



Washington City Power Board
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WashingtonCity.org

Notice of Electronic Meeting
Power Board Meeting Agenda
July 6, 2021

PUBLIC NOTICE is hereby given that the Washington City Power Board will hold an Electronic Meeting on Tuesday, July 6, 2021 at 5:00 P.M. hosted at the Washington City Office located at 111 North 100 East, Washington, Utah. The meeting will be broadcast via Youtube Live linked online at <https://washingtoncity.org/meetings>

1. APPROVAL OF AGENDA

2. APPROVAL OF MINUTES

- a. Approval of the minutes from 06/01/2021.

3. NEW BUSINESS

- a. Recommendation to the City Council to adopt Resolution R2021-XX "A Resolution Authorizing and Approving the Participant's Development Cost Share Under the Carbon Free Power Project Power Sales Contract through Class 2 Estimate and the COLA Submission for the remaining 1st Phase of the Licensing Period for the Carbon Free Power Project; and Related Matters". - Power Director Rick Hansen
- b. Recommendation to the City Council to adopt the updated Ordinance 2009-01 "An Ordinance of Washington City Adopting a Medical Alert Program for Utility Billing Collections" and Medical Alert Form. - Nikki Wells
- c. Renewable Resource Guide - Nikki Wells

4. REGULAR BUSINESS

- a. Operations Report & Generation Update - Power Director Rick Hansen

5. UAMPS REPORT

6. ADJOURNMENT

POSTED on this 2nd day of July 2021

Nikki Wells

Administrative Assistant

In accordance with the Americans with Disabilities Act, Washington City will make reasonable accommodations to participate in the meeting. Requests for assistance can be made by calling the City Recorder at 656-6308 at least 24 hours in advance of the meeting to be held.

RESOLUTION R2021-??

A RESOLUTION AUTHORIZING AND APPROVING THE PARTICIPANT'S DEVELOPMENT COST SHARE UNDER THE CARBON FREE POWER PROJECT POWER SALES CONTRACT THROUGH CLASS 2 ESTIMATE AND THE COLA SUBMISSION FOR THE REMAINING 1ST PHASE OF THE LICENSING PERIOD FOR THE CARBON FREE POWER PROJECT; AND RELATED MATTERS.

WHEREAS, the City of Washington (the "*Participant*") is a member of Utah Associated Municipal Power Systems ("*UAMPS*") pursuant to the provisions of the Utah Associated Municipal Power Systems Amended and Restated Agreement for Joint and Cooperative Action, as amended (the "*Joint Action Agreement*");

WHEREAS, the Participant has previously approved, executed and delivered the Carbon Free Power Sales Contract dated as of April 1, 2018 (the "*Power Sales Contract*") with UAMPS, including an Entitlement Share of 15,381 kW of the capacity of the Project (initially capitalized terms used and not defined herein have the meanings assigned to them in the Power Sales Contract);

WHEREAS, the Project Management Committee believe that the Participants is best served if they adopt a range for Entitlement Share adjustment in light of possible adjustments by other Participants for the Remaining 1st Phase of the Licensing through the Class 3 Estimate and Combined Construction and Operating License Application (COLA) submission to the Nuclear Regulatory Commision (NRC) and corresponding adjustments to Development Costs Shares;

WHEREAS, the Participant has previously authorized a Development Cost Share of the Remaining 1st Phase of the Licensing Period Development Cost Share through the Class 3 estimate (R2020-17);

NOW, THEREFORE, BE IT RESOLVED by the Governing Body of the City of Washington, as follows:

Section 1. Adjustment of Participant Entitlement Share for the Remaining 1st Phase of the Licensing Period through Class 2 Estimate and COLA Submission. (a) The Participant hereby authorizes: (1) approving its Entitlement Share in the CFPP at 15,381 kW (no change); or (2) increasing its Entitlement Share to be consistent with a maximum Development Cost Share as set forth in Section 1(b).

(b) The Participant hereby authorizes and approves a Development Cost Share of its *Remaining 1st Phase of the Licensing Period* Development Cost Share through the delivery of the Class 2 estimate and COLA submission in the CFPP of 14.96% (in an estimated amount of \$10,117,500 of the total UAMPS costs of \$67,620,125 which is subject to the cost sharing received from the U.S. Department of Energy). Furthermore, if required by other Participants' withdrawals from the CFPP or reducing their Entitlement Shares in the CFPP, the Participant authorizes increasing its Entitlement Share and correspondingly increasing to its Development Cost Share to a maximum amount of \$10,500,000 for the budget period *1st Phase of the Licensing Period* Development Cost Share through the delivery of the Class 2 estimate and COLA submission and running of the Economic Competitiveness Test.

(c) Upon its receipt of the written notice from UAMPS of other Participants' adjustment in Entitlement Shares, the Participant, through its Member Representative, shall, in its sole discretion, have the right to adjust its Entitlement Share or Development Cost Share pursuant to (a) and (b) above.

Section 2. Miscellaneous; Effective Date. (a) Notwithstanding the rights provided to the Participant Section 1(a) and (b) of this resolution, this resolution shall be and remain irrevocable until the Participant provides subsequent adjustment to its Entitlement Share pursuant to the Power Sales Contract in accordance with its terms.

(b) All previous acts and resolutions in conflict with this resolution or any part hereof are hereby repealed to the extent of such conflict.

(c) In case any provision in this resolution shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

(d) This resolution shall take effect immediately upon its adoption and approval.

ADOPTED AND APPROVED this 14th day of July, 2021.

CITY OF WASHINGTON

By
Kenneth Neilson - Mayor

ATTEST:

Tara Pentz, MMC
City Recorder



Carbon Free Power Project (CFPP)

Power Board Meeting
July 6, 2021



CFPP Updates Since October Presentation

KEY AGREEMENTS HAVE BEEN SIGNED

1. Department of Energy (DOE) Multi-Year Cost Share - This agreement has been signed. The DOE will provide \$1.4 Billion towards the project over a period of nine years. This represents almost 25% of the project costs.
2. Development Cost Reimbursement Agreement (DCRA) - The DCRA between UAMPS & NuScale has been signed. Mostly deals with the technology side of the project (power modules) and **provides reimbursement of 100%** of the next phase costs if the energy price target not met.
3. Engineering, Procurement & Construction (EPC) Development Agreement - This agreement has been signed between UAMPS & Fluor. Primarily covers the Balance of Plant design, construction and cost estimates for the project.

CFPP Updates Since October Presentation

- NuScale has updated the electrical power output rating for each Nuclear Power Module (NPM) from 60 MW to 77 MW.
- A full 12 module plant would have an overall output of 924 MW. This level of total output is beyond the current needs of UAMPS and other interested utilities.
- UAMPS has evaluated both 8 module and 6 module plant configurations. It was determined that a 6 module plant with a total output of 462 MW would be the best approach to move forward with.
- This lower overall output level will make subscription easier to achieve.
- The overall project schedule remains the same with the first module coming online in 2029 and all of the modules in 2030.

CFPP Updates Since October Presentation

- The costs from going from 12 or 8 module configuration to a 6 module configuration don't all reduce proportionately to the output level.
- Some costs such as NRC COLA review and approval, as well as some of the shared systems (i.e. building crane, reactor vessel assembly/disassembly) don't change or change very little from one configuration to the other.
- The new price target in 2020 \$'s is \$58/MWh (original target was \$55/MWh)
- This price is still very attractive comparing other potential carbon-free resources that are dispatchable (available 24/7), such as other advanced reactors, green hydrogen, storage, batteries, etc. - Not all resources have the same capabilities.
- The DCRA provides for 100% reimbursement to the project participants if there is a failure of the Economic Competitive Test (ECT) of \$58/MWh through the COLA development phase of the project (January 2024 & Class 2 estimate)

Carbon Free Power Project - CFPP Summary

- The Carbon Free Power Project is a small modular reactor (SMR) project using NuScale technology.
- The CFPP project will consist of six 77 MW reactors (462 MW total) and will be located at the Idaho National Laboratory (INL) near Idaho Falls.
- Washington currently has a 15.4 MW capacity allocation (with our high growth rate future needs may even be higher. We are evaluating the benefit of subscribing to an additional 5 MW - 20 MW total)
- Target commercial online date is 2029
- Project Price is \$58/MWh in 2020 dollars
- Long Term Resource starting in 2029 and continue for 40-60+ years after initial COD

CFPP - De-Risking of the Project

UAMPS has worked very hard to minimize risks to the participants wherever possible.

- UAMPS has structured the DOE cost share funds so that higher DOE %'s will be used towards the earlier stages of the project (where the risk is highest).
- The UAMPS participants portion of the COLA development costs of \$309M is \$67M (through January 2024) by strategically structuring the DOE and NuScale Cost Share funds
- Note the DOE funds are subject to appropriations, however there is strong support from both parties as well as both houses of Congress
- The DCRA has reimbursement provisions of 100% if the target energy cost of \$58/MWh (in 2020 \$'s) is not met
- As the project progresses higher levels of cost estimate confidence will be achieved (less risk)
- The project Project Management Committee (PMC) directs the project – The budget and status of the project will be reviewed on a monthly basis and there will be multiple ECT runs
- No payment from the utilities until the commercial operation of the plant, *unless a participant withdraws or UAMPS cancels the project without a target price test failure*

Subscription Status

- 28* UAMPS Members Signed PSC's 103 MW
 - 1 Washington Utility Signed LOI 150 MW
 - 1 Arizona Utility Signed LOI 25 MW
 - 7 Others Utilities Working on LOI's 237 MW
- Current TOTAL Interest 515 MW

PSC - Power Sales Contract

LOI - Letter of Intent (Used for due diligence process between UAMPS and interested parties)

* Beaver City rejoined the project

CFPP Next Steps

- The next Phase of the project will be to develop the COLA ready to submit to the NRC
 - This resolution approval takes us through COLA submittal to the NRC (January 2024)
 - Additional site study work & engineering design will be completed and cost estimates will be refined which will continue to reduce the uncertainties of the project. Critical site seismic work will be done this summer, in conjunction with other seismic work at the INL site and will save the project costs. The information from this work is needed to keep the overall project on track for 2029.
 - During this period information will be developed and refined as required for the COLA submittal
 - ECT Run Fourth Quarter 2021
 - Class 3 estimate – Third Quarter 2022 & ECT Run
 - Class 2 estimate – First Quarter 2024 & ECT Run
 - UAMPS will be focused on signing up additional participants into the project to fill the remaining subscription for the project.
 - *As additional participants come in our cost share will be reduced.*

CFPP - Washington City

- Based on the projects *current* project participation levels, the City's cost share for the COLA development phase is 14.9622% or \$10.1M - Class 2 estimate - January of 2024
- Recommend that the Resolution Approval should include a buffer to allow for changes in the overall UAMPS participant level changes - (up to a \$10.5M cost share commitment)
- At full subscription Washington's share for the COLA development would be 3.329% or \$2.1M
- *Note these amounts are included in the \$58/MWh and would only require payment if the City or UAMPS withdraws for convenience.*
- The % amount and development phase cost commitment may change based on new participation levels. The numbers may fluctuate based on overall project participation.
- *As additional participants come into the project our cost share will go down*
- There will be multiple ECT runs during this phase to evaluate the projects status and progress
- If the price target of \$58/MWh is met why wouldn't the City continue? If the price target is not met then UAMPS & the City would receive 100% reimbursement

CFPP - COLA Development Phase

Staff Recommendations/Next Steps

- The City continues to evaluate all available resource options. An overall balanced resource mix will provide the best stability to power costs. Other supply sources will continue to be evaluated.
- It is more risky to do nothing and leave wholesale power costs to chance (August 2020, February 2021 & even the current summer pricing)
- All options have risk due to the uncertain nature of technologies & legislative requirements
- Recommend that the Power Board recommend to the City Council to approve the participation in the COLA Development Phase of the project through the Class 2 estimate and preparation of the COLA for submission to the NRC (January 2024) – See resolution
- Approval is needed by July 23, 2021 to keep the overall project schedule on track for 2029 COD
- New Budget & Plan of Finance goes into effect after approval of the various boards
- Note due to the complexities of getting multiple governing board approvals some dates & %'s may shift

QUESTIONS

ORDINANCE NO. 2009-01
AN ORDINANCE OF WASHINGTON CITY
ADOPTING A MEDICAL ALERT PROGRAM FOR UTILITY BILLING COLLECTIONS

WHEREAS Washington City ("City") has conducted a review of the need for a medical alert program within the City; and

WHEREAS the City has determined that it is necessary to implement such a program;
and

WHEREAS the City desires to adopt the policy set forth below, and thereby creating a medical alert program policy; and

WHEREAS the City Council has reviewed this policy and finds that it is in the best interest of the public and promotes the health, safety and welfare of the community.

NOW THEREFORE, BE IT HEREBY ORDAINED by the City Council of Washington City as follows:

1. Amendment. The City hereby adopts the medical alert program shown on Exhibit A, which is attached hereto and incorporated herein.
2. Miscellaneous.
 - a. If any provision or clause of this ordinance or the application thereof to any person or entity or circumstance is held to be unconstitutional or otherwise invalid by any court of competent jurisdiction, such invalidity shall not affect other sections, provisions, clauses or applications hereof which can be implemented without the invalid provision(s), clause(s) or application(s) hereof, and to this end the provisions and clauses of this ordinance are declared to be severable.
 - b. This ordinance supersedes or repeals the provision(s) of any ordinance(s) or resolution(s) that is (are) inconsistent with the provisions of this ordinance.
 - c. This Ordinance shall take effect upon publication or posting.

PASSED AND ORDERED POSTED on this _____ day of _____ 2021.

WASHINGTON CITY

By: Ken Neilson, Mayor

ATTEST:

Tara Pence ~~Danice Bulloch~~, City Recorder

EXHIBIT A

MEDICAL ALERT PROGRAM

1. The customer has the responsibility of notifying the City if there is someone in his or her household who is either:

- a. Chronically or seriously ill; and
- b. On a life support system; and
- c. Medically requires uninterrupted electric service.

2. The customer must ~~have a medical professional complete the required~~ ~~provide a letter of certification form from a doctor or hospital~~ ~~advising of the above condition.~~

~~These form letters~~ will be reviewed and ~~must be renewed~~ ~~brought up to date by the customer on or before~~ in January 1st and July 1st of each year.

3. The customer has the responsibility to carefully handle their account so that service will not be interrupted for failure to pay.

With the medical alert designation, the City will make every effort to make ~~a personal~~ contact with the customer before service is terminated.

Customers in the Medical Alert Program will be given a (30) thirty day notice prior to termination of service.

The notice will be sent by first-class mail to the mailing address that is on the account.

The notice period shall start with the date that is on the notice.

~~It is the responsibility of the customer to keep their contact information updated.~~ If the customer has provided a valid telephone number, the City will also attempt to contact the customer by telephone prior to the disconnection of service. All attempts to contact the customer will be documented and kept on file.



This agreement must be completed by a qualified medical provider certifying that a customer of the Washington City Power Department, or a member of the customer's household, has a medical condition that would be adversely affected if their electric service is disconnected for nonpayment of bills. This form will be reviewed and must be ~~renewed brought up to date~~ every 6 months (in January and July of each year) per Washington City Ordinance No. 2021-XX. Completion of this form allows the Washington City Power Department to assist the customer in managing their electricity bills beyond what is normally allowed. This agreement **does not guarantee** that power won't be interrupted from weather related outages, other circumstances outside of the Washington City Power Department's control, or disconnection of service for nonpayment of bills. We recommend that one or more emergency plans be identified if deemed necessary.

Customer Full Name: _____ Customer Account #: _____

Customer Address: _____

By signing below, the above named customer agrees to the conditions set forth by City Ordinance 2021-XX.

Signature: _____ Date: _____

THE FOLLOWING IS TO BE COMPLETED BY A QUALIFIED MEDICAL PROVIDER:

Patient Name: _____ DOB: _____

Patient Relationship to Customer: _____

Check one box below and provide the required information. If electric service is not available due to nonpayment of electric bills, the patient will:

☐ **Be inconvenienced and it will cause or aggravate a serious illness or infirmity, but their life will not be in immediate danger.**

Patient's medical condition: _____ Duration of condition: _____

Type of medical equipment used: _____

OR

☐ **Require immediate response from medical personnel to sustain life.**

Patient's medical condition: _____ Duration of condition: _____

Type of medical equipment used: _____

I have completed the entire form to the best of my knowledge. I understand this will not guarantee uninterrupted electrical service and my patient will be responsible to make alternative arrangements in case of loss of electrical service.

Provider Name and Title: _____ NPI #: _____

Signature: _____ Date _____ Telephone _____

Please mail or drop off the completed agreement to the **Washington City Utilities Office** at:

111 N 100 E - Washington City, UT 84780



Renewable Resource Guide

For Washington City Power Customers

Renewable Resource Guide

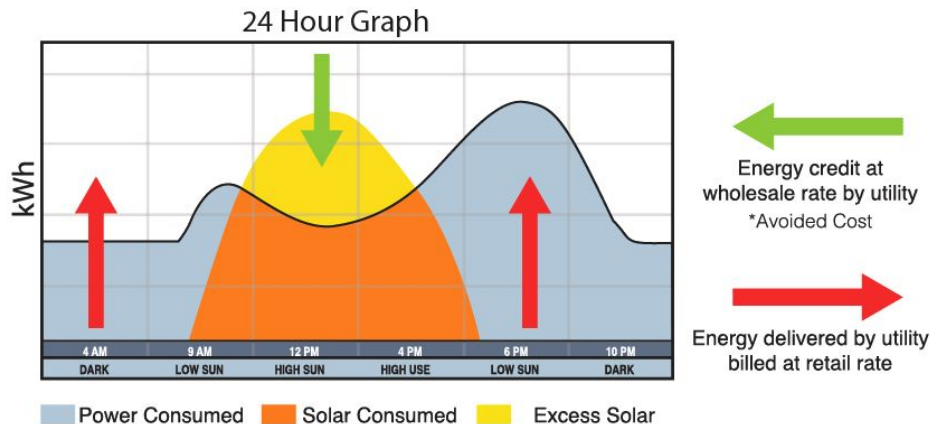
- How Solar Works
- Generating Electricity
- Know Your Situation
- Do Your Homework
- Understand the Agreement
- What Questions to Ask



How Solar Works

On sunny days, your solar system produces energy. Some of that energy is used immediately by your home or business. When you use electricity while your solar system is not producing, like at night, you'll draw electricity from the utility company.

Of Course, how solar works for you may be different in some ways than how it works for your solar neighbors. It all has to do with how much electricity your system generates, and how much you use on a daily, monthly, and annual basis. Sometimes customers produce more power than they use and send the surplus energy back into the grid. Other times homes and businesses use more power than their solar panels can generate. So depending on how much energy your system generates and your consumption, you may end up with either a charge for your consumption or earn a credit towards your monthly charges for the surplus.



Generating Electricity

The amount of electricity (measured in kilowatt-hours or kWh) produced by any solar system depends on two factors:

- The power rating of the system (the max amount of kilowatts it can produce)
- The amount of sunlight that the system receives. Calculating the amount of sunlight a solar system receives depends on several factors:
 - Location of your home
 - Where the panels are installed
 - Shading from nearby objects such as chimneys, trees or neighboring buildings.





Know Your Situation

➤ **Know Your Electricity Usage**

You need to know and understand how much electricity your home or business consumes. Your monthly electricity bill will show you your usage in kilowatt-hours (kWh) and what you are charged per kWh. Keep in mind that your usage is not consistent throughout the year and you will need to compare several months or even years worth of usage to get an accurate average use for your home.

➤ **Will you be adding any significant energy demands**

Do you plan to add a pool to your property or are you adding an addition on your home? These will make a difference in how many kWh you use.

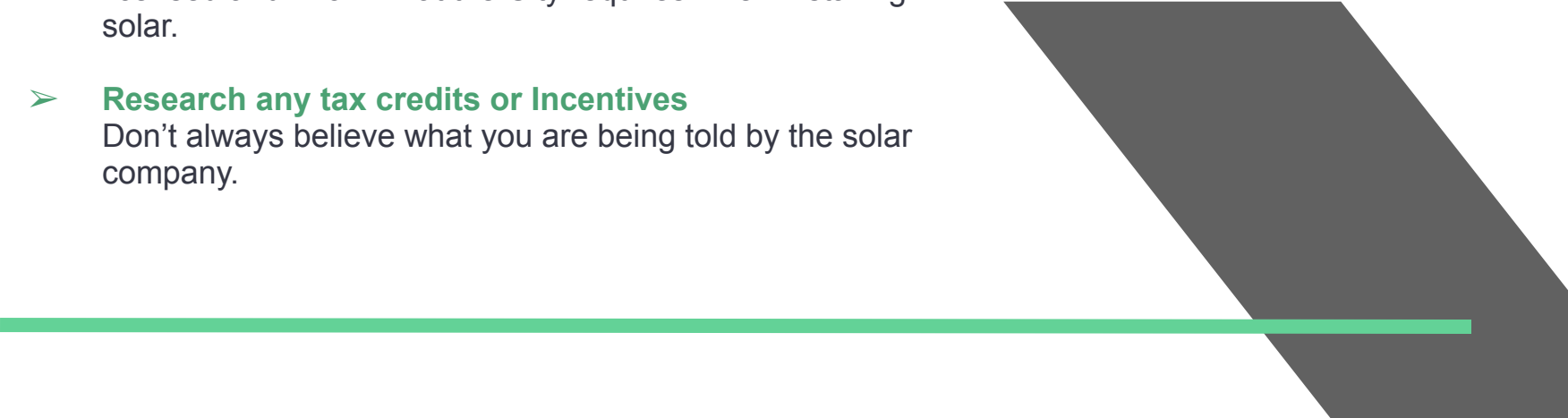
➤ **Know Your Roof**

Is your roof in good condition or do you need to replace it before solar panels are installed? Does it face the right direction to receive enough sunlight?

➤ **Know Your Finances**

How long do you plan to stay living in your home, should you buy or lease the system, what is the cost to maintain it.

Do Your Homework

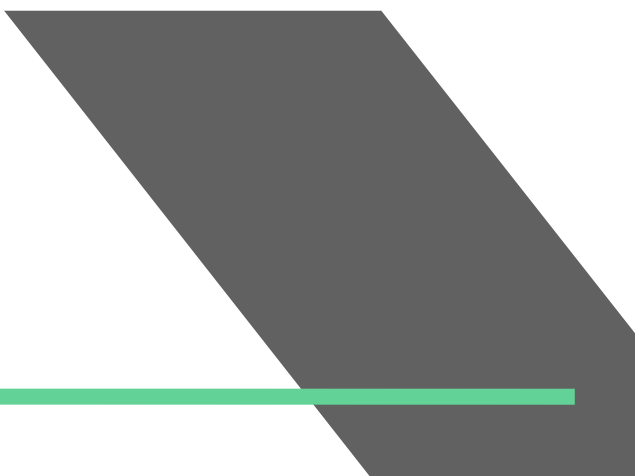
- **Get the best deal**
Just like any major purchase, make sure you get multiple bids for your solar system. Compare costs and terms from several different companies.
 - **Research Your Solar Company**
Ask for references in your area, confirm they are properly licensed and know what the City requires when installing solar.
 - **Research any tax credits or Incentives**
Don't always believe what you are being told by the solar company.
- 

Understand The Agreement

- What are the terms of the contract? Know what you are receiving and how much you are paying.
- What are you being promised? If the solar company promises you'll save money or makes claims that your utility costs will increase in the future, make them explain and show where their information comes from.
- What is the warranty? Does it cover parts and labor? How long does the warranty last? What if the solar company is no longer around, who backs the warranty?



Key Questions

- What is the total cost of the system?
 - What is the system size? (Max kW)
 - How much electricity will the system generate?
 - Is the installation company licensed and insured?
 - Are the cost of the permits needed from the City included in the price?
 - Will I be required to make any changes or upgrades to my home (ie: the roof or electrical panel)?
 - What are the rules and regulations in my City?
 - If you have an HOA, will the solar company help you work with them to get approval?
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Washington City Renewable Resource

Application Process

- The Solar Company must apply for a building permit through the Washington City Building Department
- A Net metering application must be completed and an original signature by the property owner is required
- A letter of approval from the HOA is required if applicable
- A site plan must be included showing the location of the solar equipment
- Permit plans and solar specifications must be submitted
- For detailed requirements visit:

<https://washingtoncity.org/development/building/solarpermitrequirements>

Additional Resources

National Renewable Energy Laboratory

www.nrel.gov

U.S. Department of Energy

www.energy.gov

Database of State Incentives for Renewable Energy

www.dsireusa.org