

Community Renewable Energy Board

Meeting Agenda

Public Notice is hereby given that the Community Renewable Energy Board will assemble in a public meeting on August 3, 2021, at the Millcreek City Hall located at 3330 South 1300 East Millcreek UT, commencing at 9:00 a.m. The Board will convene in an electronic meeting. Board members may participate from remote locations. Board members will be connected to the electronic meeting by GoToMeeting, Zoom or telephonic communications. The anchor location will be Millcreek City Hall. Members of the public who are not physically present at the anchor location may attend the meeting remotely by electronic means at <https://global.gotomeeting.com/join/542569573>.

REGULAR MEETING of the Board:

1. Welcome, Introduction and Preliminary Matters

- 1.1 Purpose and overview of meeting
- 1.2 Identification and update on community participation in Community Renewable Energy Agency, including welcoming new members and review list of remaining eligible communities
- 1.3 Discussion and consideration of election process and appointment-named individuals or entity and any additional officers
- 1.4 Election of Officers utilizing approved process (with a term to be determined), to-wit: President/ Chair, Treasurer, and Secretary (and any additional officer)
- 1.5 Discussion and review of 1st Initial and Anchor payment deadlines and amounts

2. Business Matters

- 2.1 Discussion of proposed subcommittees: communications committee and low-income program committee
- 2.2 Discussion and Consideration of Resolution 21-09 creating a Communications Committee
- 2.3 Discussion and Consideration of Resolution 21-10 creating a Low-Income Plan Committee
- 2.4 Discussion and Consideration of Resolution 21-06 Appointments to Program Design Committee
- 2.4 Discussion and Consideration of Resolution 21-08 Financial Administration/Procurement Rules
- 2.5 Approval of July 13, 2021, Meeting Minutes
- 2.6 Discussion of other matters for subsequent consideration
- 2.7 Next Meeting scheduled for September 7, 2021, at 9:00 a.m. at Millcreek City Hall

3. Adjournment

In accordance with the Americans with Disabilities Act, the Board will make reasonable accommodation for participation in the meeting. Individuals may request assistance by contacting Kurt Hansen at 801-214-2751, at least 48 hours in advance of the meeting.

THE UNDERSIGNED HEREBY CERTIFIES THAT A COPY OF THE FOREGOING NOTICE WAS EMAILED OR POSTED TO:

Millcreek City Hall

Utah Public Notice Website
<http://pmn.utah.gov>

DATE: July 30, 2021

Emily Quinton

Note agenda items may be moved in order, sequence, and time to meet the needs of the Board.

This meeting will be live streamed via <https://millcreek.us/373/Meeting-Live-Stream>.

THE COMMUNITY RENEWABLE ENERGY BOARD
RESOLUTION NO. 21-09

A RESOLUTION OF THE BOARD CREATING A COMMUNICATIONS COMMITTEE

WHEREAS, the Community Renewable Energy Board (“Board”) met in a special meeting on August 3, 2021, to consider, among other things, creating a communications committee; and

WHEREAS, the Board finds it necessary to create a communications committee.

NOW, THEREFORE, BE IT RESOLVED by the Board as follows:

1 Purpose. The primary purpose for the Communications Committee, shall include, but not be limited to, the following:

- (a) to update the Utah100Communities.org website with information related to participating communities, program timelines, resources, Board documents, and organizations who sign the pledge of support;
- (b) to coordinate joint press releases, media interviews, and social media campaign opportunities among participating communities;
- (c) to coordinate periodic public events that promote public awareness of the Community Renewable Energy Program;
- (d) to act as an advisory body to the Board as directed by the Board from time to time.

2. Creation. There is hereby created a committee known as the Communications Committee (the “Committee”). The Committee shall consist of not more than seven persons who have been appointed by the Board.

3. Organization, Meetings and Committees.

The Committee may organize subcommittees; adopt bylaws and appoint such officers as it deems necessary. Such rules, bylaws and procedures shall be submitted to the Board for approved before taking effect.

4. Jurisdiction. The Committee's jurisdiction shall be limited to:
 - (a) the purposes set forth above; and
 - (b) make recommendations to the Board.
5. Meetings. The Committee shall hold meetings at a time and place as they shall determine.

This Resolution assigned No. 21-09, shall take effect immediately.

PASSED AND APPROVED by the Board this 3rd day of August 2021.

**COMMUNITY RENEWABLE ENERGY
BOARD**

_____, Acting Chair

ATTEST:

_____, Acting Secretary

THE COMMUNITY RENEWABLE ENERGY BOARD
RESOLUTION NO. 21-10

A RESOLUTION OF THE BOARD CREATING A LOW-INCOME PLAN COMMITTEE

WHEREAS, the Community Renewable Energy Board (“Board”) met in a special meeting on August 3, 2021, to consider, among other things, creating a low-income plan committee; and

WHEREAS, the Board finds it necessary to create a low-income plan committee.

NOW, THEREFORE, BE IT RESOLVED by the Board as follows:

1 Purpose. The primary purpose for the Low-Income Plan Committee, shall include, but not be limited to, the following:

- (e) to research and compile a list of outreach practices, eligibility criteria, policy measures, or other ideas designed to protect low-income customers from possibly harmful bill impacts, if any, or improve access to energy saving measures;
- (f) to hold community listening sessions to solicit input on aspects of low-income planning for the Community Renewable Energy Program;
- (g) to work on low-income planning with the Program Design Committee, community partners, state regulators, and others;
- (h) to formulate a list of recommended low-income plan elements that each participating community may choose to adopt for its own low-income plan to be submitted to the Utah Public Service Commission with the program application;
- (i) to act as an advisory body to the Board as directed by the Board from time to time.

6. Creation. There is hereby created a committee known as the Low-Income Plan Committee (the “Committee”). The Committee shall consist of not more than seven persons who have been appointed by the Board.

7. Organization, Meetings and Committees.

The Committee may organize subcommittees; adopt bylaws and appoint such officers as it deems necessary. Such rules, bylaws and procedures shall be submitted to the Board for approved before taking effect.

8. Jurisdiction. The Committee's jurisdiction shall be limited to:

(c) the purposes set forth above; and

(d) make recommendations to the Board.

9. Meetings. The Committee shall hold meetings at a time and place as they shall determine.

This Resolution assigned No. 21-10, shall take effect immediately.

PASSED AND APPROVED by the Board this 3rd day of August 2021.

**COMMUNITY RENEWABLE
ENERGYBOARD**

_____, Acting Chair

ATTEST:

_____, Acting Secretary

THE COMMUNITY RENEWABLE ENERGY BOARD
RESOLUTION NO. 21-06

**A RESOLUTION OF THE BOARD APPOINTMENTS TO PROGRAM DESIGN
COMMITTEE**

WHEREAS, the Community Renewable Energy Board (“Board”) met in a special meeting on July 13, 2021, to consider, among other things, appointments to Program Design Committee; and

WHEREAS, the Board created the Program Design Committee and now finds it necessary to make appointment to such Committee.

NOW, THEREFORE, BE IT RESOLVED by the Board that the following be appointed to the Program Design Committee:

This Resolution assigned No. 21-06, shall take effect immediately.

PASSED AND APPROVED by the Board this 13th day of July 2021.

**COMMUNITY RENEWABLE ENERGY
BOARD**

_____, Acting Chair

ATTEST:

_____, Acting Secretary

THE COMMUNITY RENEWABLE ENERGY BOARD
RESOLUTION NO. 21-08

**A RESOLUTION OF THE BOARD ADOPTING A FINANCIAL ADMINISTRATION
POLICY**

WHEREAS, the Community Renewable Energy Board (“Board”) met in a regular meeting on August __, 2021, to consider, among other things, adopting a financial administration policy; and

WHEREAS, Utah Code Ann. § 11-13-516 provides that “[a]n interlocal entity shall make an expenditure or incur an obligation according to the purchasing procedures established by an interlocal entity by resolution and only by order or approval of a person duly authorized;” and

WHEREAS, the Board has determined that by this resolution to adopt purchasing procedures and duly authorizing a person(s) to order or approve purchases.

NOW, THEREFORE, BE IT RESOLVED by the Board that the following be adopted as the Agency Financial Administration Policy

1. Scope.

A. No purchases shall be made, and no encumbrances shall be incurred for the benefit of the Agency except as provided in this resolution.

B. No purchase shall be made, and no encumbrance shall be incurred unless funds sufficient to cover the purchase or encumbrance have been budgeted and are available within the approved budget.

C. Notwithstanding the provisions above, whenever any purchase or encumbrance is made with state or federal funds and the applicable state or federal laws or regulations are in conflict with this ordinance to the extent that following the provisions of this resolution would jeopardize the use of those state or federal funds, such conflicting provisions of this resolution shall not apply and the Agency officials making such purchases shall follow the procedure required by the state or federal laws or regulations.

2. Definitions.

Unless the context requires otherwise, the following terms shall have the following meanings:

A. “Encumbrance” means an obligation of the Agency.

B. “Professional Services” means professional and other skilled services such as auditing, architecture, consultants, engineering, surveying, appraisals, legal service, or counseling, sought or obtained from such sources.

C. “Nonprofessional Services” means services other than professional services.

D. “Supplies” shall mean any and all tangible articles or things, materials or equipment which shall be furnished to or used by Agency within the scope of its operations.

E. "Invitation for Bids" means solicitation (including soliciting documents) of competitive sealed bids for procurement of services, supplies and equipment when the Agency can establish precise specifications defining the actual commodity or group of commodities required.

F. "Request for proposals" means a document used to solicit proposals to provide the Agency a procurement item.

G. "Request for statement of qualifications" means a document used to solicit information about the qualifications of a person interested in responding to a potential procurement,

H. "Agency" means the Community Renewable Energy Agency created by interlocal.

3. Acquisition of services and supplies, in the amount of \$10,000 or less.

A. Except as provided herein, whenever the total price of a contract for services or supplies is estimated to be \$10,000 or less, the following procedures shall apply:

1. Where the amount to be paid by the Agency is \$10,000 or less, three independent price quotes shall be obtained prior to such acquisition and a purchase order, service request, check request, or check must be approved utilizing Millcreek process for acquisition of services and supplies, in the amount of \$10,000 or less.

2. For purposes of determining the amount to be paid for the purchase order or service request, a single purchase, or what would commonly be considered a single purchase, shall not be subdivided into component parts to avoid the authorization limits.

B. Approval of a contract for services or supplies by the Agency includes authorization to make payment to the contractor or vendor in the amount of the original contract.

C. Change orders may be approved by the person in the amounts indicated provided the total contract price, including the change order, is within the original budget amount; provided, however, Millcreek shall provide a full and complete accounting and description to the Board for any change order or series of change orders with respect to a project that are \$10,000 or more.

4. Acquisition, services, and supplies in an amount of greater than \$10,000.

Except as provided herein, whenever the total price of a contract for services or supplies is estimated to be greater than \$10,000, an invitation for bids, request for statement of qualifications, or a request for proposals shall be issued prior to acquisition and the following procedures shall apply:

A. The President/ Chair or his designee shall develop the appropriate plans and/or specifications for each such acquisition or project.

B. The President/ Chair or his designee shall cause notice of invitation of bids, request for statement of qualifications, or responses to requests for proposals (including a general description of the items to be procured, the work to be done and the time and place for the opening of bids or proposals), to be published on the Agencies' website and, and published on the Utah Public Notice Website created by Utah Code Ann. § 63F-1-701.

C. The President/ Chair or his designee may determine a non-refundable fee to be charged to each prospective bidder who desires a set of plans and/or specifications.

D. Bids, request, or proposals shall be invited from vendors deemed to be appropriate and responsible.

G. For purposes of determining the estimated total price of a contract for services or supplies, what would commonly be considered a single purchase shall not be subdivided into component parts to avoid authorization limits.

H. Approval of a contract for services or supplies shall utilize Millcreek process for acquisition of services and supplies, in the amount greater than \$10,000 and includes authorization to make payment to the contractor or vendor in the amount of the original contract.

I. Change orders may be approved by the person in the amount indicated provided the total contract price, including change orders, is within the original budget amount provided, however, the President/ Chair or his designee shall provide a full and complete accounting and description to the Council of any change orders that exceed \$ 10,000.

J. Notwithstanding the above, if the President/ Chair determines in writing, a copy of which shall be given to the Board at the next regular Board meeting, that the method described above is either not practical or not advantageous to the Agency, a contract may be entered into as provided in Utah Code Ann. § 63G-6a-101 et seq.

K. Notwithstanding the above, the Agency may (i) purchase services or supplies from the vendor who has submitted the lowest bid price for such items to the State of Utah Purchasing Office at the quoted price, without any solicitation, price quotation, request for proposals, or invitation to bid, or (ii) purchase nonprofessional services, equipment, or supplies from the vendor who has submitted the lowest bid price for such items to a government entity at the quoted price, provided that the government entity used a solicitation process that is the same or similar to the solicitation process described herein, without any solicitation, price quotation, request for proposals, or invitation to bid. For such purposes, the quoted price shall be deemed to be the lowest price available for such items and need not follow the solicitation procedures otherwise required by these rules.

L. Notwithstanding the above, the Agency may (i) purchase services or supplies from vendors to assure standardization of supplies or services, provided that such standardization is in the public interest, (ii) purchase services or supplies which can be procured from only one source, manufacturer, or distributor, (iii) purchase services or supplies from vendors based on a continuation of services or supplies, provided that such combination is in the public interest; or (iv) purchase services or supplies from other government entities pursuant to Utah Code Ann. § 11-13-101, et seq., (Interlocal Cooperative Act).

5. Acquisition of Professional Services.

Notwithstanding anything to the contrary herein, professional services may be procured as negotiated based on demonstrated qualifications and at a fair and reasonable price. Procurement of professional services must be approved by the President/ Chair and utilizing Millcreek process for acquisition of professional services.

6. Emergency acquisitions.

In case of an actual emergency, the President/Chair utilizing Millcreek process for acquisition of may purchase directly any supplies or services whose immediate procurement is essential to prevent any delays in the work of the using agency that may vitally affect life, health, safety or welfare of the public. The President/Chair shall promptly send the Board a full written report of the circumstances of the emergency.

7. Conditions of acceptance.

A. The Agency reserves the right to reject any and all bids. No bidder shall have any right, legal or equitable, or claim against the Agency for any expense or cost incurred by him in the preparation or submission of his bid, which is rejected, regardless of the reasons for the rejection.

B. The Agency expressly reserves the right to waive minor or slight irregularities in a bid which in the judgment of the President/Chair utilizing Millcreek process for the same are in the best interest of the Agency. The decision of the President/Chair utilizing Millcreek process for the same on irregularities on a bid shall be final and conclusive and shall not create any right to bidders. Further, the Agency reserves the right to amend, modify or waive any provision in a request for proposal, request for statement of qualifications, or invitation for bids.

C. Except as otherwise provided herein, supplies and services shall be obtained from the lowest responsible bidder. In determining the lowest responsible bidder, the Agency may consider, in addition to price:

1. The ability, capacity and skill of the bidder to perform the service required;
2. Whether the bidder can perform the contract or provide his services promptly, or within the time specified without delay or interference;
3. The character, integrity, reputation, judgment, experience and efficiency of the bidder;
4. The quality and performance of previous services by the bidder;
5. Previous and existing compliance by the bidder with the laws and ordinances relating to contractor services;
6. Sufficiency of the financial resources of the bidder to perform the contract or provide the services;
7. Quality, availability and adaptability of the supplies or contractual services to the particular use required;
8. The ability of the bidder to provide future maintenance and service;
9. The number and scope of conditions attached to the bid or price quotation;
10. Such other factors as the President/Chair utilizing Millcreek process for the same shall determine, including inventory, mechanic's expertise and ease of maintenance; and
11. The value provided to the Agency.

8. Payment of routine expenditures.

The President/Chair utilizing Millcreek process for the same is authorized to approve payments for routine expenditures, if any, such as utility bills, leases, and payroll related expenses, provided that such expenditures are referenced in the then approved budget, that the funds are available for such expenditures, and that sufficient documentation is provided concerning such expenditures. The President/Chair utilizing Millcreek process for the is authorized to approve payments for supplies, materials and payments on City-approved contracts, provided that such expenditures are referenced in the then approved budget, that the funds are available for such expenditures, and that sufficient documentation is provided concerning such expenditures.

9. Payment of payroll obligations.

The President/Chair utilizing Millcreek process for the same is authorized to approve payroll checks, if any, provided the checks are prepared in accordance with a salary schedule established by the Council.

This Resolution assigned No. 21-08, shall take effect immediately.

PASSED AND APPROVED by the Board this __ day of August 2021.

**COMMUNITY RENEWABLE ENERGY
BOARD**

_____, Chair

ATTEST:

_____, Secretary

Community Renewable Energy Board Meeting Minutes

The Community Renewable Energy Board, met in a regular public meeting on Tuesday, July 13, 2021 at Millcreek City Hall, located at 3330 S. 1300 E., Millcreek, UT 84106. The Board will convene in an electronic meeting. Board members may participate from remote locations. Board members will be connected to the electronic meeting by GoToMeeting, Zoom, or telephonic communications. The anchor location will be Millcreek City Hall.

PRESENT:

Board Members

Jeff Silvestrini, Chair
Drew Quinn
Luke Cartin
Samantha DeSeelhorst
Dan Dugan
Glenn Wright
Chris Cawley
Andy Beerman
Pamela Gibson
Sarah Stock
Holly Smith
Mila Dunbar-Irwin
Christopher Thomas
Randy Aton
Suzanne Elger
Emily Quinton
Kelly Bush

Staff

John Brems, Millcreek City Attorney
Alexander Wendt, Millcreek Deputy City Recorder
Kurt Hansen, Millcreek Facilities Director

Attendees: Nick Schou, Justin Owen, Janene Eller-Smith, Michael Shea

Minutes by Alexander Wendt.

REGULAR MEETING – 10:00 a.m.

TIME COMMENCED: 10:06 a.m.

1. Welcome, Introduction, and Preliminary Matters

1.1 Purpose and Overview of Meeting

Chair Silvestrini said the purpose of this meeting is to continue and speak about a program design committee and other organizational matters.

1.2 Identification of Voting Board Members

Mayor Silvestrini asked the Board members present to identify themselves for the benefit of the meeting recorder and the record.

Council Member Drew Quinn – Voting Member
Samantha DeSeelhorst – Alternate Member – Voting Today
Council Member Dan Dugan – Voting Member
Mayor Jeff Silvestrini – Voting Member
Andy Beerman – Voting Member
Glenn Wright – Voting Member
Christopher Thomas – Alternate Member - Not voting today
Luke Cartin – Alternate Member – Not voting today
Sherri Jackson – Alternate Member – Not voting today
Pamela Gibson – Voting Member
Kelly Bush – Voting Member
Chris Cawley Voting Member
Suzanne Elger – Alternate Member – Not voting today
Randy Alton – Voting Member
Mila Dunbar-Irwin – Alternate Member – Not voting today
Kalen Jones -Voting Member
Holly Smith – Alternate – Not voting today
Janene Eller-Smith – Alternate Member – Not voting today
Sarah Stock – Voting Member
Emily Quinton – Alternate Member – Not voting today
Michael Shea – Alternate Member – Not voting today

1.3 Discussion of Meeting Schedule and Meeting Locations

Chair Silvestrini asked if meeting the second Tuesday of the month works for the Board. Board Member Quinn said that Tuesdays work well, but not the second Tuesday of the month. Chair Silvestrini said that a poll could be sent out. Board Member Beerman said he supports the first Tuesday of the month. Board Member Bush said third Tuesday. Board Member Dugan said Salt Lake City has Tuesday Council meetings and Tuesdays are difficult. Chair Silvestrini said that maybe the meeting time could be changed to 9am. Then Chair Silvestrini asked if the first Tuesday of the month at 9 a.m. works for the board. Chair Silvestrini said that seemed to be the consensus. Chair Silvestrini asked for a motion when they get to the next agenda

1.4 Discussion and Consideration of Resolution 21-04 Annual Meeting Schedule Board Member Wright made a motion to hold meetings the first Tuesday of the month at 9 a.m. at Millcreek City Hall. All board members voted yes. The motion passed unanimously.

1.5 Discussion of Officer Election Date

Chair Silvestrini asked that the Board hold an officer election on August 3rd. Offices up for election are the chair, secretary, and treasurer. Chair Silvestrini said that he is volunteering the Millcreek Recorder to record the meeting minutes.

2. Business Matters

2.1 Orientation and Training

Christopher Thomas, Sustainability Analyst for Salt Lake City, introduced himself and gave a presentation. The Community Renewable Energy Program for homes and

businesses has a community wide goal to achieve net 100% renewable electricity by 2030. This renewable energy option would become the default option for all residents and businesses and then people will be given time to opt out of the program if they wish. Affordability is key. People need to feel that they can participate. The plan is to inject a significant amount of renewable energy into the electric grid, protect low-income customers, and “combine the interest of communities across Utah to multiply our impact.” Current options are good but limited. The Blue-Sky program mostly supports existing projects that are not interconnected to the electric grid. The Subscriber Solar Program has so far supported one new 20-megawatt solar farm, but is currently capped, and requires customer opt-in. Rooftop solar has many benefits, but typically requires a big upfront financial investor or a loan. This program will be the first of its kind in the country, like Utah’s version of community choice aggregation. The Community Renewable Energy Act passed in 2019. The eligibility window was extended to December 2019. 23 Utah Communities became eligible by adopting qualifying resolutions. Administrative rules were adopted in December 2019. Communities have been meeting to work on next steps since January 2020. The governance subgroup has been meeting weekly to work on a governance agreement and communications.

Board Member Thomas said as a board, by state law, the board must arrive at a single decision on program issues. The governance agreement has administrative functions built into it and was created to be a cooperative group. Programmatic committees will be necessary. Board Member Thomas said that a low-income plan committee and a communications committee may also be beneficial, in addition to the program design committee. There is a stipulation of payment for third-party expertise for state regulators, and stipulation of payment for noticing. A requirement in the utility agreement will be the negotiation of termination charges. The utility agreement will require interpreting the net 100% goal.

Board Member Thomas then explained the program application. They will need a list of participating communities with customer class loads and forecasts. Proposed ordinance language for each community to adopt and participate. Projected program rates and tariffs. The board will propose a process for periodic rate adjustment filings. One plan per community addressing low-income programs and assistance is required. Board Member Wright asked if each community would have its own low-income plan. Board Member Thomas said yes. There must be a proposed solicitation process, form of opt out notices, implementation date. There must also be an explanation of how non-participating customers and the utility will not be subject to program liabilities/costs. To approve the Program Application, the Commission must find: it is in the public interest and may not result in shifting of costs or benefits to non-participants. After Commission approval, an eligible community identified in the application must pass an ordinance within 90 days. At this point the Board may begin resource solicitation and acquisition, as approved. The Board would put out a request for proposal (RFP), first and second opt-out notices as approved, 60 days before commencement, in person for customers over 1 MW. There is a cancellation period for three billing cycles following commencement, after which a termination fee, if any, applies. Board Member Thomas went over the implementation steps. June 2021, assemble participating communities and sign a governance agreement. Jan 2022,

design a program rate, project customer bill impact, develop a low-income plan, and sign a utility agreement. By September 2022 submit application to Utah PSC for review and approval. December 2022, pass ordinance to finalize participation.

Board Member Thomas spoke about the governance agreement and voting. There is pre-implementation voting and then post-implementation voting. A simple way to think about this is rules for voting before and after program implementation. Pre-Implementation voting requires a majority of communities with the option for two communities to call for a weighted vote. The vote will be weighted by participation percentage, which changes throughout the timeline. The participation percentage weights are as follows. Phase 1 payment obligation, phase 2 payment obligation, and participating electric load. Board Member Thomas described post-implementation voting as follows. To change program elements a supermajority of communities and majority of electric load. To procure new resources; a majority of communities and majority of electric load (unless 10% or more; then a supermajority of both is required). For other votes, a majority of communities with the option to call for a weighted vote based on electric load. During pre-implementation voting general votes must be taken at a meeting with a quorum. This requires at least a majority of Board Members present and voting. If any two Board Members call for a weighted vote, then at least a majority of participation percentage must be present. Board Member Thomas then explained primary and alternate board members. The primary board member must be elected and if present the primary board member casts the vote. Alternate board members do not have to be elected. When a primary board member is absent, the alternate has all the privileges of the primary board member.

Board Member Thomas explained governance agreement costs and program implementation expenses. State law says that program implementation, “may not result in any shift of costs or benefits to any non-participating customer or any other customer of the qualified utility beyond the participating community boundaries.” It has been estimated that the high-end cost could be \$700,000. This is apart from noticing costs. This is broken down between, \$300,000 for legal and technical consultants, \$200,000 for Rocky Mountain Power program design and filing, and \$200,000 for state regulators to contract third-party expertise. The noticing cost estimate is the cost per notice multiplied by the number of customers in each jurisdiction, to reimburse Rocky Mountain Power for the cost of sending notices. The \$700,000 cost will be shared based on a calculation that averages each community’s share of total eligible population and total electric load, spread over two fiscal years. Noticing costs will be directly traceable to the number of customers in each jurisdiction, so they will be paid by the local governments who decided to participate in the program. Does the cost for a local government change depending on what other local governments decide? No, based on feedback, some communities make a anchoring financial commitment that automatically fills the gap left by any community who decides not to join. The anchor commitment works by anchor communities committing to maximum financial amounts that collectively equal the entire \$700,000 implementation cost. As non-anchor communities join, the anchor payment shrinks proportionally to the size of each local governments maximum anchor commitment. Phase 1 anchor community payments are due October 31, 2021, for cities and January 31, 2022, for counties. Phase 2 payments are due October 31,

2022, for cities and January 31, 2023, for counties. Payment Dates for 2021-2022 are due by July 31st, 2021, for communities who want to be able to vote, sign on, and Phase 1 initial payments due. Board Member Thomas said that perhaps the board will vote to move the phase one initial payment to September 30th to allow election of a treasurer first. For those who want to wait and see, January 31, 2022, is the last chance to sign on and make the phase 1 payment. Phase 2 initial payments are due July 31, 2022. Phase 2 anchor payments are due on October 31, 2022, for cities. Anchor counties phase 2 payments are due on January 31, 2023.

Board Member Thomas explained The Community Renewable Energy Board Cooperative. "It is the intention of the parties that the officers of the Agency will be periodically elected as set forth in the Bylaws, and that each Party will offer qualified employees to serve as potential officers of the Agency in order to equitably share administrative burdens and costs." This includes accounting and payments, public noticing, and record-keeping, and retaining and managing consultants. The board is not locked into their roles as originally envisioned. Board roles as originally envisioned are the president or chair, who has duties such as calling and conducting board and committee meetings, conduct agency business, and retain and manage outside consultants. The secretary will receive and provide notices as well as prepare minutes and books of the agency. Finally, the treasurer will receive and hold payments in a separate ledger for the agency, conduct financial and accounting measures, and perhaps retain and outside consultants.

Committees could play a role in helping accomplish program requirements. These are committees the board may wish to consider. Communications Committee, Low-Income Planning Committee, and Program Design Committee. The Communications Committee may manage updates for the Utah100Communities.org website and coordinate publicity and media relations. The Low-Income Planning Committee could develop a menu of options or a template that individual communities can choose from. The Program Design Committee will manage work with Rocky Mountain Power, in conjunction with consultants, on the Utility Agreement and elements of the Program Application. The suggested time commitment is 5-10 hours per month. Previous experience with electric utility regulation and planning is highly encouraged. Chair Silvestrini said it makes sense for alternate board members to serve on committees to keep them up to speed. Twelve communities have joined the governance agreement. There are three officer roles contemplated. Then there are three potential committees. One community should not be over-represented doing everything. Many functions need to be fulfilled.

All communities will need to sign the utility agreement with Rocky Mountain power. The utility agreement will create the stipulation of payment for third-party expertise for state regulators, stipulation of payment for noticing, termination charges, any initially proposed replaced assets and interpreting the net 100% goal. Board Member Thomas explained the termination fee. The termination fee means the fee, if any, to be assessed on and charged to an existing customer. A customer who opts out before the cancellation date does not incur a termination fee. The fee can vary by customer class, usage level, or for other reasons as approved by the Commission. Applicability to a residential participating customer who moves outside

the program boundaries shall be as approved by the Commission. The termination fee may not be considered part of the unpaid amount for any residential customer for purposes of account termination or disconnection. Board Member Wright asked how much the termination fee might be for a small retail customer? Board Member Thomas said that if the board created a program design committee the committee could examine this.

The Utility agreement can help the Board define the net 100% renewable energy goal. The system should become more dependent on renewable energy by 2030. Board Member Wright asked why does 2024 have such a jump in renewable energy. Board Member Thomas said that Rocky Mountain Power has plans to switch to far more renewable energy by 2024. Board Member Thomas said that this plan will be updated for 2021. Board Member Quinn asked what front office transactions are. Board Member Thomas said front office transactions are often for short-term energy needs, they are usually natural gas contracts. By 2030 Rocky Mountain Power wants to have renewable energy in amounts that were used by traditional power resources in 2020. The world is going to change between now and 2030. In that case there may be more renewable energy available in 2030 than is currently estimated.

Board Member Thomas reviewed program application with the Board. The program application includes the projected program rates. Could there be a 2% increase in year one? What does the projected program rates look like? Board Member Thomas described the process of ratemaking. Ratemaking is the process of taking expenses or revenue requirement. They fall into 3 buckets, generations, transmission, and distribution. The utilities approved rate of return for their investors plus the generation, transmission and distribution create the revenue requirement. The revenue requirement then creates the rate design. The charge for a residential customer will be different than an industrial customer. A commercial customer may also pay for a demand charge. The demand charge will vary depending on their use and how much electricity is available. There are also quantifiable costs and benefits that are called out in the law, said Board Member Thomas. Some costs to customers are easy to identify and others less easy to spot. Program customers must pay for the new system because it was procured on their behalf. There is an element called avoided costs. If the program builds wind and solar farms, then a coal plant may be able to turn down. Because of that the program customer should be able to have their cost reduced due to the avoided cost. Board Member Wright asked Board Member Thomas if transmission costs could be recovered. Board Member Thomas said the program could work many ways and if the standard system used some of the new transmission methods, then the program should be credited. Mr. Thoms explained a utility tariff called Schedule 34. Schedule 34 says if you sign a contract for renewable energy but if you bring a new resource online and you avoid \$2 in cost. It brings the total cost to the customer down. Summit County, Park City, Salt Lake City, Utah Valley University, Deer Valley Resort, Park City Mountain and Vail resorts entered into an agreement creating the Elektron Solar Project which reduced avoided costs by approximately \$2.

Board Member Thomas asked, should the board form a program design committee? Board Member Thomas said the Program Design Committee should be a smaller

group devoting 5-10 hours per month, meeting every other week with consultants, monthly meetings with Rocky Mountain Power, and then meeting with state regulators. They will develop and manage the joint Rocky Mountain Power program design work plan and provide regular status updates to the Board. They will act as an advisory body to the Board. Chair Silvestrini said one key to success with negotiating with Rocky Mountain power is to have consultants to rely upon in two areas. First the legal area, and second to help design a program that will work. Board Member Thomas shared recent news regarding the renewable energy landscape. PacifiCorp published their final short list for their request for proposals arrived at. Board Member Thomas said renewable energy keeps getting more affordable which is good for the Board and the program.

2.2 Discussion of a Program Design Committee and its Role

Chair Silvestri said perhaps the board should wait to make appointments to the Program Design Committee to give thought to this. Board Member Wright said he is very interested in being on the Program Design Committee. Chair Silvestrini said that hoped that Salt Lake City would lend Board Member Thomas. Chair Silvestrini asked if there was supported to adopt the Program Design Committee resolution. The Board would have to decide on the right number for the committee size. Board Member Dugan said he was in favor of six members on the Program Design Committee because they will bring all items to the actual board for approval. Board Member DeSeelhorst asked if two of the six members of the committee could come from the same municipality. Board Member Dugan said that if there were two Salt Lake City members of the Committee they would count as one. Chair Silvestrini said that assuming there are enough people the Program Design Committee should not be weighted away from small communities. Board Member Beerman said the Program Design Committee seems very important and Park City would like to be involved. Chair Silvestrini read something from Ogden. Janene Eller-Smith said that Ogden is considering their resolution tonight and would like to serve in the Program Design Committee. Please wait until August to determine who serves. Board member DeSeelhorst asked to create the design committee and then hold off on appointing the committee until August.

2.3 Discussion Regarding Party Interest in or Questions about Officer Roles

Chair Silvestrini said that the board does not select non-permanent officers. If someone is interested in serving in those roles, they need to inform Board Member Quinton. Chair Silvestrini said that the Millcreek Finance Director, Laurie Johnson, said that she has the bandwidth to fulfill the treasurer role. Ms. Johnson has asked that any payments from the Board require two signatures. Mr. Cartin said the Board must determine the term length for the officers. Board Member Dugan said that a one-year term may be appropriate. Chair Silvestrini agreed that a one-year term is good.

2.4 Discussion and Consideration of Resolution 21-05 Program Design Committee

Board Member DeSeelhorst moved to approve Resolution 21-05 to make the Program Design Committee size six rather than seven and allow them to hire experts. Board Member Dugan seconded. Chair Silvestrini asked for vote. All board members voted yes. The motion passed unanimously.

2.5 Discussion and Consideration of Resolution 21-06 Appointments to Program Design Committee

Board Member DeSeelhorst moved to continue item 2.5, Resolution 21-06 to the August 2021 meeting. Board Member Quinn seconded. Chair Silvestrini asked for the vote. All board members voted yes. The motion passed unanimously.

2.6 Discussion and Consideration of Resolution 21-07 Change Phase One Initial Payment Date to September 30, 2021.

Board Member Beerman moved to approve Resolution 21-07. Board Member Bush seconded. Chair Silvestrini asked for the vote. All board members voted yes. The motion passed unanimously.

2.7 Discussion and Consideration of Resolution 21-08 Financial Administration/Procurement Rules

Chair Silvestrini asked the Board to sit on this Resolution for now, review the draft, and be prepared to adopt or offer amendments to this resolution at the next meeting on August 3rd.

2.8 Approval of July 1, 2021, Meeting Minutes

Board Member DeSeelhorst asked why some portions of the minutes call the chair Mayor Silvestrini and in other places Chair Silvestrini. The Deputy Recorder said that in the minutes Mayor Silvestrini was referred to as Mayor before he was elected to be the acting chair. Board Member DeSeelhorst asked how to refer to Board Members in the minutes when they are alternate Board members. Chair Silvestrini said he had no objections to calling them Board Members.

Board Member Dugan made a motion to approve the amended minutes from July 1, 2021. Board Member Wright seconded. Board Member Beerman abstained. All other board members voted yes. The motion passed.

2.9 Discussion of Other Matters for Subsequent Consideration

Board Member Thomas said that Salt Lake City will be putting together a press release because this is a milestone on moving towards net renewable energy. Please let Board Member Thomas know if your municipality would like to be involved. Board Member Quinton asked that this recording be sent to eligible communities, so they have access to the presentation that Board Member Thomas made.

3. Adjournment

ADJOURNED: Board Member Quinn moved to adjourn the meeting at 11:58 a.m. Board Member Wright seconded. Chair Silvestrini called for the vote. All Board Members voted yes. The motion passed unanimously.

APPROVED: _____ **Date**
Jeff Silvestrini, Acting Chair

ATTEST:

_____, Acting Secretary