGHT & POWER COMPANY

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Heber Light & Power Company (the Company) conform with accounting principles generally accepted in the United States of America (GAAP) that are applicable to local governmental units. The following is a summary of the more significant policies:

The Reporting Entity

The Company is an interlocal entity serving customers in the Heber Valley in the State of Utah. The Company's purpose is to plan, finance, develop, construct, improve, operate, and maintain projects for the generation, transmission, and distribution of electric power for the benefit of its customers. The Company provides electricity to its owner municipalities of Heber City, Midway City, and the town of Charleston. The Company also provides electricity to the towns of Daniel, Independence, Interlaken, as well as the unincorporated areas of Wasatch County within its service area.

The Company accounts for its operations as an enterprise (proprietary-type) fund; activities are financed and operated in a manner similar to private business enterprises where the intent of the Board is that the costs (expenses, including depreciation) of providing goods or services to members and the general public on a continuing basis be financed or recovered primarily through user charges.

Basis of Accounting

The Company's financial statements include statements of net position and statements of revenues, expenses, and changes in net position. These statements are presented using the economic resources measurement focus and the accrual basis of accounting in conformity with GAAP; revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows.

The Company distinguishes operating revenues and expenses from nonoperating items by whether or not transactions are in connection with the Company's purpose of providing electric power to its customers.

When both restricted and unrestricted resources are available for use, it is the Company's policy to use restricted resources first, then unrestricted resources as they are needed.

Cash and Cash Equivalents

Cash and cash equivalents include amounts in demand deposits and investments in the Utah Public Treasurers' Investment Fund with original maturities of three months or less from the date acquired by the Company.

Allowance for Doubtful Accounts

An allowance for doubtful accounts of \$263,428 and \$247,640 has been established at December 31, 2020 and 2019, respectively.

Inventory

Inventory is valued at average cost and consists of expendable supplies held for future consumption or capitalization. The cost is recorded as an expense or capitalized as inventory items are consumed or placed in service.

HEBER LIGHT & POWER COMPANY

NOTES TO THE FINANCIAL STATEMENTS

Capital Assets

Capital assets are recorded at cost and are defined by the Company as assets with an initial individual cost of more than \$1,000. Upon the sale or retirement of capital assets, the related asset costs and accumulated depreciation are removed from the applicable accounts and gain or loss on disposal is recorded. Capital assets, except land and water rights, are depreciated using the straight-line method over the estimated useful lives of the assets as follows:

Power and generation plants	10 to 30 years
Distribution and metering systems	10 to 30 years
Building and improvements	5 to 30 years
Office equipment	3 to 15 years
Vehicles	5 to 10 years
Machinery, equipment, and tools	3 to 10 years

Deferred Outflows of Resources

In addition to assets, financial statements will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

Deferred Inflows of Resources

In addition to liabilities, the financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Compensated Absences

Employees earn vacation and sick leave in amounts varying with tenure. Upon separation from employment, each employee shall receive payment for all unused accrued vacation leave.

Upon separation from employment, each eligible employee with at least five years of service may receive payment for up to 75% of unused accrued sick leave up to but not to exceed 190 days. The payment for unused accrued sick leave is calculated as follows:

<u>Payout</u>	<u>Eligibility</u>
100%	Exempt managers
75%	Nonexempt employees hired before July 1, 2011
25%	Nonexempt employees hired after July 1, 2011 with 5 to 10 years of service
50%	Nonexempt employees hired after July 1, 2011 with 11 to 24 years of service
75%	Nonexempt employees hired after July 1, 2011 with 25 or more years of service

HEBER LIGHT & POWER COMPANY

NOTES TO THE FINANCIAL STATEMENTS

Termination Benefits

The Company provides an early retirement incentive to eligible retiring employees. Employees hired prior to July 1, 2011 with a minimum of 30 years of service with the Company are eligible to receive post-employment health care benefits until the retiree reaches age 65. The Company currently has two retirees receiving this benefit. All employees with a minimum of 25 years of service with the Company are eligible to receive post-employment health care benefits for five years or until the retiree reaches age 65, whichever comes first. No retirees currently qualify to receive this benefit. The Company recognizes the liability and expense in the year in which an employee retires.

In addition, all Company employees who have completed 25 years of service and who meet the eligibility requirements for and will be receiving URS benefits are eligible for the Company to assist the employee in purchasing additional service credits. URS allows the Company to contribute up to 95% of the cost towards purchasing up to 5 years of service credits. Since the cost of this benefit cannot reasonably be estimated, the Company recognizes the liability and expense in the year in which an employee retires. The Company funds this program on a pay-as-you-go basis.

Pensions

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Utah Retirement Systems (URS) and additions to/deductions from URS's fiduciary net position have been determined on the same basis as they are reported by URS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Pension plan investments are reported at fair value.

NOTE 2 – DEPOSITS AND INVESTMENTS

The Company complies with the State Money Management Act (*Utah Code* Title 51, Chapter 7) (the Act) and related Rules of the Money Management Council (the Council) in handling its depository and investing transactions. Company funds are deposited in qualified depositories as defined by the Act. The Act also authorizes the Company to invest in the Utah Public Treasurers' Investment Fund (PTIF), certificates of deposit, U.S. Treasury obligations, U.S. agency issues, first-tier commercial paper, banker's acceptances, repurchase agreements, corporate bonds, money market mutual funds, and obligations of governmental entities within the State of Utah.

The Act and Council rules govern the financial reporting requirements of qualified depositories in which public funds may be deposited and prescribe the conditions under which the designation of a depository shall remain in effect. The Company considers the rules of the Council to be necessary and sufficient for adequate protection of its uninsured bank deposits.

Deposits

At December 31, 2020, the bank balance is \$4,539,960, of which \$633,483 is covered by federal depository insurance.

Custodial Credit Risk – Custodial credit risk for deposits is the risk that, in the event of a bank failure, a government's deposits may not be returned to it. The Company does not have a formal deposit policy for custodial credit risk. No deposits are collateralized, nor are they required to be by state statute.

HEBER LIGHT & POWER COMPANY

NOTES TO THE FINANCIAL STATEMENTS

Investments

The Company invests in the PTIF. The PTIF is an external local government investment pool managed by the Utah State Treasurer. The PTIF is authorized and makes investments in accordance with the Act. The Council provides regulatory oversight for the PTIF. Participant accounts with the PTIF are not insured or otherwise guaranteed by the state. Participants in the PTIF share proportionally in the income, costs, gains, and losses from investment activities. The degree of risk of the PTIF depends upon the underlying portfolio, which consists of debt securities held by the state or in the state's name by the state's custodial banks, including investment-grade corporate bonds and notes, money market mutual funds, first-tier commercial paper, and certificates of deposit. The portfolio has a weighted average maturity of 90 days or less. The majority of the PTIF's corporate bonds and notes are variable-rate securities, which reset every three months to the prevailing market interest rates. The PTIF is not rated. The PTIF has no debt securities with more than 5% of its total investments in a single issuer. The reported value of the pool is the same as the fair value of the pool shares.

Interest Rate Risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Company manages its exposure to interest rate risk by complying with the Act, which requires that the remaining term to maturity of investments to not exceed the period of availability of the funds invested. The Act further limits the remaining term to maturity on all investments in commercial paper and bankers' acceptances to 270 days or less and fixed-income securities to 365 days or less. In addition, variable-rate securities may not have a remaining term to final maturity exceeding two years.

Credit Risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Company's policy for reducing its exposure to credit risk is to comply with the Act and related rules. The Act and related rules limit investments in commercial paper to a first tier rating and investments in fixed-income and variable-rate securities to a rating of A or higher as rated by Moody's Investors Service or by Standard & Poor's.

Concentration of Credit Risk – Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The Company's policy for managing this risk is to comply with the Act and related rules. The Act limits investments in commercial paper and or corporate obligations to 5% of the Company's total portfolio with a single issuer.

Custodial Credit Risk – Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The Company's policy for managing this risk is to comply with the Act and related rules.

Restricted Cash and Investments

The Company had \$2,868,060 and \$1,888,223 in unspent impact fees restricted for capital related projects for the years ended December 31, 2020 and 2019, respectively. The Company also had \$15,307,546 and \$15,133,783 in bond accounts restricted for debt service and capital related projects for the years ended December 31, 2020 and 2019, respectively.

HEBER LIGHT & POWER COMPANY
NOTES TO THE FINANCIAL STATEMENTS

A summary of deposits and investments (shown as cash and investments and restricted cash and investments on the statements of net position) at December 31, 2020 and 2019, is as follows:

	<u>2020</u>	<u>2019</u>
Carrying amount of deposits	\$ 3,872,401	\$ 6,168,875
Carrying amount of investments	<u>19,687,651</u>	<u>18,368,259</u>
Total cash and investments	<u>\$23,560,052</u>	<u>\$24,537,134</u>

NOTE 3 – FAIR VALUE MEASUREMENTS

The Company categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The Company has the following recurring fair value measurements as of December 31, 2020:

- Public Treasurers' Investment Fund position of \$19,687,651 is valued at the Company's position in the PTIF multiplied by the published fair value factor (Level 2 inputs).

The Company has the following recurring fair value measurements as of December 31, 2019:

- Public Treasurers' Investment Fund position of \$18,368,259 is valued at the Company's position in the PTIF multiplied by the published fair value factor (Level 2 inputs).

HEBER LIGHT & POWER COMPANY
NOTES TO THE FINANCIAL STATEMENTS

NOTE 4 – CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2020 is as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets not being depreciated:				
Land	\$ 1,802,330	\$ -	\$ -	\$ 1,802,330
Water rights	663,475	-	-	663,475
Construction in progress	1,489,422	5,226,289	(3,785,059)	2,930,652
Total capital assets not being depreciated	3,955,227	5,226,289	(3,785,059)	5,396,457
Capital assets being depreciated:				
Power and generation plants	6,794,128	377,504	-	7,171,632
Distribution and metering systems	49,669,675	3,075,556	(199,264)	52,545,967
Buildings and improvements	2,022,414	171,096	-	2,193,510
Office equipment	1,629,121	55,555	-	1,684,676
Vehicles	2,362,905	709,582	(213,573)	2,858,914
Machinery, equipment, and tools	2,204,274	21,696	-	2,225,970
Total capital assets being depreciated	64,682,517	4,410,989	(412,837)	68,680,669
Accumulated depreciation	(30,893,369)	(2,770,014)	412,783	(33,250,600)
Net capital assets being depreciated	33,789,148	1,640,975	(54)	35,430,069
Net capital assets	\$ 37,744,375	\$ 6,867,264	\$ (3,785,113)	\$ 40,826,526

During the year ended December 31, 2020, the Company allocated \$270,520 of depreciation to vehicle expense on the statements of revenues, expenses, and changes in net position.

HEBER LIGHT & POWER COMPANY
NOTES TO THE FINANCIAL STATEMENTS

Capital asset activity for the year ended December 31, 2019 is as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets not being depreciated:				
Land	\$ 203,045	\$ 1,599,285	\$ -	\$ 1,802,330
Water rights	163,475	500,000	-	663,475
Construction in progress	1,735,554	2,412,744	(2,658,876)	1,489,422
Total capital assets not being depreciated	2,102,074	4,512,029	(2,658,876)	3,955,227
Capital assets being depreciated:				
Power and generation plants	6,786,528	7,600	-	6,794,128
Distribution and metering systems	47,018,806	2,650,869	-	49,669,675
Buildings and improvements	1,939,991	82,423	-	2,022,414
Office equipment	1,604,534	32,795	(8,208)	1,629,121
Vehicles	2,338,362	271,029	(246,486)	2,362,905
Machinery, equipment, and tools	2,106,399	97,875	-	2,204,274
Total capital assets being depreciated	61,794,620	3,142,591	(254,694)	64,682,517
Accumulated depreciation	(28,614,896)	(2,533,167)	254,694	(30,893,369)
Net capital assets being depreciated	33,179,724	609,424	-	33,789,148
Net capital assets	\$ 35,281,798	\$ 5,121,453	\$ (2,658,876)	\$ 37,744,375

During the year ended December 31, 2019, the Company allocated \$70,774 of depreciation to vehicle expense on the statements of revenues, expenses, and changes in net position.

NOTE 5 – NONCURRENT LIABILITIES

Noncurrent liability activity for the year ended December 31, 2020 is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Revenue bonds payable	\$ 20,705,000	\$ -	\$ (1,410,000)	\$ 19,295,000	\$ 600,000
Bond premium	3,084,492	-	(349,585)	2,734,907	-
Capital lease obligations	1,422,540	-	(125,563)	1,296,977	129,079
Compensated absences	991,879	450,965	(383,349)	1,059,495	346,176
Termination benefits	185,092	29,580	(26,480)	188,192	27,855
Contract payable	1,219,887	12,932	-	1,232,819	-
Net pension liability	2,197,499	1,608,334	(2,722,748)	1,083,085	-
Total noncurrent liabilities	\$ 29,806,389	\$ 2,101,811	\$ (5,017,725)	\$ 26,890,475	\$ 1,103,110

HEBER LIGHT & POWER COMPANY
NOTES TO THE FINANCIAL STATEMENTS

Noncurrent liability activity for the year ended December 31, 2019 is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Revenue bonds payable	\$ 7,765,000	\$ 18,160,000	\$ (5,220,000)	\$ 20,705,000	\$ 650,000
Bond premium	92,161	3,014,420	(22,089)	3,084,492	-
Capital lease obligations	1,544,657	-	(122,117)	1,422,540	125,563
Compensated absences	778,319	388,672	(175,112)	991,879	294,800
Termination benefits	223,641	-	(38,549)	185,092	26,480
Contract payable	1,205,511	14,376	-	1,219,887	-
Net pension liability	1,356,420	1,435,243	(594,164)	2,197,499	-
Total noncurrent liabilities	<u>\$ 12,965,709</u>	<u>\$ 23,012,711</u>	<u>\$ (6,172,031)</u>	<u>\$ 29,806,389</u>	<u>\$ 1,096,843</u>

Bond issuance

In December 2019, the Company issued \$13,765,000 of electric revenue bonds with a premium of \$2,035,817. The bonds were issued with interest rates ranging from 4.0% to 5.0% and will mature on December 15, 2045.

Advance refunding

In December 2019, the Company issued \$4,395,000 of electric revenue refunding bonds with a premium of \$978,603. The bonds were issued with interest rates ranging from 4.0% to 5.0% and will mature on December 15, 2045. The Company issued the bonds to advance refund \$4,850,000 of outstanding Series 2010B taxable electric revenue bonds. The Company deposited the net proceeds along with other resources in an irrevocable trust to provide for all future debt service on the refunded portion of the Series 2010B taxable electric revenue bonds. As a result, that portion of the Series 2010B taxable electric revenue bonds is considered defeased, and the Company has removed the liability from its accounts.

The advance refunding reduced total debt service payments over the next 15 years by \$764,831. This results in an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$605,236.

Revenue Bonds Payable

Revenue bonds payable at December 31, 2020, with their outstanding balances are comprised of the following individual issuances:

Bond Series 2012 - Electric Revenue and Refunding Bonds - Original issue of \$3,735,000 with interest rates ranging from 2.0% to 4.0%	\$ 1,400,000
Bond Series 2019 - Electric Revenue and Refunding Bonds - Original issue of \$18,160,000 with interest rates ranging from 4.0% to 5.0%	17,895,000
	<u>\$ 19,295,000</u>

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NOTES TO THE FINANCIAL STATEMENTS

The annual requirements to amortize all revenue bonds outstanding as of December 31, 2020, including interest payments, are listed as follows:

Year Ending December 31,	Principal	Interest	Total
2021	\$ 600,000	\$ 889,050	\$ 1,489,050
2022	625,000	860,650	1,485,650
2023	655,000	830,950	1,485,950
2024	690,000	796,750	1,486,750
2025	455,000	761,000	1,216,000
2026-2030	4,015,000	3,217,000	7,232,000
2031-2035	5,080,000	2,122,650	7,202,650
2036-2040	3,240,000	1,186,000	4,426,000
2041-2045	3,935,000	484,800	4,419,800
Total	<u>\$ 19,295,000</u>	<u>\$ 11,148,850</u>	<u>\$ 30,443,850</u>

The Series 2010B revenue bonds (retired in 2019) were designated as Build America Bonds. The Company received an interest subsidy of \$111,636 during the year ended December 31, 2019.

Capital Lease Obligations

The Company acquired equipment totaling \$2,000,000 under a capital lease agreement. Lease payments for the years ended December 31, 2020 and 2019 totaled \$163,900 and \$163,745, respectively. Future minimum payments under capital lease obligations together with their present values as of December 31, 2020 are summarized as follows:

Year Ending December 31,	
2021	\$ 164,032
2022	164,140
2023	164,222
2024	164,278
2025	165,308
2026-2029	<u>656,981</u>
Total minimum lease payments	1,478,961
Amount representing interest	<u>(181,984)</u>
Present value of minimum lease payments	<u>\$ 1,296,977</u>

Contract Payable

The Company participated in the construction of a hydroelectric power plant and related facilities at the Jordanelle Dam with Central Utah Water Conservancy District (District). The District agreed to finance, construct, own, operate, and maintain the hydroelectric plant as well as issue revenue bonds to provide funding for the Company to finance facilities to deliver the electric energy generated by the plant to the Company's electric system. The Company agreed to purchase the electric power produced by the hydroelectric power plant as well as to construct, own, operate, and maintain facilities to deliver the electric power to the Company's electric system.

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The agreement contains provisions for the division of project funds, after payment of costs, to be one-third to the Company and two-thirds to the District. The Company agreed to forego its one-third allocation until the District has been reimbursed for debt service costs incurred on behalf of the Company. At December 31, 2020 and 2019, debt service costs incurred by the District on behalf of the Company totaled \$1,232,818 and \$1,219,887, respectively.

NOTE 6 – RETIREMENT PLANS

Description of plans

Eligible employees of the Company are provided with the following plans through the Utah Retirement Systems (URS) administered by URS:

Defined Benefit Pension Plans (cost-sharing, multiple-employer plans):

- Public Employees Noncontributory Retirement System (Tier 1 Noncontributory System)
- Tier 2 Public Employees Contributory Retirement System (Tier 2 Contributory System)

Defined Contribution Plans (individual account plans):

- Tier 2 Public Employees DC Only System (Tier 2 Define Contribution System)
- 401(k) Plan
- 457 Plan and other individual plans

Company employees qualify for membership in the public employees systems if 1) employment normally requires an average of 20 or more hours per week and the employee receives benefits normally provided by the Company as approved by the Utah State Retirement Board or 2) the employee is an appointed officer whose position is full time as certified by the Company. An employee qualifies for membership in the public safety systems if employment normally requires an average of 2,080 hours of employment per year in a recognized public safety department.

The Tier 2 systems became effective July 1, 2011. All eligible employees beginning on or after July 1, 2011, who have no previous service credit with any of the systems, are members of the Tier 2 systems.

The plans are established and governed by the respective sections of Title 49 of the Utah Code. The plans are amended statutorily by the Utah State legislature. Title 49 provides for the administration of the plans under the direction of the Utah State Retirement Board, whose members are appointed by the Governor.

The URS (a component unit of the State of Utah) issues a publicly available financial report that can be obtained at www.urs.org.

Benefits provided

The URS provides retirement, disability, and death benefits to participants in the defined benefit pension plans.

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NOTES TO THE FINANCIAL STATEMENTS

Retirement benefits in the defined benefit pension plans are determined from 1.50% to 2.00% of the employee’s highest 3 or 5 years of compensation times the employee’s years of service depending on the pension plan; benefits are subject to cost-of-living adjustments up to 2.50% or 4.00%, limited to the actual Consumer Price Index increase for the year. Employees are eligible to retire based on years of service and age.

Defined contribution plans are available as supplemental plans to the basic retirement benefits of the defined benefit pension plans and as a primary retirement plan for some Tier 2 participants. Participants in the defined contribution plans are fully vested in employer and employee contributions at the time the contributions are made, except Tier 2 required contributions and associated earnings are vested during the first four years of employment. If an employee terminates prior to the vesting period, employer contributions and associated earnings for that employee are subject to forfeiture. Forfeitures are used to cover a portion of the plan’s administrative expenses paid by participants. Benefits depend on amounts contributed to the plans plus investment earnings. Individual accounts are provided for each employee and are available at termination, retirement, death, or unforeseeable emergency.

Contributions

As a condition of participation in the plans, employers and/or employees are required to contribute certain percentages of salaries and wages as authorized by statute and specified by the Utah State Retirement Board. Contributions are actuarially determined as an amount that, when combined with employee contributions (where applicable), is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded actuarial accrued liability.

For the year ended December 31, 2020, Company required contribution rates for the plans were as follows:

	<u>Company Contribution</u>	<u>Amortization of UAAL *</u>	<u>Company Rates for 401(k) Plan</u>	<u>Totals</u>
Tier 1 Noncontributory System	11.86%	6.61%	-	18.47%
Tier 2 Contributory System **	9.19%	6.61%	0.89%	16.69%
Tier 2 Defined Contribution Plan **	0.08%	6.61%	10.00%	16.69%

* The Company is required to contribute additional amounts based on covered employee payroll to finance the unfunded actuarial accrued liability (UAAL) of the Tier 1 plans.

** Company contribution includes 0.08% of covered employee payroll of the Tier 2 plans for death benefits.

Employees can make contributions to defined contribution plans subject to limitations.

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For the year ended December 31, 2020, Company and employee contributions to the plans were as follows:

	Company Contributions *	Employee Contributions
Tier 1 Noncontributory System	\$ 422,670	\$ -
Tier 2 Contributory System	157,196	-
Tier 2 Defined Contribution Plan	23,880	-
401(k) Plan	93,741	130,943
457 Plan and other individual plans	-	82,506

* Required contributions from Tier 2 plans to finance the unfunded actuarial accrued liability of the Tier 1 plans are reported as contributions to the Tier 2 plans.

Pension Assets and Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2020, the Company reported a net pension asset of zero and a net pension liability of \$1,083,085 for the following plans:

	Net Pension Asset	Net Pension Liability
Tier 1 Noncontributory System	\$ -	\$ 1,068,050
Tier 2 Contributory System	-	15,035
Total	\$ -	\$ 1,083,085

The net pension liability (asset) was measured as of December 31, 2019, and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of January 1, 2019, rolled-forward using generally accepted actuarial procedures. The Company's proportion of the net pension liability (asset) is equal to the ratio of actual contributions compared to the total of all employer contributions during the plan year. The following presents the Company's proportion (percentage) of the collective net pension liability (asset) at December 31, 2019, and the change in its proportion since the prior measurement date for each plan:

	Proportionate Share	
	2019	Change
Tier 1 Noncontributory System	0.2833875%	(0.0117812)%
Tier 2 Contributory System	0.0668477%	0.0109079 %

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For the year ended December 31, 2020, the Company recognized pension expense for the plans as follows:

	<u>Pension Expense</u>
Defined benefit pension plans:	
Tier 1 Noncontributory System	\$ 504,062
Tier 2 Contributory System	<u>84,605</u>
Total	<u><u>\$ 588,667</u></u>
Defined contribution plans:	
Tier 2 Defined Contribution Plan	\$ 18,399
401(k) Plan	<u>84,646</u>
Total	<u><u>\$ 103,045</u></u>

At December 31, 2020, the Company reported deferred outflows of resources related to defined benefit pension plans from the following sources:

	<u>Deferred Outflows of Resources Related to Pensions</u>		
	<u>Tier 1 Noncontributory System</u>	<u>Tier 2 Contributory System</u>	<u>Total</u>
Differences between expected and actual experience	\$ 97,152	\$ 4,206	\$ 101,358
Changes of assumptions	113,119	6,420	119,539
Changes in proportion and differences between Company contributions and proportionate share of contributions	18,479	12,404	30,883
Contributions subsequent to the measurement date	<u>422,670</u>	<u>181,076</u>	<u>603,746</u>
Total	<u><u>\$ 651,420</u></u>	<u><u>\$ 204,106</u></u>	<u><u>\$ 855,526</u></u>

At December 31, 2020, the Company reported deferred outflows of resources related to defined benefit pension plans from the following sources:

	<u>Deferred Inflows of Resources Related to Pensions</u>		
	<u>Tier 1 Noncontributory System</u>	<u>Tier 2 Contributory System</u>	<u>Total</u>
Differences between expected and actual experience	\$ 15,342	\$ 5,160	\$ 20,502
Changes of assumptions	-	432	432
Net difference between projected and actual earnings on pension plan investments	540,123	11,557	551,680
Changes in proportion and differences between Company contributions and proportionate share of contributions	<u>73,504</u>	<u>-</u>	<u>73,504</u>
Total	<u><u>\$ 628,969</u></u>	<u><u>\$ 17,149</u></u>	<u><u>\$ 646,118</u></u>

The \$603,746 reported as deferred outflows of resources related to pensions resulting from Company contributions subsequent to the measurement date of December 31, 2019 will be recognized as a reduction of the net pension liability (asset) in the year ending December 31, 2021. The other amounts reported as

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deferred outflows of resources and deferred inflows of resources related to defined benefit pension plans will be recognized in pension expense as follows:

Year Ending December 31,	Tier 1 Noncontributory System	Tier 2 Contributory System	Total
2021	\$ (59,202)	\$ (1,523)	\$ (60,725)
2022	(144,088)	(1,298)	(145,386)
2023	8,416	677	9,093
2024	(205,345)	(3,027)	(208,372)
2025	-	1,597	1,597
Thereafter	-	9,455	9,455

Actuarial Assumptions

The total pension liability (asset) in the January 1, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary increases	3.25% to 9.75%, average, including inflation
Investment rate of return	6.95%, net of pension plan investment expense, including inflation

Mortality rates were based on actual experience and mortality tables, considering gender, occupation, and age, as appropriate, with adjustments for future improvement in mortality based on Scale AA, a model developed by the Society of Actuaries.

The actuarial assumptions used in the January 1, 2019 valuation were based on the results of an actuarial experience study for the five-year period ended December 31, 2016. Assumptions remained unchanged that affect measurement of the total pension liability (asset) since the prior measurement date.

The long-term expected rate of return on defined benefit pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class and is applied consistently to each defined benefit pension plan. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Equity securities	40%	6.15%
Debt securities	20%	0.40%
Real assets	15%	5.75%
Private equity	9%	9.95%
Absolute return	16%	2.85%
Cash and cash equivalents	0%	0.00%
Total	100%	

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Discount Rate

The discount rate used to measure the total pension liability (asset) was 6.95%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from all participating employers will be made at contractually required rates, actuarially determined and certified by the Utah State Retirement Board. Based on those assumptions, the plans' fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability (asset).

Sensitivity of the Company's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following presents the Company's proportionate share of the net pension liability (asset) calculated using the discount rate of 6.95%, as well as what the proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.95%) or 1-percentage-point higher (7.95%) than the current rate:

	1% Decrease (5.95%)	Discount Rate (6.95%)	1% Increase (7.95%)
Company's proportionate share of the net pension liability (asset):			
Tier 1 Noncontributory System	\$ 3,335,893	\$ 1,068,050	\$ (823,307)
Tier 2 Contributory System	129,650	15,035	(73,542)
Total	<u>\$ 3,465,543</u>	<u>\$ 1,083,085</u>	<u>\$ (896,849)</u>

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued URS financial report.

Payables to the Pension Plans

At December 31, 2020 and 2019, the Company reported no payables for contributions to defined benefit pension plans and defined contribution plans.

NOTE 7 – COMMITMENTS

The Company is a member of the Utah Associated Municipal Power Systems (UAMPS). UAMPS is a separate legal entity formed pursuant to the provisions of the Utah Interlocal Cooperation Act. The Company may choose to participate in projects managed by UAMPS. The Company has participated in various individual projects by entering into power sales and/or transmission agreements. According to the agreements, the Company is obligated to pay their proportionate share of all operation and maintenance expenses and debt service costs for bonds issued by UAMPS. The Company is entitled to receive specified energy output from these projects.

HEBER LIGHT & POWER COMPANY
NOTES TO THE FINANCIAL STATEMENTS

The Company is also a member of Intermountain Power Agency (IPA). IPA is a separate legal entity formed pursuant to the provisions of the Utah Interlocal Cooperation Act. IPA provides financing for the Intermountain Power Project (IPP). The Company is entitled and obligated to purchase a specified amount of electric power produced by IPP. The Company has an agreement with certain California purchasers for the duration of the project. The Company is obligated for operating expenses and repayment of outstanding bonds issued by IPA only in the event of a prolonged power outage and/or failure to perform under the agreement on the part of each of the California purchasers.

Additionally, the Company has entered into various power purchase agreements for a specified amount of power at specified rates. At December 31, 2020, the undiscounted future minimum payments for these agreements were as follows:

<u>Year Ending</u> <u>December 31,</u>	
2021	\$ 635,990
2022	2,280,840
2023	2,624,190
2024	2,529,930
2025	2,574,960
2026-2027	3,182,190

NOTE 8 – RISK MANAGEMENT

The Company maintains insurance coverage for general, automobile, personal injury, errors and omissions, employee dishonesty, and malpractice liability up to \$2,000,000 per occurrence and excess liability coverage up to \$20,000,000 through policies administered by a third party. The Company also insures its buildings, including those under construction, and contents against all insurable risks of direct physical loss or damage with the third party. This insurance coverage provides for repair or replacement of damaged property at a replacement cost basis subject to a deductible of \$10,000 per occurrence for repairs and \$50,000 per occurrence for property loss. Settled claims have not exceeded the Company's insurance coverage for any of the past three years.

REQUIRED SUPPLEMENTARY INFORMATION

HEBER LIGHT & POWER COMPANY

Schedules of the Company's Proportionate Share of the Net Pension Liability (Asset) – Utah Retirement Systems

Last Six Plan (Calendar) Years

Plan Year	Company's Proportion of Net Pension Liability (Asset)	Company's Proportionate Share of the Net Pension Liability (Asset)	Company's Covered Payroll	Company's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
Tier 1 Noncontributory System:					
2019	0.2833880 %	\$ 1,068,050	\$ 2,333,488	45.77 %	96.5 %
2018	0.2951687 %	2,173,541	2,484,994	87.47 %	87.0 %
2017	0.3084177 %	1,351,270	2,582,078	52.33 %	91.9 %
2016	0.2906881 %	1,866,573	2,455,355	76.02 %	87.3 %
2015	0.2937394 %	1,662,120	2,435,282	68.25 %	87.8 %
2014	0.3191322 %	1,385,747	2,706,147	51.21 %	90.2 %
Tier 2 Contributory System:					
2019	0.0668480 %	\$ 15,035	\$ 928,950	1.62 %	93.7 %
2018	0.0055940 %	23,958	652,889	3.67 %	90.8 %
2017	0.0584033 %	5,150	571,411	0.90 %	97.4 %
2016	0.0537583 %	5,997	440,861	1.36 %	95.1 %
2015	0.0502315 %	(110)	324,592	(0.03)%	100.2 %
2014	0.0455351 %	(1,380)	223,811	(0.62)%	103.5 %

Refer to accompanying notes.

HEBER LIGHT & POWER COMPANY
Schedules of Company Contributions – Utah Retirement Systems
Last Six Reporting (Fiscal) Years

Reporting Year	Contractually Required Contribution	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	Company's Covered Payroll	Contributions as a Percentage of Covered Payroll
Tier 1 Noncontributory System:					
2020	\$ 422,670	\$ 422,670	\$ -	\$ 2,288,416	18.47 %
2019	430,995	430,995	-	2,333,488	18.47 %
2018	458,978	458,978	-	2,484,994	18.47 %
2017	476,910	476,910	-	2,582,078	18.47 %
2016	453,504	453,504	-	2,455,355	18.47 %
2015	449,797	449,797	-	2,435,282	18.47 %
Tier 2 Contributory System:					
2020	\$ 157,196	\$ 157,196	\$ -	\$ 999,213	15.73 %
2019	144,949	144,949	-	928,950	15.60 %
2018	100,149	100,149	-	652,889	15.34 %
2017	85,822	85,822	-	571,411	15.02 %
2016	65,732	65,732	-	440,861	14.91 %
2015	48,437	48,437	-	324,592	14.92 %
Tier 2 Defined Contribution Plan:					
2020	\$ 23,880	\$ 23,880	\$ -	\$ 356,956	6.69 %
2019	18,399	18,399	-	275,031	6.69 %
2018	14,683	14,683	-	219,483	6.69 %
2017	14,209	14,209	-	212,393	6.69 %
2016	13,760	13,760	-	205,678	6.69 %
2015	12,176	12,176	-	181,635	6.70 %

Refer to accompanying notes.

HEBER LIGHT & POWER COMPANY
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

NOTE A – CHANGES IN ASSUMPTION – UTAH RETIREMENT SYSTEMS

Assumptions for plan years 2019 and 2018 remain unchanged from the prior years.

Amounts reported in plan year 2017 reflect the following assumption changes adopted from the January 1, 2017 valuation:

- The investment return assumption was decreased from 7.20% to 6.95%.
- The inflation assumption decreased from 2.60% to 2.50%.
- The life expectancy assumption increased for most groups.
- The wage inflation assumption decreased from 3.35% to 3.25%.
- The payroll growth assumption decreased from 3.10% to 3.00%.

Amounts reported in plan year 2016 reflect the following assumption changes adopted from the January 1, 2016 valuation:

- The investment return assumption was decreased from 7.50% to 7.20%.
- The inflation assumption decreased from 2.75% to 2.60%.
- Both the payroll growth and wage inflation assumptions were decreased by 0.15%.

Amounts reported in plan year 2015 reflect the following assumption changes adopted from the January 1, 2015 valuation:

- The wage inflation assumption for all employee groups was decreased from 3.75% to 3.50%.
- The payroll growth assumption was decreased from 3.50% to 3.25%.
- Other assumptions that were modified: rate of salary increases, post retirement mortality, and certain demographics.

NOTE B – SCHEDULES OF THE COMPANY’S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET) – UTAH RETIREMENT SYSTEMS

These schedules only present information for the 2014 and subsequent measurement periods of the plans; prior-year information is not available.

NOTE C – SCHEDULES OF COMPANY CONTRIBUTIONS – UTAH RETIREMENT SYSTEMS

These schedules only present information for our 2015 and subsequent reporting periods of the plans; prior-year information is not available.

Contributions as a percentage of covered payroll may be different than the Utah State Retirement Board certified rate due to rounding or other administrative issues. A portion of the required contributions in the Tier 2 plans is used to finance the unfunded actuarial accrued liability of the Tier 1 plans.

COMPLIANCE REPORTS



Independent Auditor's Report on Internal Control Over Financial Reporting
and on Compliance and Other Matters Based on an Audit of Financial
Statements Performed in Accordance with *Government Auditing Standards*

Board of Directors
Heber Light & Power Company

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Heber Light & Power Company (the Company), as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Company's financial statements, and have issued our report thereon dated March 23, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Company's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we do not express an opinion on the effectiveness of the Company's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Company's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Company's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Company's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Squin & Company, PC

Orem, Utah
March 23, 2021



Independent Auditor's Report on Compliance
and Report on Internal Control over Compliance
Required by the *State Compliance Audit Guide*

Board of Directors
Heber Light & Power Company

Report on Compliance

We have audited the compliance of Heber Light & Power Company (the Company) with the following applicable state compliance requirements described in the *State Compliance Audit Guide*, issued by the Office of the Utah State Auditor, for the year ended December 31, 2020:

Budgetary Compliance
Fund Balance
Open and Public Meetings Act
Fraud Risk Assessment
Cash Management

Management's Responsibility

Management is responsible for compliance with the state compliance requirements referred to above.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's compliance based on our audit of the state compliance requirements referred to above.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *State Compliance Audit Guide*, issued by the Office of the Utah State Auditor. Those standards and the *State Compliance Audit Guide* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the state compliance requirements referred to above that could have a direct and material effect on a state compliance requirement occurred. An audit includes examining, on a test basis, evidence about the Company's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each state compliance requirement referred to above. However, our audit does not provide a legal determination of the Company's compliance with those requirements.

Opinion on Compliance

In our opinion, Heber Light & Power Company complied, in all material respects, with the state compliance requirements referred to above for the year ended December 31, 2020.

Report on Internal Control over Compliance

Management of the Company is responsible for establishing and maintaining effective internal control over compliance with the state compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Company's internal control over compliance with the state compliance requirements referred to above to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance with those state compliance requirements and to test and report on internal control over compliance in accordance with the *State Compliance Audit Guide*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Company's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a state compliance requirement on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a state compliance requirement will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a state compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the *State Compliance Audit Guide*. Accordingly, this report is not suitable for any other purpose.

Squire & Company, PC

Orem, Utah
March 23, 2021

**HEBER LIGHT & POWER COMPANY
BOARD RESOLUTION NO. 2021-02**

***RESOLUTION PROVIDING FOR DISTRIBUTIONS TO MEMBERS
FROM DISTRIBUTABLE INCOME –1ST QUARTER 2021***

WHEREAS Heber Light & Power Company (“the Company”) is an energy services interlocal entity created by Heber City, Midway City, and Charleston Town (“Members”) to provide electric service to customers within the municipalities and surrounding areas.

WHEREAS the Company’s Organization Agreement (“Agreement”) provides that the Company may make distributions to its Members from distributable income (“Distributable Income”) as defined in Paragraph J. 2. of the Agreement.

WHEREAS the Company’s 2021 Annual Budget provides for quarterly distributions to the Members from Distributable Income.

WHEREAS the Company has sufficient Distributable Income to fund the quarterly, budgeted distribution for the first quarter of 2021.

NOW THEREFORE, BE IT RESOLVED BY BOARD OF DIRECTORS OF THE HEBER LIGHT & POWER COMPANY AS FOLLOWS:

1. The Board has determined that the Company has net income available for distribution to the Members after the payment of all operating expenses and debt service costs of the Company and the funding of all rate stabilization, surplus or similar funds established under the Company’s bond indenture or resolution, or of any contingency reserves determined by the Board to be reasonably necessary to pay unexpected energy price fluctuations and equipment failures or to provide rate stabilization.

2. Pursuant to the Agreement, the Company shall therefore make the first quarter dividend payment to the Members as provided in the 2021 Annual Budget in the amounts as follows: Heber City, \$56,250.00; Midway City, \$9,375.00; Charleston, \$9,375.00.

APPROVED AND ADOPTED the 28th day of April 2021.

Heber Light & Power Company

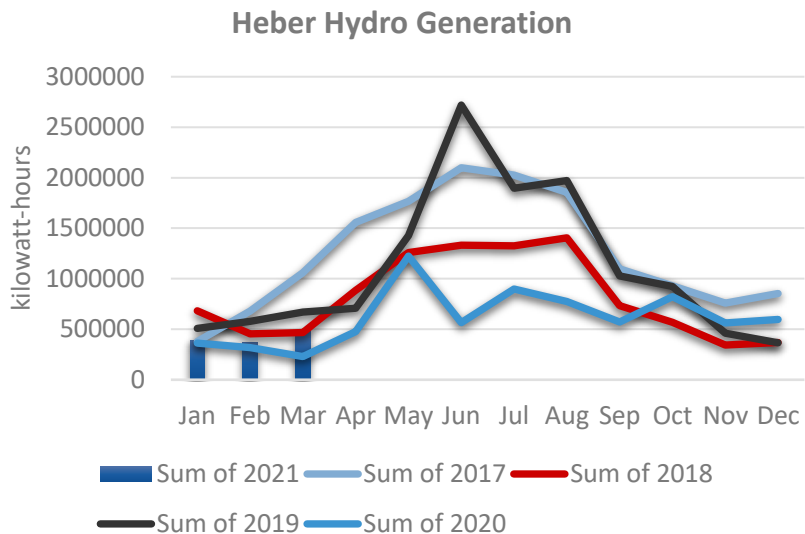
Attest:

Chair, Board of Directors

Board Secretary

Wholesale Power 2021

System Peak-MW	2020	2021
January	32 MW Min. temp 5°	32 MW Min. temp 8°
February	32 MW Min. temp 0°	31 MW Min. temp 5°



Wholesale Power	Jan	Feb	Mar
Power Purchases % +/- Actuals to Budget	-3%	35%	
Power Purchases Actual Cost	706,485	837,156	
Power Purchases Budget	728,901	617,989	586,840
Power Purchases Reported	681,569	790,629	688,504
Gas Generation - Fuel Costs % +/- Actuals to Budget	-9%	22%	
Natural Gas Actuals	47,647	33,883	
Natural Gas Budget	43,584	41,385	43,488
Natural Gas Reported	39,278	49,817	10,181
\$/MWh % +/- Actuals to Budget	-1%	34%	
\$/MWh Actual Wholesale	41	53	
\$/MWh Budget	41	40	41
\$/MWh Wholesale Power- Revenue	101	110	104
Energy % +/- Actuals to Budget	0%	-1%	
Energy Purchase Actual	18,763,822	16,556,116	
Energy Forecast	18,828,804	16,745,537	15,608,955
Energy Sold	18,110,546	17,372,378	14,524,134
losses- Retail Sales to Wholesale Purchases	-3%	5%	

Summer 2021 Power Risk Management

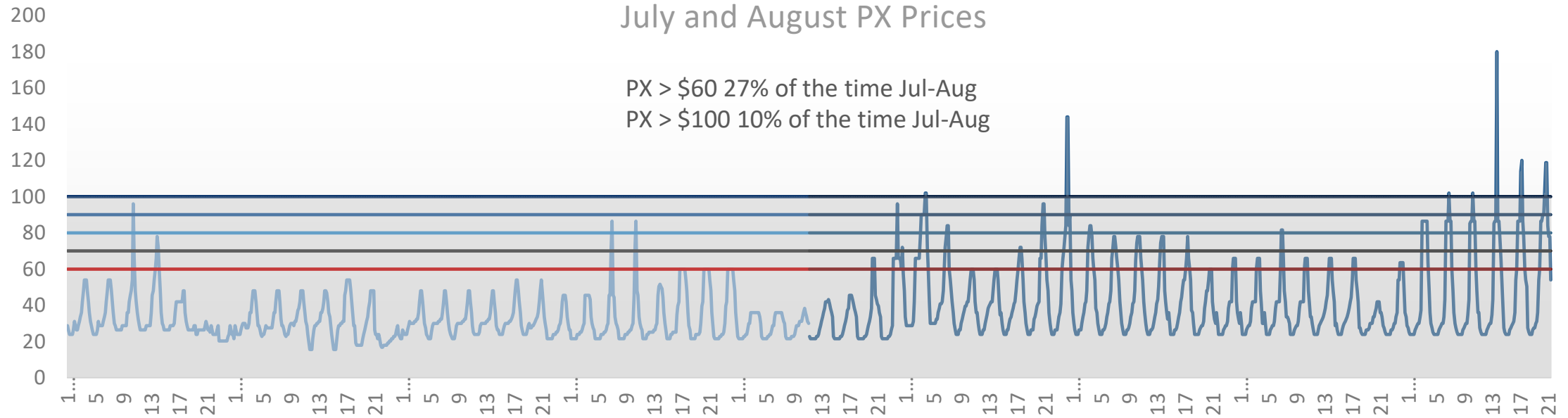
- Market Power Purchase Analysis
 - Energy requirements, cost of market, and forecasted hourly prices for summer months
- Natural Gas Purchase Analysis
 - Energy requirements, cost of natural gas, power plant availability
- Results: 600 MMBtu/day for July and August at 2.95/MMBtu added to earlier purchases of 400 MMBtu a day at 2.86 MMBtu
- No additional market power purchased at this time (pricing > 100/MW)

Summer Natural Gas Generation Analysis

Month	2021 HLH Avg. PX	Generation	Savings from Gener	Monthly Savings
Jun	\$ 36	\$ 48	\$ (12)	\$ (37,037)
Jul	\$ 49	\$ 48	\$ 1	\$ 2,483
Aug	\$ 113	\$ 48	\$ 65	\$ 202,898
Sep	\$ 52	\$ 48	\$ 4	\$ 12,268

Month	Shortage	Generation	System Load	% at risk (Shortage)	Shortage w/o Gen	% at risk w/o Generation
Jun	(964,298)	1,525,932	16,982,662	6%	2,490,230.21	15%
Jul	(2,491,946)	3,587,725	21,039,947	12%	6,079,670.74	29%
Aug	(3,986,685)	3,187,500	21,576,892	18%	7,174,184.73	33%
Sep	(730,279)	3,472,950	16,092,094	5%	4,203,229.03	26%

Summer 2021 Market Analysis



Month	Hourly Market at 2020 PX+20%	Hrly w/2MWATC \$60	Hrly w/ 2MW \$70 ATC	Hrly w/2MWATC \$80	Hrly w/ 2MW ATC \$100	
Jun	37,404.54	100,625.34	115,505.34	145,265.34	160,145.34	
Jul	112,285.23	154,642.83	169,522.83	199,282.83	214,162.83	
Aug	496,809.65	466,260.05	481,140.05	510,900.05	525,780.05	
Sep	42,476.55	100,630.95	115,510.95	145,270.95	160,150.95	

SURPLUS VEHICLES



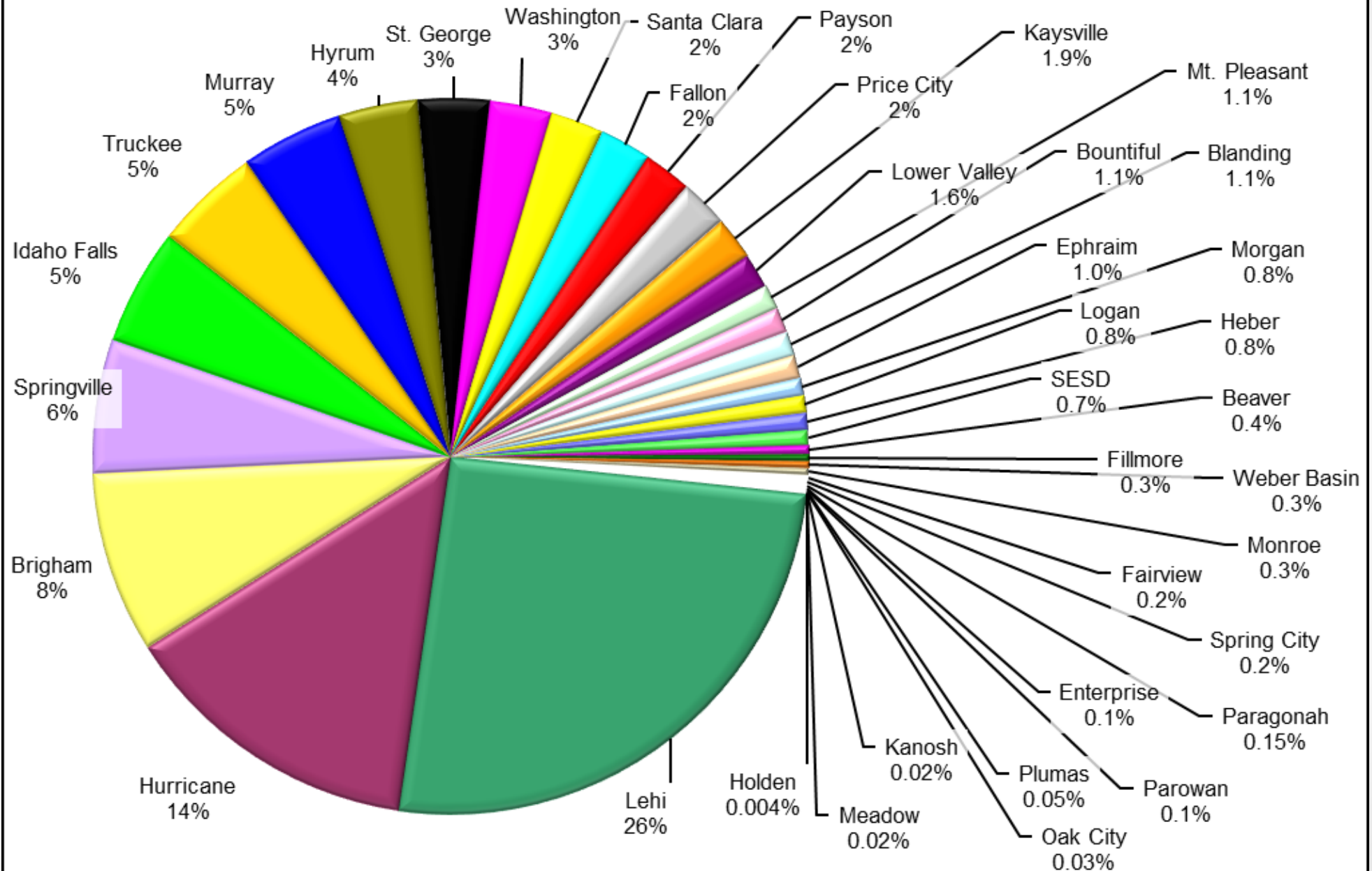
- # 225 2006 Chevy 3500 \$5500.00
- # 212 2011 Dodge Dakota \$4475.00
- # 210 2006 Ford Ranger \$3775.00



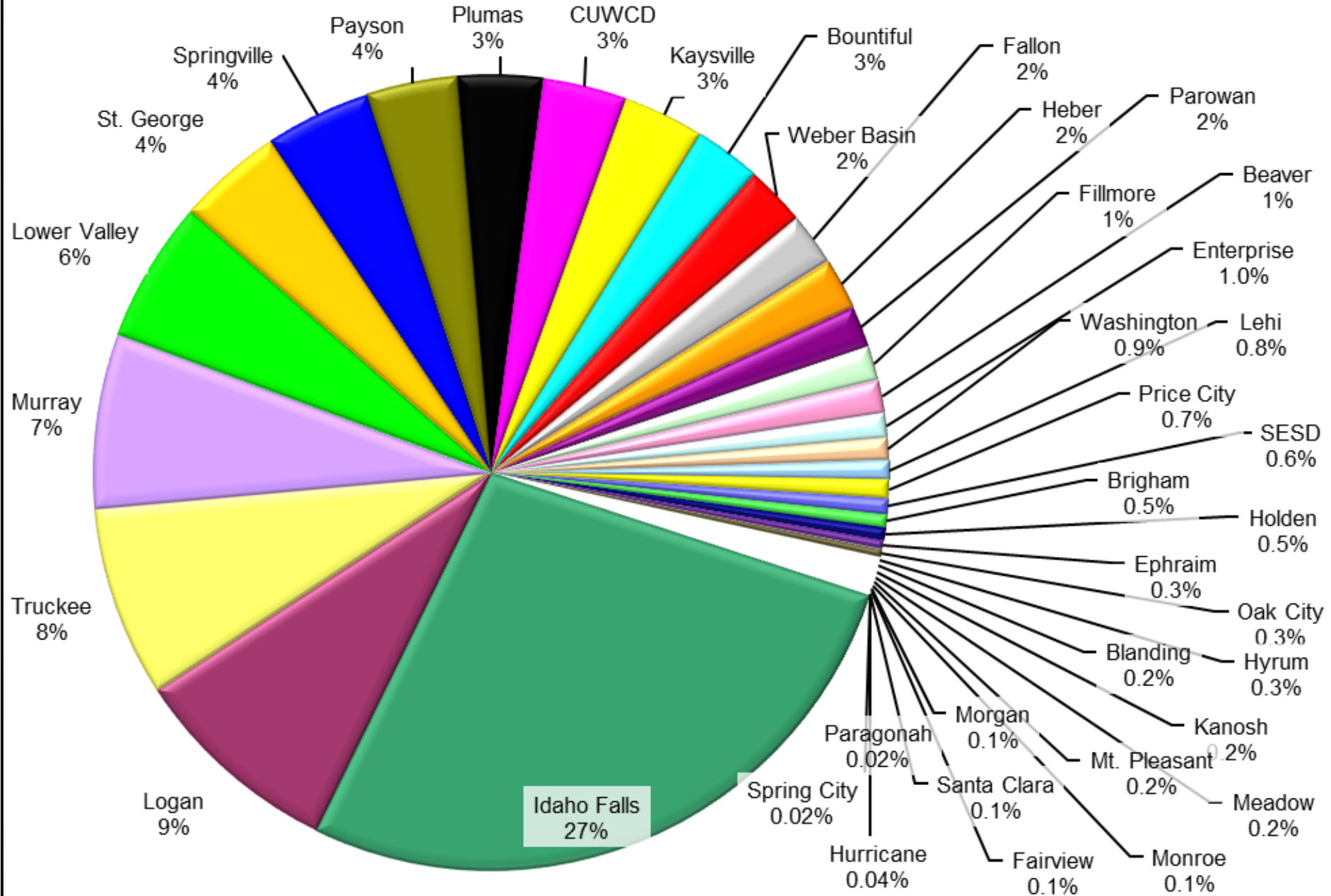
PX and Scheduling Report

March 2021

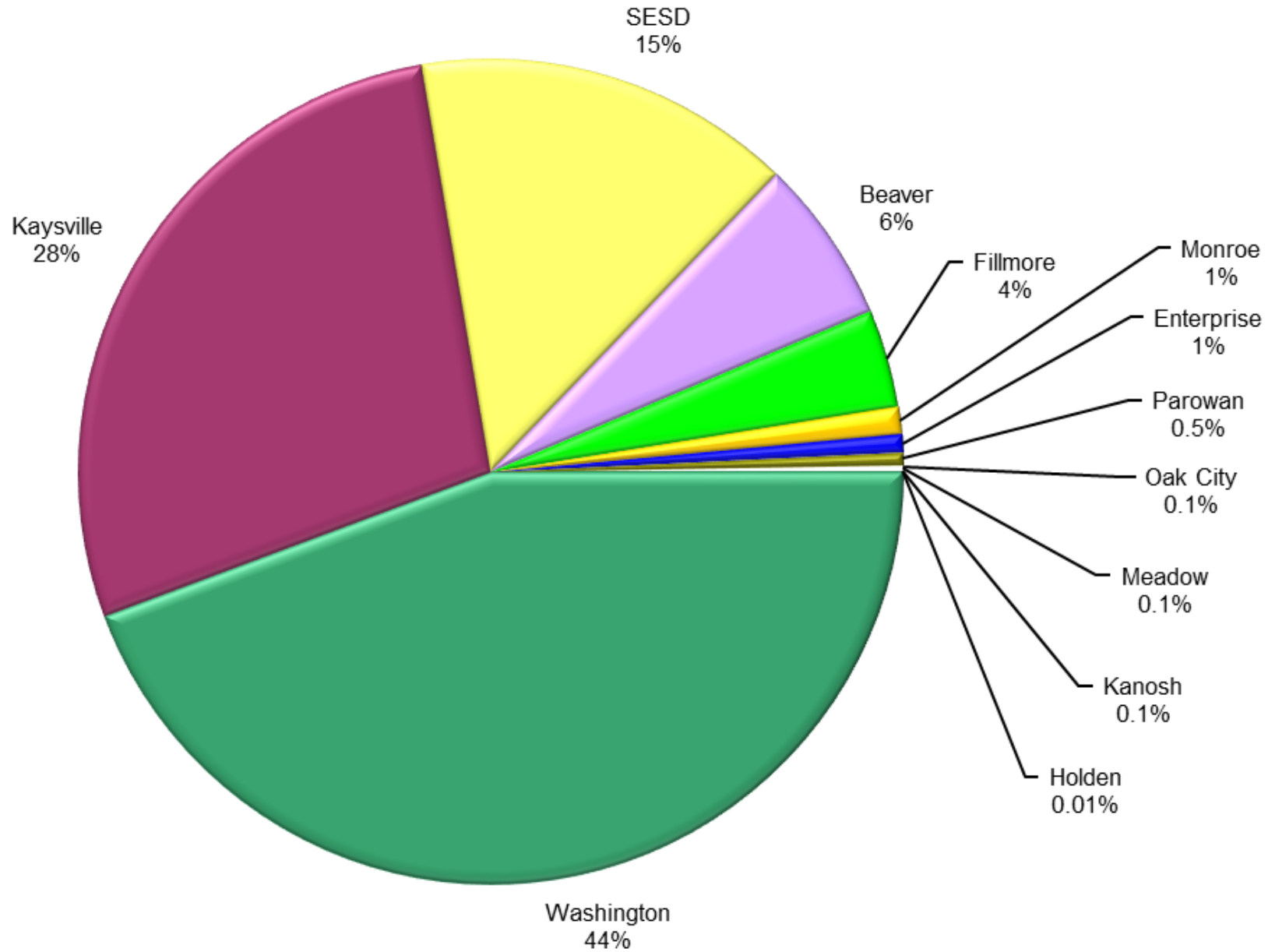
Unplanned Pool Energy Purchases: FY2021



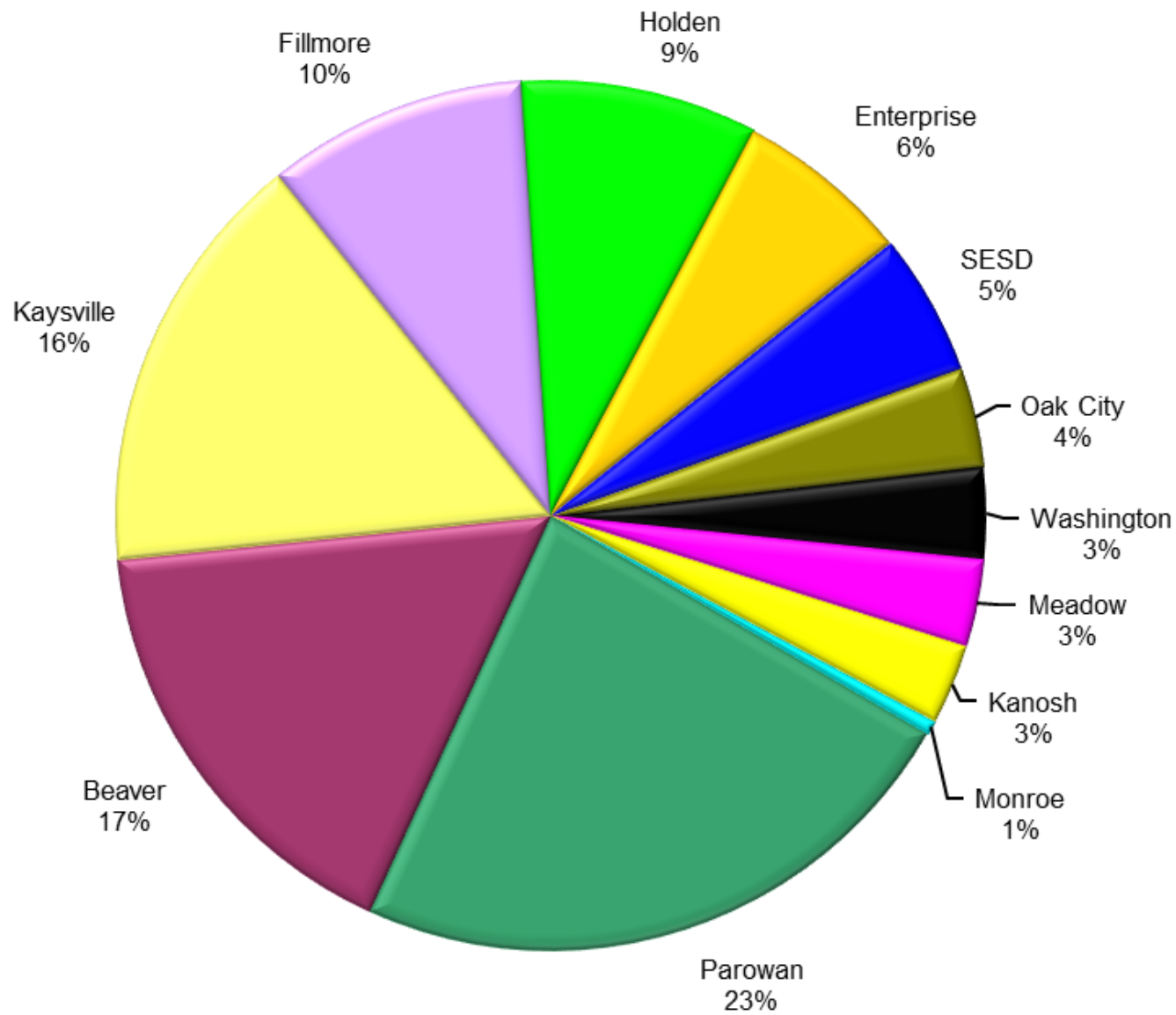
Unplanned Pool Energy Sales: FY2021



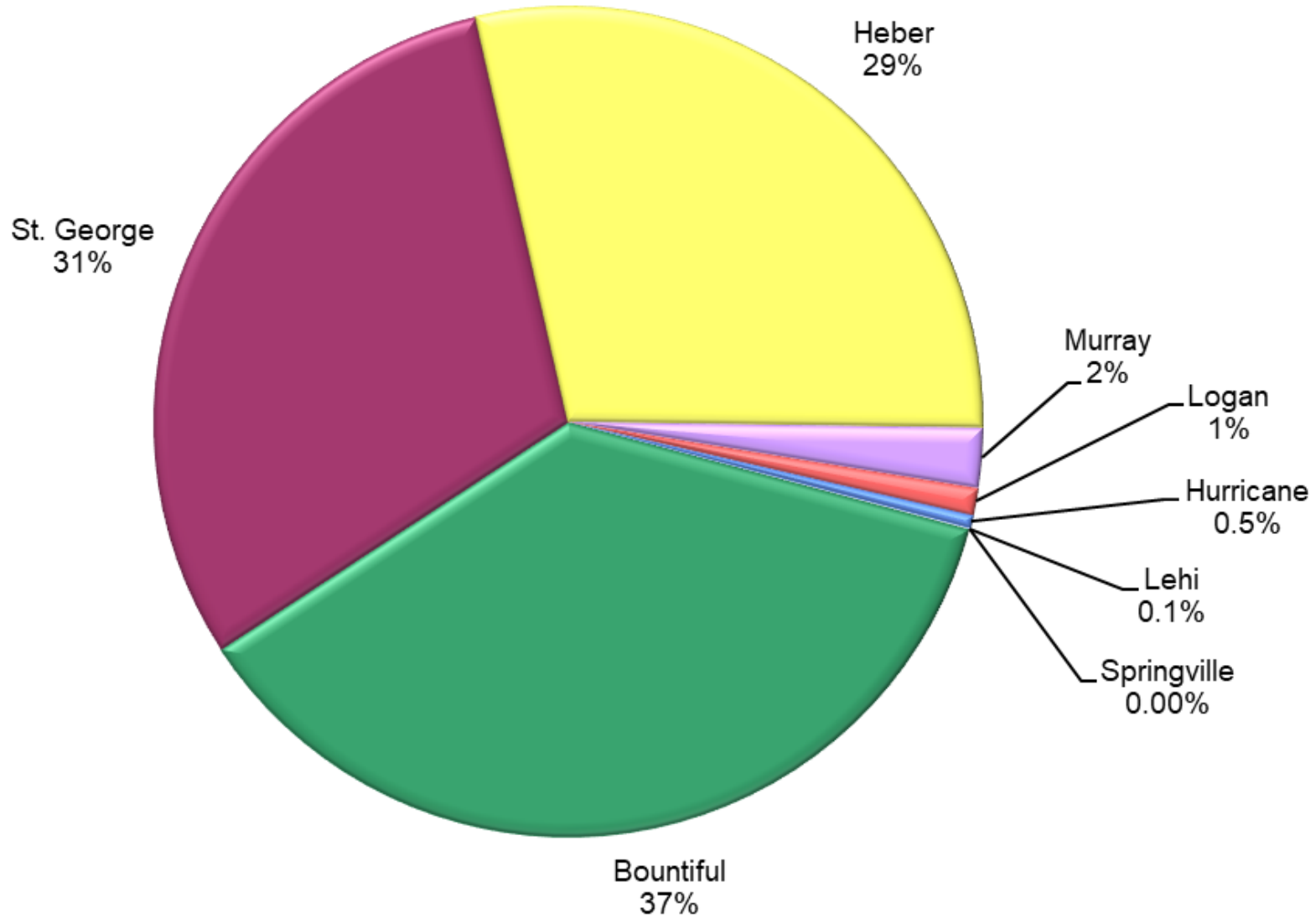
All-In Pool Energy Purchases: FY2021



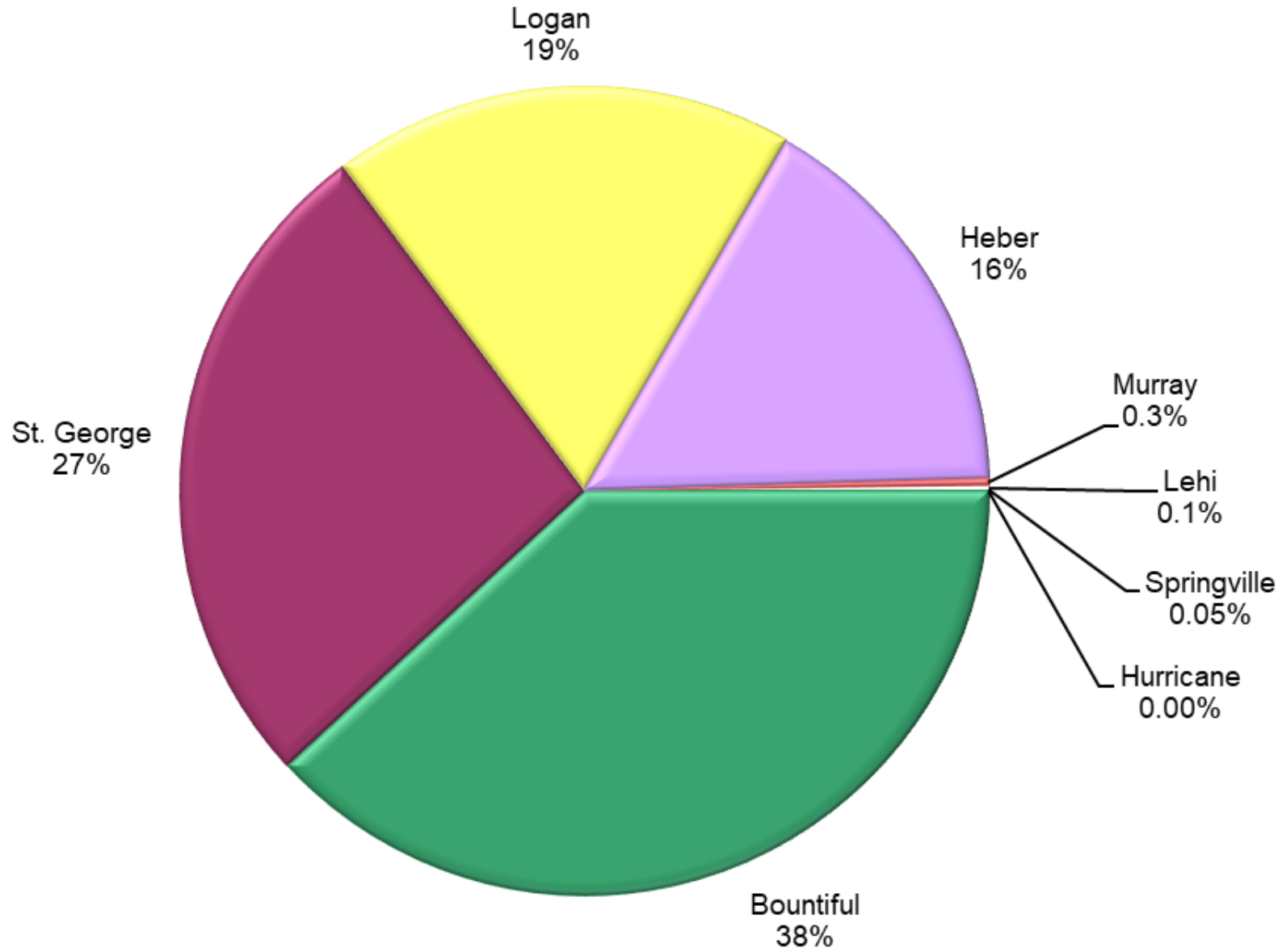
All-In Pool Energy Sales: FY2021



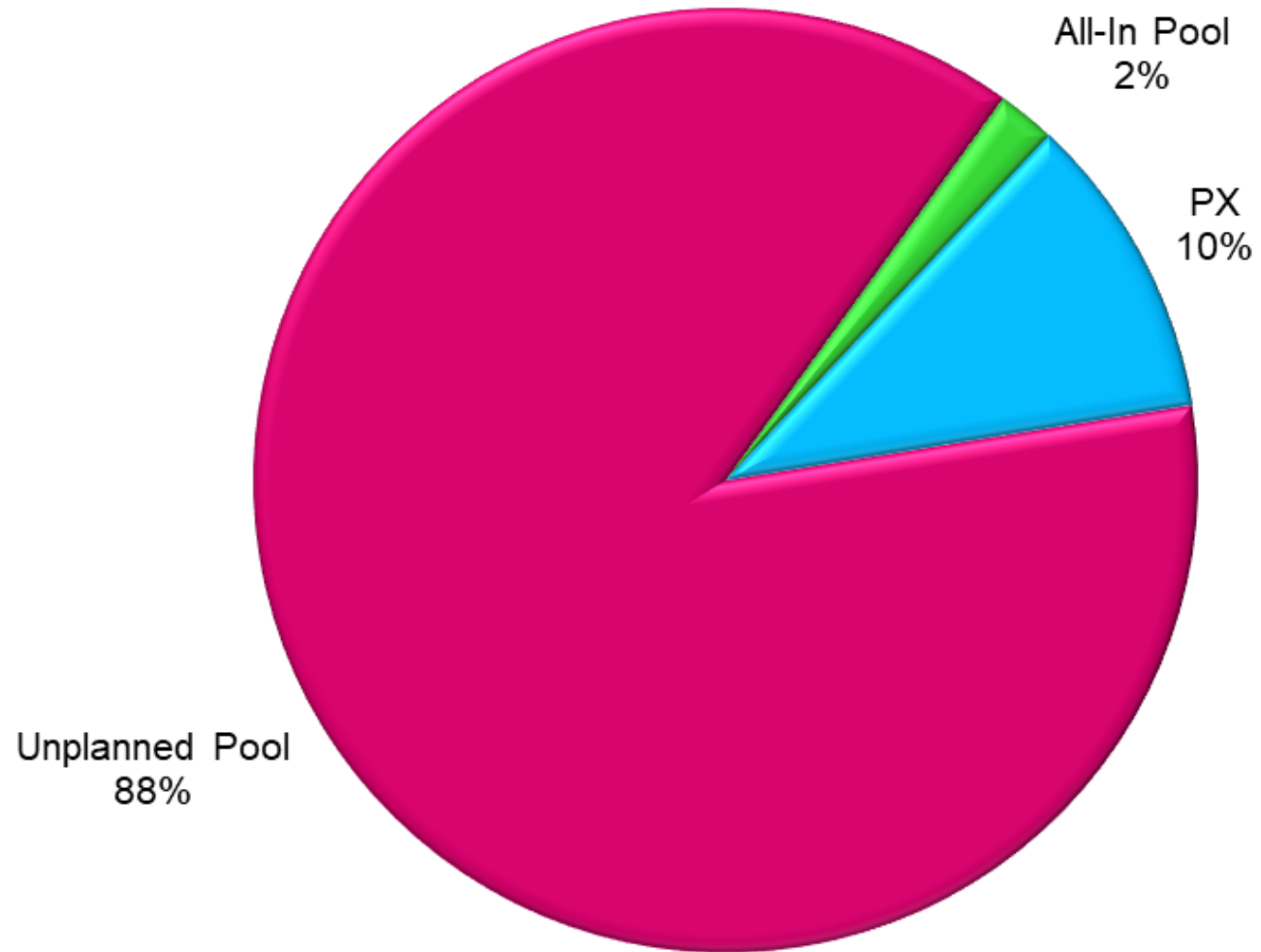
PX Hourly Energy Purchases: FY2021



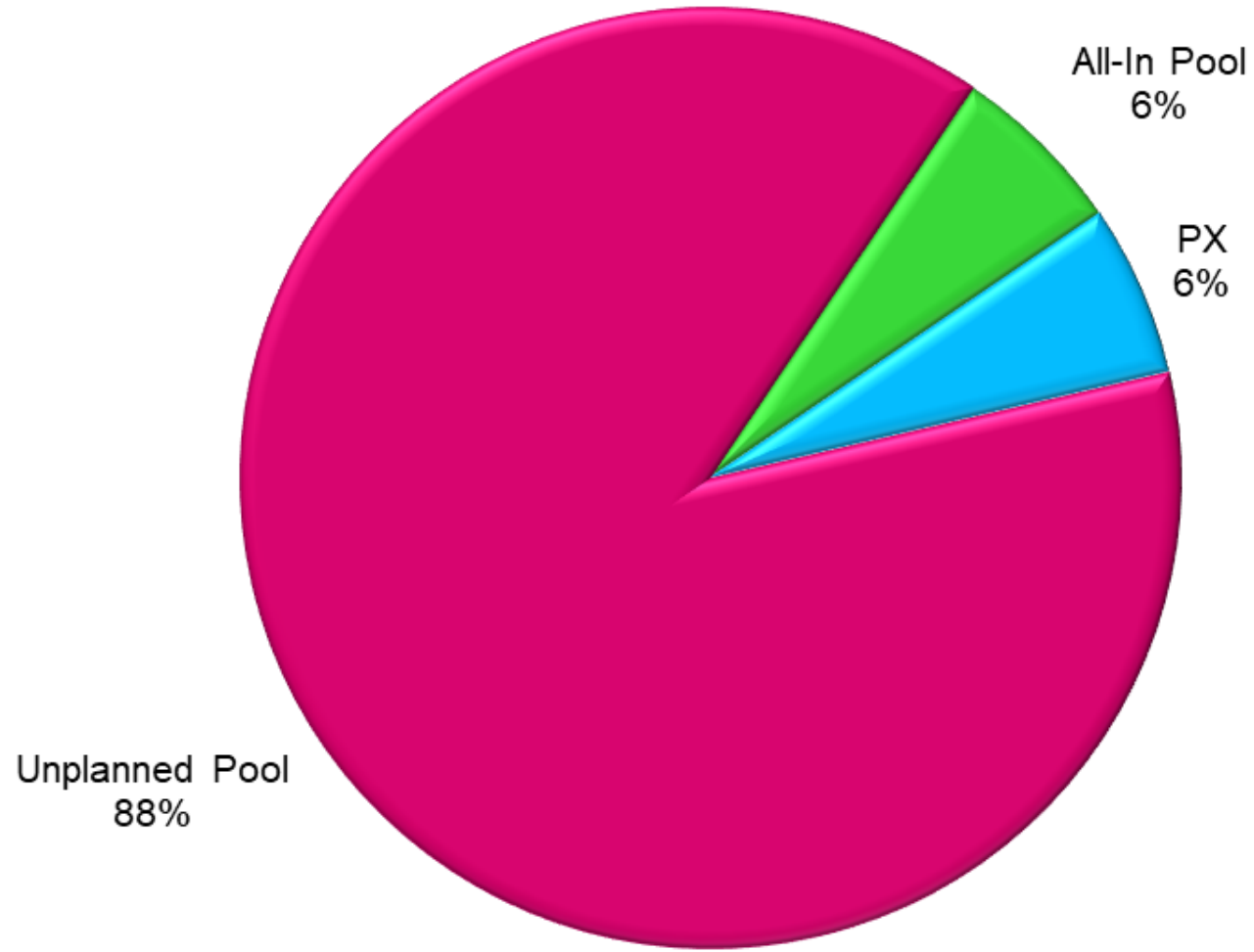
PX Hourly Energy Sales: FY2021



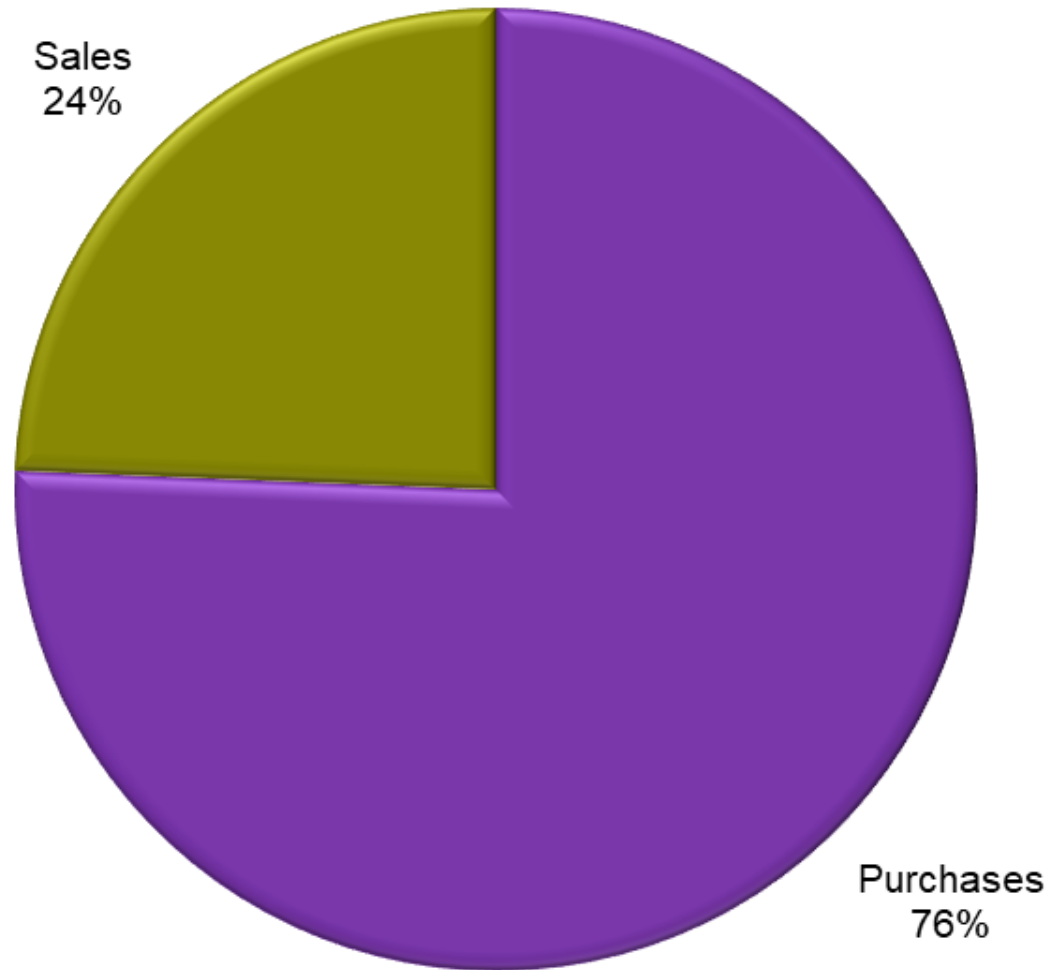
Member Energy Purchases by Category: FY2021



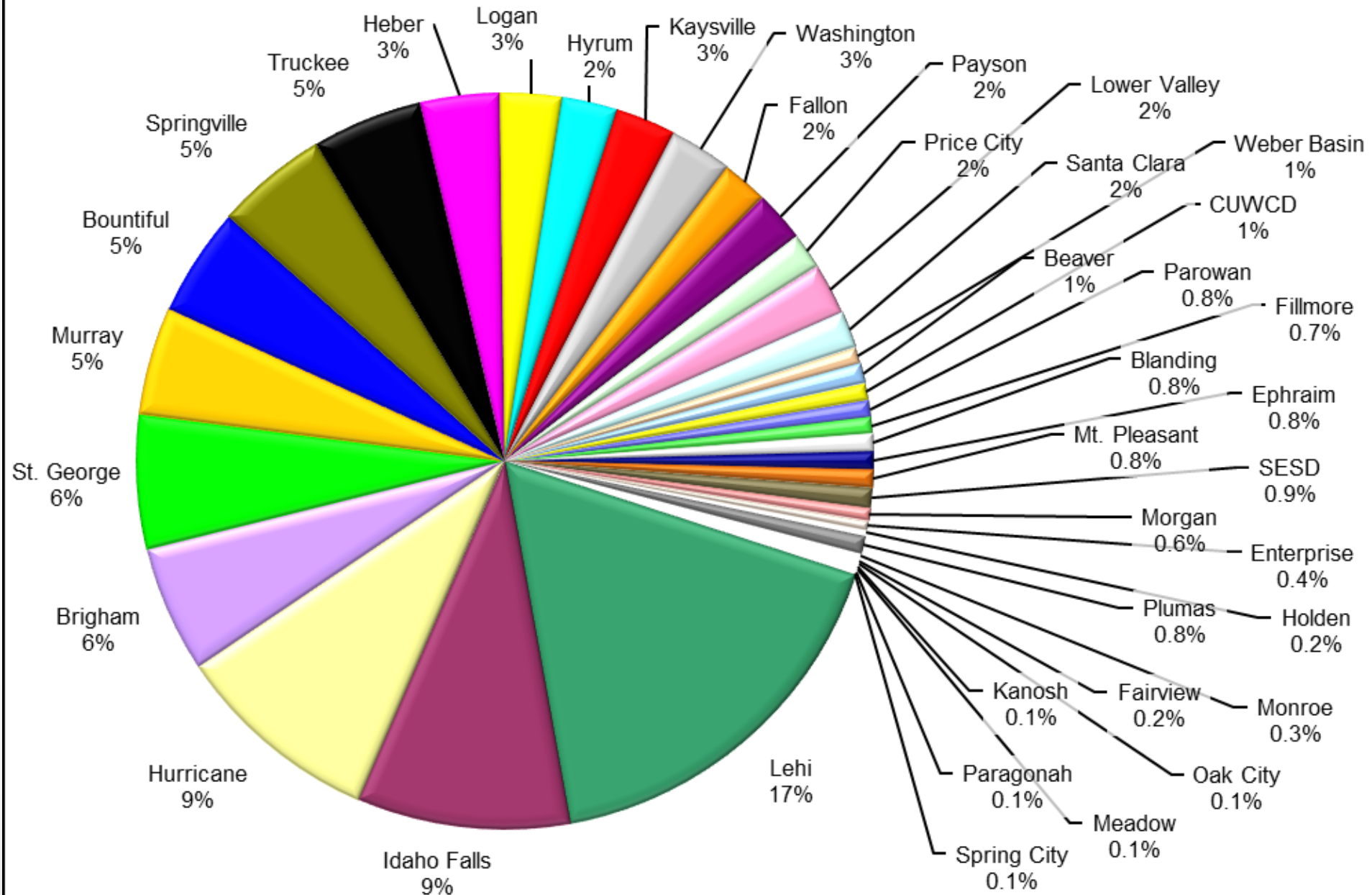
Member Energy Sales by Category: FY2021



Member Energy Pools & PX Energy: FY2021



Pools & PX Energy; Purchases & Sales: FY2021



OPERATIONS REPORT

March 2021

NOAA - Temperatures

- During March, the average contiguous U.S. temperature was 45.5°F, 4.0°F above the 20th century average. This ranked in the warmest third of the 127-year period of record.

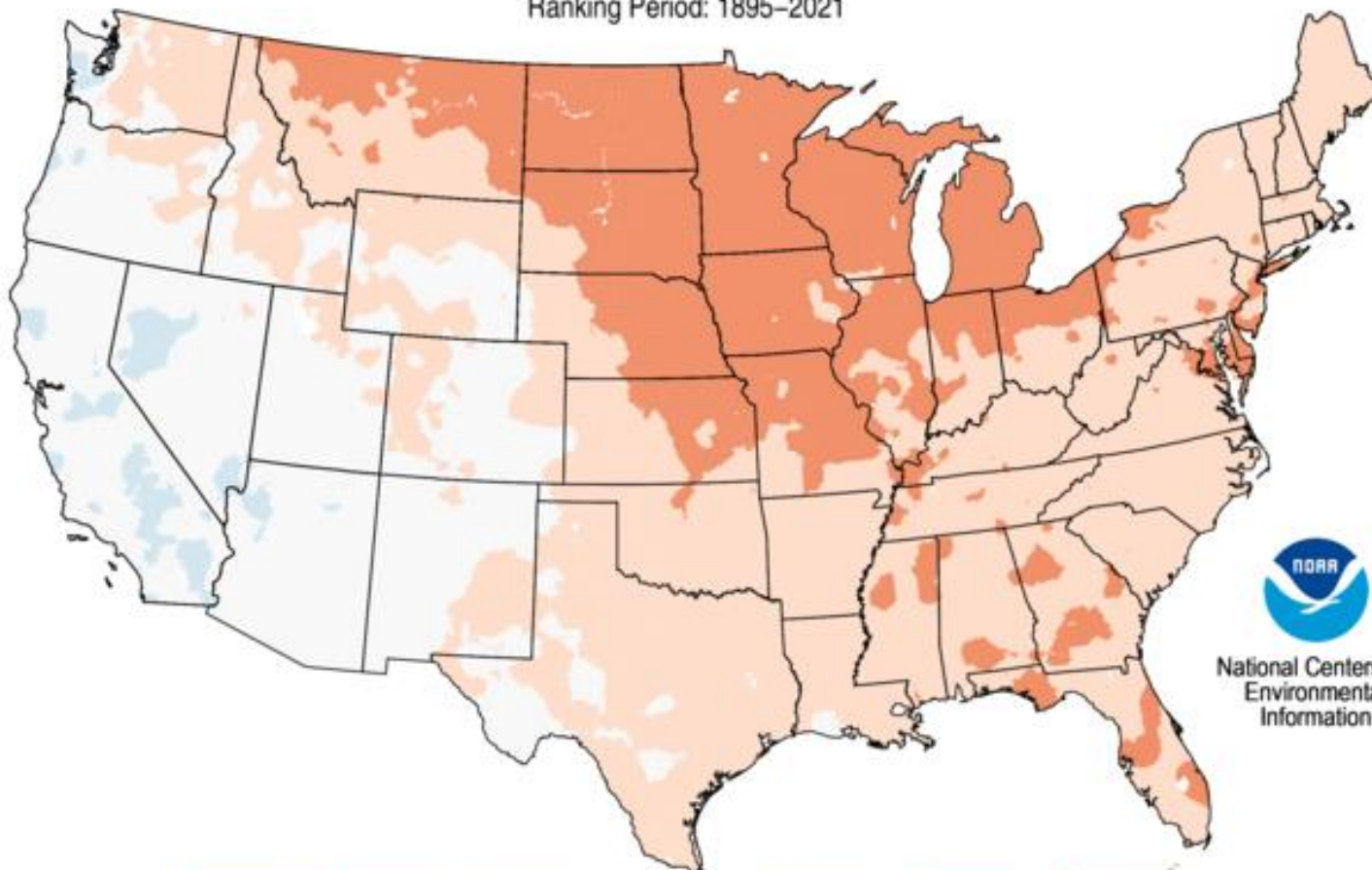
NOAA - Temperatures

- Above-average temperatures were observed from the Northwest to the Great Lakes to the Gulf of Mexico and into the Northeast. Temperatures across North Dakota were fourth warmest on record.

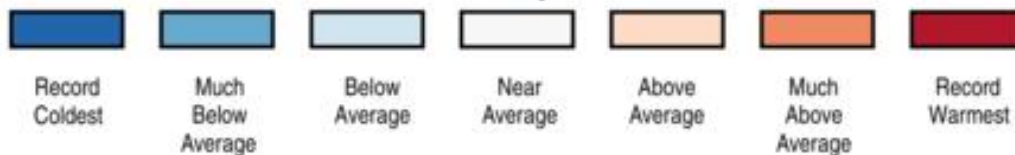
Mean Temperature Percentiles

March 2021

Ranking Period: 1895–2021



National Centers for
Environmental
Information



Created: Tue Apr 06 2021

Data Source: 5km Gridded Dataset (nClimGrid)

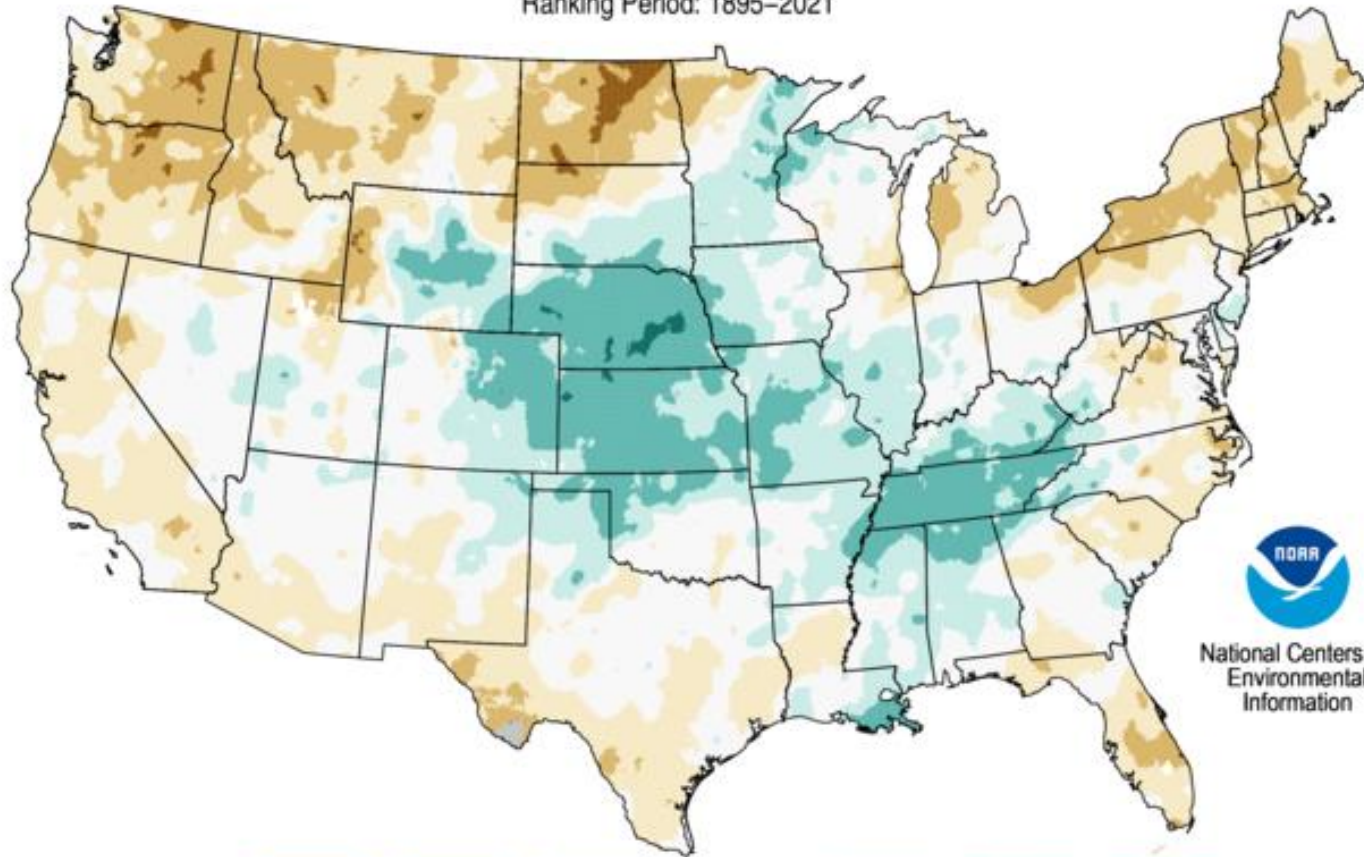
NOAA - Precipitation

- The March precipitation total for the contiguous U.S. was 2.45 inches, 0.06 inch below average, and ranked in the middle third of the 127-year period of record.
- The year-to-date precipitation total was 6.55 inches, 0.41 inch below average, ranking in the middle third of the January-March record.

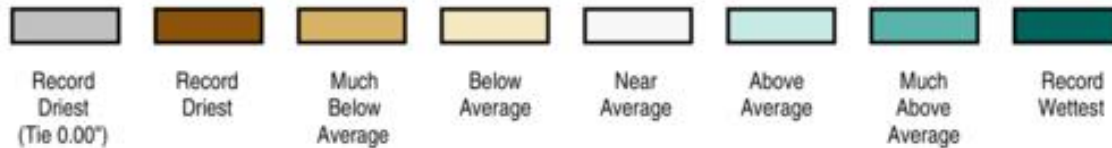
Total Precipitation Percentiles

March 2021

Ranking Period: 1895–2021



National Centers for
Environmental
Information



Created: Tue Apr 06 2021

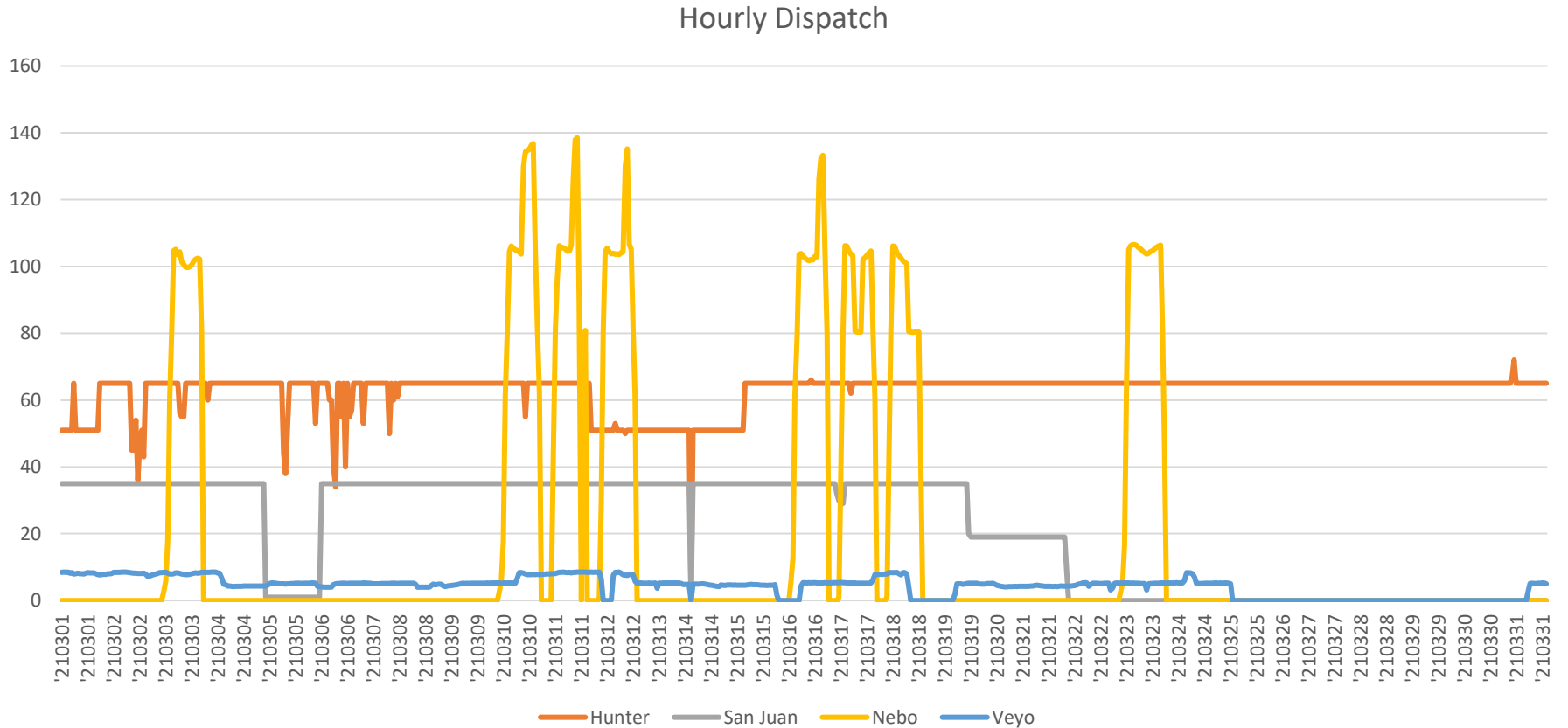
Data Source: 5km Gridded Dataset (nClimGrid)

PLANT OPERATIONS

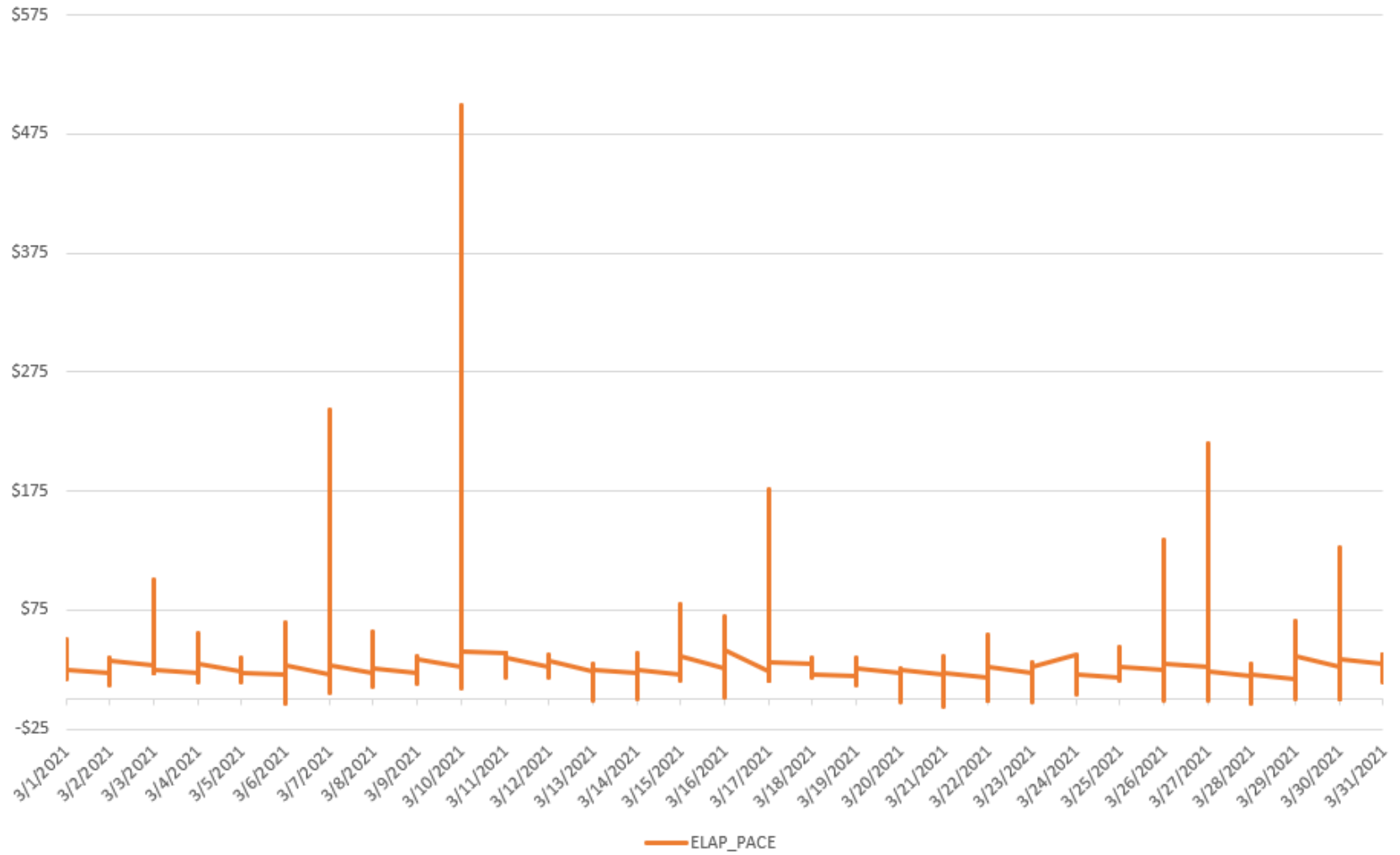
EQUIVALENT AVAILABILTY FACTOR

	Mar-21	Feb-21	Jan-21	Dec-20
Hunter	97%	99%	99%	100%
San Juan	61%	70%	96%	81%
IGS	0%	0%	0%	0%
Payson	100%	100%	100%	100%
Veyo	56%	60%	99%	96%

Hourly Dispatch

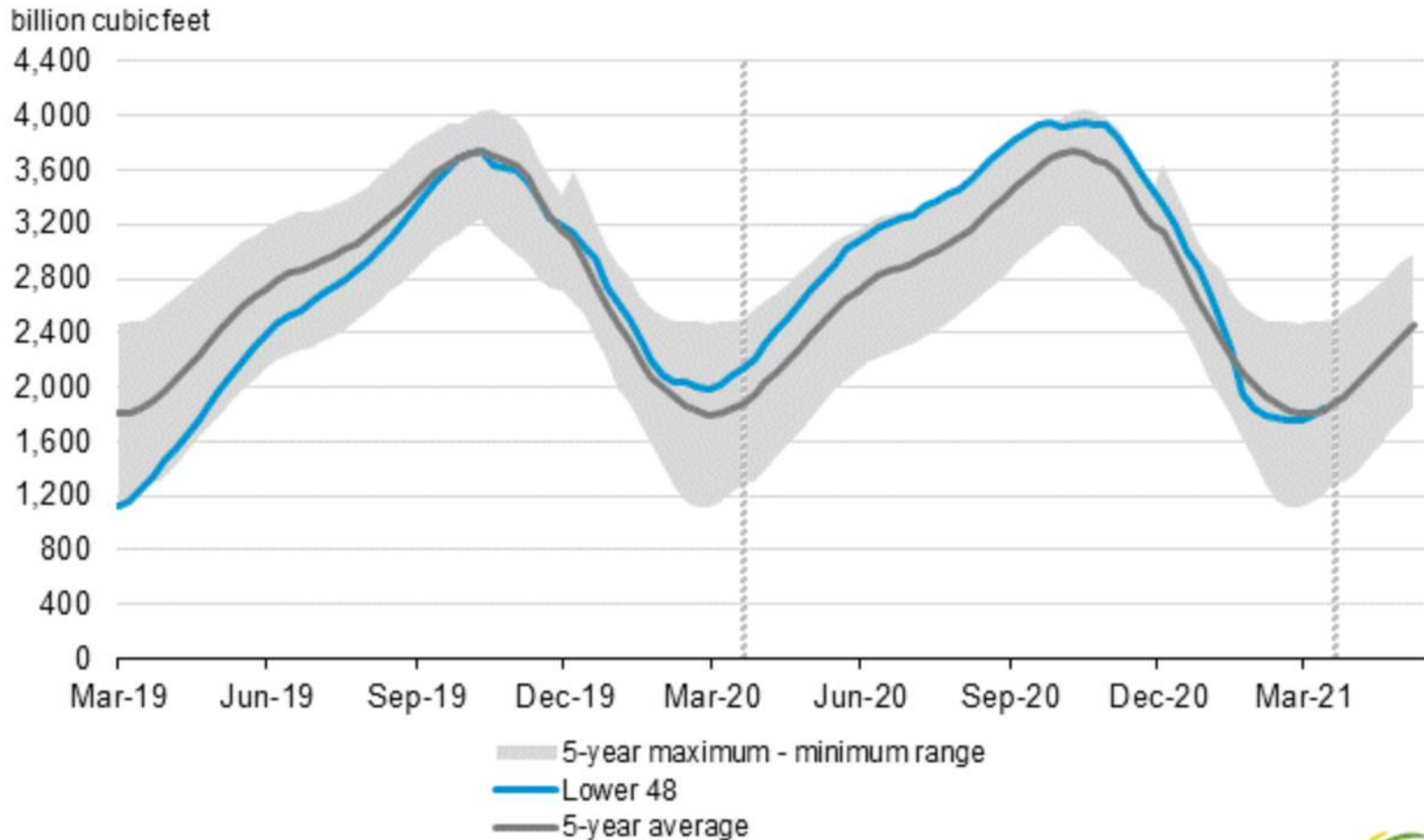


Hourly EIM Prices



Natural Gas Storage

Working gas in underground storage compared with the 5-year maximum and minimum



Source: U.S. Energy Information Administration



Natural Gas Storage

- Working gas in storage was 1,845 Bcf as of Friday, April 9, 2021, according to EIA estimates. This represents a net increase of 61 Bcf from the previous week. Stocks were 242 Bcf less than last year at this time and 11 Bcf above the five-year average of 1,834 Bcf. At 1,845 Bcf, total working gas is within the five-year historical range.

INDUSTRY NEWS

■ **FERC**

- Accepted PacifiCorp Ancillary Rate Filing on 4/1
- Announced Technical Conference to discuss Resource Adequacy in the West
- Addressed FERC Order No. 2222 (DERs in Markets)
 - Breaking down barriers to allow DERs to participate in markets where state regulators prohibit such participation

INDUSTRY NEWS

■ CAISO

- Market Enhancements for Summer 2021 Readiness – Approved by CAISO BOG
 - Filed at FERC
- Resource Adequacy Enhancements Final Proposal – Approved by CAISO BOG
 - Filed at FERC

INDUSTRY NEWS

■ **EIM – WECC – PacifiCorp**

- PacifiCorp self-supply automation kickoff
- EIM RIF Meeting
 - Resource Sufficiency – BPA/PG&E
 - CAISO Forecasting
 - Gross vs Net
- TID, BANC (MID, Redding, Roseville and WAPA SN), LDWP and PNM all joined the EIM

Questions?