

# Community Renewable Energy Agency Board Meeting Minutes

The Community Renewable Energy Agency Board met in a regular public meeting on **Monday, May 2, 2022**, at Millcreek City Hall, located at 3330 S. 1300 E., Millcreek, UT 84106 and participated electronically via GoToMeeting.

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## **PRESENT:**

### **Board Members**

#### ***In person***

Dan Dugan, Chair, *Salt Lake City*  
Drew Quinn, *Holladay City*  
Emily Quinton, *Summit County*  
Christopher Thomas, *Salt Lake City*  
Glenn Wright, *Summit County*  
Jeff Silvestrini, *Millcreek*  
Mark Marsh, *Coalville*

#### ***Electronic***

Angela Choberka, Vice Chair, *Ogden*  
Roger Burke, *Alta*  
Michael Shea, *Salt Lake County*  
Kalen Jones, *Moab*  
Randy Aton, *Springdale*  
Sarah Stock, *Grand County*  
Jeremy Rubell, *Park City*  
Patrick Schaeffer, *Kearns Metro Township*  
Samantha DeSeelhorst, *Cottonwood Heights*  
Chris Cawley, *Alta*  
Luke Cartin, *Park City*  
Holly Smith, *Holladay*  
John Guenther, *Grand County*  
Joe Frazier, *Oakley*

**In Person Attendees:** Kurt Hansen, *Millcreek*; Alex Wendt, *Millcreek*

**Electronic Attendees:** Monica O'Malley, Janene Eller-Smith, Jeremy Shinoda, Michael Healy, Eliza Cowie, Robert Meredith, Carrie Frantz, Sara Montoya, Carmen Valdez, Ross Watkins, Zack Darby

Minutes by Alex Wendt, Millcreek Deputy Recorder.

**REGULAR MEETING – 1:00 p.m.**

**TIME COMMENCED: 1:03 p.m.**

- 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 (Welcoming Any New Members) and Review List of Remaining List of Remaining Eligible Communities**

Chair Dugan reviewed the communities participating. They are, Alta, Castle Valley, Cottonwood Heights, Francis, Grand County, Holladay, Kearns, Millcreek, Moab, Ogden, Park City, Salt Lake City, Salt Lake County, Springdale, Summit County, Coalville, and Oakley City.

### **1.3 Current Participation Percentages Include in Board Packet.**

No updates currently.

### **1.4 Reminder that July Board Meeting Will be Held on the Second Monday of the month (July 11) to accommodate the July 4<sup>th</sup> holiday.**

## **2. Business Matters**

### **2.1 Approval of April 4, 2022, Meeting Minutes**

**Board Member Quinn moved to approve the April 4, 2022, meeting minutes. Board Member Wright seconded. Chair Dugan called for the vote. All Board Members voted yes. The motion passed unanimously.**

### **2.2 Treasurer Report (Year-to-Date Contributions and Expenses)**

Board Member Silvestrini explained that in the packet there are explanations of when phase 1 payments were due. Phase 2 payments will be due in the next fiscal year for many communities. The second part of the report shows who has paid and what has been paid. Expenditures made so far have been to the contracted law firm.

### **2.3 Reports From Committees (Program Design, Low-Income Plan, Communications)**

Board Member Cawley gave the update from the Communication Committee. Alta, Cottonwood Heights, Moab, and Salt Lake City are part of the committee. One member the committee left their municipality, and the Communication Committee would like one more member from the Board to join their efforts. Current members include Chris Cawley, Samantha DeSeelhorst, Christopher Thomas, and Monica O'Malley. The Communication Committee is going to provide remaining eligible communities with information they may need regarding joining the Board.

Board Member DeSeelhorst gave the update on the Low-Income Plan Committee. The membership of the committee has not changed. The most recent meeting was on April 25, 2022. The Low-Income Plan Committee met with administering agency partners for feedback on how the low-income engagement efforts might supplement existing programs. The committee finalized energy burden maps and community profiles. Monica O'Malley, Salt Lake City staff explained an energy burden map. Each community will be given two energy burden maps. One map that shows the number of households in each area that have an income at or below 150% of the federal poverty level, the color of the area is the average energy burden of those households. The maps include instructions on how to read the maps and how the maps can be used in community engagement. Board Member DeSeelhorst thanked Ms. O'Malley for her help. Mr. Thomas gave a small

presentation on the “Community Profile”, these show aggregated Rocky Mountain Power (RMP) data over time and with community wide estimates. This is based on the 2018 data. Households at or below 150% of the federal poverty level make up 20.8% of households in Salt Lake City. Salt Lake City is being used as an example. Their annual power bill estimate is \$641. For these households, about 70% live in multifamily housing, and 28% live in single family homes. 62% live in homes built in 1960 or newer. 79% are renting their home. These are overviews based on federal data. 79.2% of households are above 150% of the Federal Income Poverty level. RMP created a graph that explains that 3.52% of residential customers are 60 days or more late on bill payments. 2.63% are enrolled in RMP bill-related assistance programs over the last 12 months. RMP does not collect income for all their customers, they do not know who a low-income customer is. The data shared here is a proxy for measuring how many low-income customers there may be. The Low-Income Plan Committee will be meeting on May 9<sup>th</sup> and May 23<sup>rd</sup>. They will meet with the Office of Consumer Services and PacifiCorp to discuss logistics of low-income engagement options. The Low-Income Committee will prepare a menu of low-income engagement options for communities to contemplate. Board Member Choberka asked about when the Board will have the discussion on renters versus homeowners. Board Member DeSeelhorst said that is a great question, and the Low-Income Plan Committee will work with renters in mind because they do not want to contribute to gentrification or essentially raising the amount of rent people pay.

Mr. Thomas gave the Program Design Committee update. The committee membership has not changed. The Committee held a special open meeting on April 25<sup>th</sup>, for the first time. They also held two meetings with RMP. These meetings were about program resource repayment risk and backstop, and program resources, costs, and benefits. The Program Design Committee received the fifth invoice from James Dodge, Russell, and Stephens (outside counsel). Outside counsel continues their work to draft the ordinance and utility agreement outline. Next steps include holding two meetings with RMP to discuss efficiency programs and rate design. The Program Design Committee will finalize the substance of the ordinance and utility agreement outline. The Program Design Committee will need to circulate a confidentiality and non-disclosure agreement for future board meetings that involve confidential information or settlement discussions for members of the Board who are not on the Program Design Committee. There is not an urgent requirement, but they would like the system in place before an urgent topic comes up. Rocky Mountain Power requested, and the Agency entered a Confidentiality and Non-Disclosure Agreement (NDA) to discuss confidential information and hold settlement discussions. To discuss certain information in future board meetings, members will need to sign exhibit A. Board Member Bourke asked for an example of the type of information that would require confidentiality. Mr. Thomas explained that confidential information in this context is often like numbers from previous bids and kilowatt hours in previous bids. It may not even be confidential data, but it could be the confidential positions of each party leading up to the settlement. Board Member DeSeelhorst asked if Board Members from each community sign or should your community attorney look at the NDA. Mr. Thomas explained that having your community attorney read the NDA is a good choice. Board Member Silvestrini said the number one purpose of the NDA is for RMP to protect their proprietary information. It is important to have Board Members and alternates sign the NDA because there are decisions that the Board will have to make and discuss information that is designated as protected information by Rocky Mountain

Power. This gives RMP the assurance this information won't be shared outside of an official meeting. This type of concern and about confidentiality is common and legitimate. Mr. Thomas said the schedule he presented a few meetings ago is now out of date and he will create a new schedule.

#### **2.4 Discussion and Consideration of Resolution 22-04; Additional Appointments to Communications Committee**

Chair Dugan asked who would like to join the Communication Committee because there are several openings. Board Member Cawley explained that the Resolution 22-04 allows for up to four more appointments. Meetings are usually monthly. The next meeting is on May 6<sup>th</sup>. Chair Dugan said that the Board can only vote on this Resolution if there is a name to add to it. Board Member DeSeelhorst offered that if someone was interested, they could come to the meeting on the 6<sup>th</sup>. Board Member Holly Smith said she would serve on the committee. Chair Dugan asked for a motion that adds Holladay City to the Communication Committee. Board Member Quinn asked that perhaps the Board should wait and allow the new communities to think about if they would like to serve on this committee. Chair Dugan said they will wait until the next meeting to consider this resolution.

#### **2.5 Educational Presentation on Utility Rate Design by Rocky Mountain Power**

Robert Meredith from Rocky Mountain Power gave a presentation on rate design basics. PacifiCorp has 2.0 million electric customers. They cover 141,4000 square miles. The rate making process is reviewed and approved by state regulatory commissions. The revenue requirement is that it make up for the expense plus return on and return of investment. PacifiCorp allocates energy to six states. Allocation of the revenue requirement is used as a guide for prices. Functions of service include production, transmission, distribution, and retail of energy. Costs are based on demand, energy costs, and customer costs. Mr. Thomas asked Mr. Meredith to speak about how peaks figure into the cost of service. Peak demand is a significant driver of costs. RMP needs to have the most resources available to customers when they are using the most power. This is a key driver of costs for RMP. Rate spread is how much actual revenue goes to classes like residential or commercial customers. Cost of service is a guide for rate creation. Rate schedules include residential, residential low-income lifeline, small general service, general service, time of use general service, transmission service, irrigation, and lighting. Categories of electric price seems simple but there is a lot that goes into prices. Energy charges are based on kilowatts per hour. There are on-peak and off-peak charges. Charges can also be tiered and seasonal. Utah has seasonal rates that are higher in the summer because many RMP costs are driven by meeting that summer peak. Mr. Meredith spoke about rate design principles. Revenue sufficiency is important, rates must be fair, economic efficiency is important because rates should encourage consumers to conserve energy to some extent. Customers must accept the rates as legitimate. Rate shock can be damaging, gradual changes in rates are better policy. Chair Dugan thanked Mr. Meredith. Board Member Bourke asked for a rough breakdown on energy consumption between residential and business customers. Mr. Meredith said the average resident uses about 700 kwh per month. A big-box store may use 200 or 300 times more than a residential customer. Residential customers are the largest class of customers. Board Member Bourke asked if RMP has petitioned for rate reductions before. Mr. Meredith said that PacifiCorp has petitioned for a rate reduction in Washington but not in Utah. Board


Member Wright asked about gradualism and accounts, how will inflation affect customers of RMP be affected, and how are rate structures protected from these issues. Mr. Meredith said that RMP did raise rates on May 1 due to higher prices that RMP is affected by. There is a lot of volatility in the market for natural gas and power. The markets are hard to judge because of inflation and the war in Ukraine. Hopefully the energy market will balance out. Rate structures are not protected from market volatility.

### 2.6 Board Member Comments

Chair Dugan asked if there were any Board Member Comments. There were none.

### 3. Adjournment

**Board Member Silvestrini moved to adjourn the meeting at 2:39 p.m. Board Member Wright seconded. Chair Dugan called for the vote. All Board Members voted yes. The motion passed unanimously.**

APPROVED:  \_\_\_\_\_ Date  
Dan Dugan, Chair

ATTEST:

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Emily Quinton, Secretary

