



POWER DEPARTMENT

MAY 16, 2023





- Power has allocated \$6,600,000 over the last two budget cycles with the intent to replace K4 with two Caterpillar 3520H engines.
- In February, Wheeler Machinery announced to many local utilities that they had open manufacturing slots for (20) 3520H gensets, which would be ready for delivery in the summer of 2023. This situation resulted because of a lost bid to a large Idaho utility.
- The Utah utilities started to snap up the open slots hoping to reduce lead times and gain capacity to shield against market pricing.
- Springville has advantage because of existing building, gas and electrical infrastructure, and long lead-time breakers and transformers.



Resources 2024 (three generators)

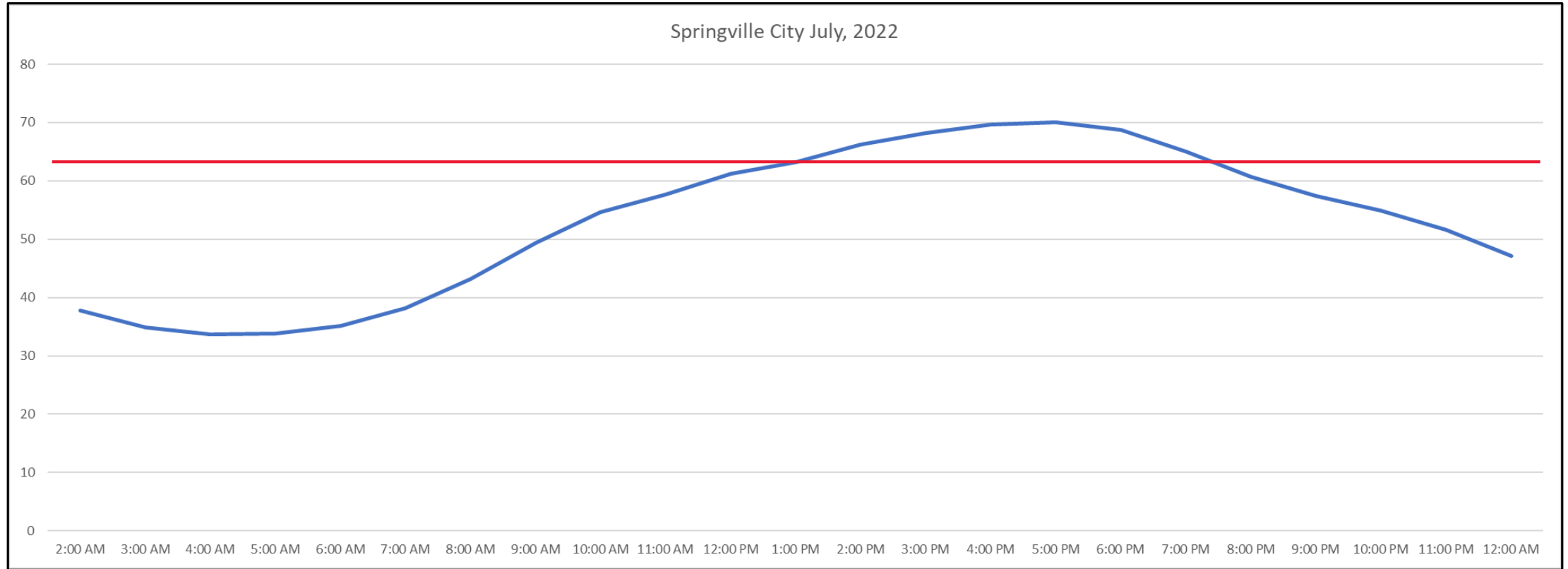
	Day MW Capacity	Night MW Capacity
CRSP	1.5	1.5
Long Term Market Contracts	8	8
PV Wind	0.3	0.3
HB Wind	1	1
Olmstead	0.1	0.1
Nebo (24/7 since March 2023)	25	25
Baseload Capacity Total	35.9	35.9
Red Mesa Solar	3	
Intermediate Capacity Total	38.9	
Whitehead	23	
Peaking Capacity Total	23	
Resource Total	61.9	35.9



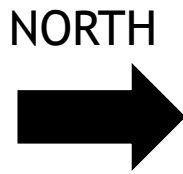
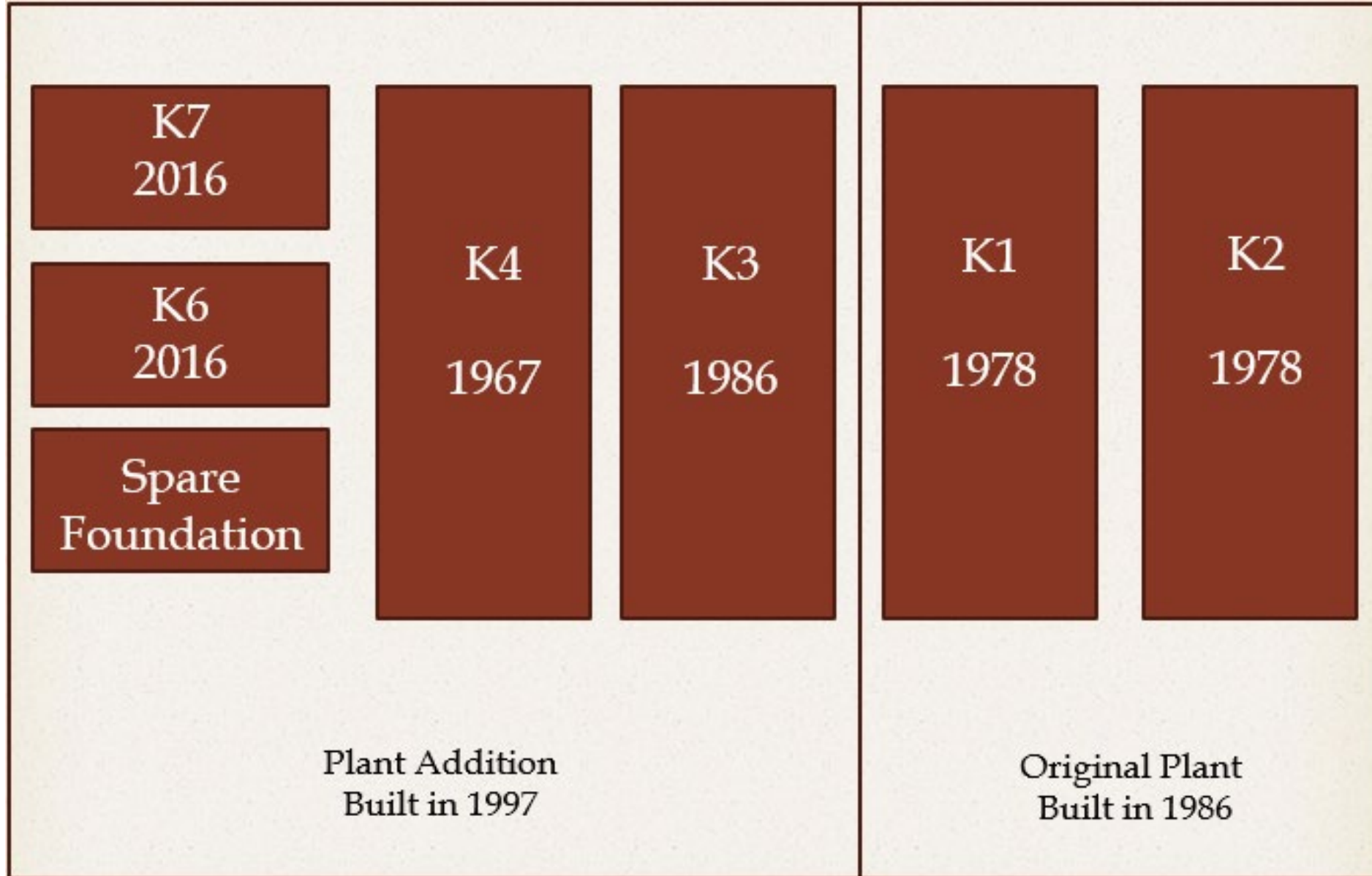
HLH Purchase of 8 MW for June through Sept			
	HLH MW	LLH MW	8 MW HLH Market
Apr-23	\$66.40	\$66.20	
May-23	\$60.25	\$59.55	
Jun-23	\$116.85	\$85.05	\$388,877
Jul-23	\$216.30	\$109.55	\$719,846
Aug-23	\$243.40	\$116.50	\$810,035
Sep-23	\$183.00	\$107.05	\$609,024
Oct-23	\$82.25	\$74.25	
Nov-23	\$76.80	\$73.85	
Dec-23	\$108.10	\$102.45	
Jan-24	\$110.90	\$111.95	
Feb-24	\$91.05	\$91.40	
Mar-24	\$67.75	\$68.45	
		Market Total Annually	\$2,527,782
		Market 5 Year Total Cost	\$12,638,912
		Market 10 Year Total Cost	\$25,277,824

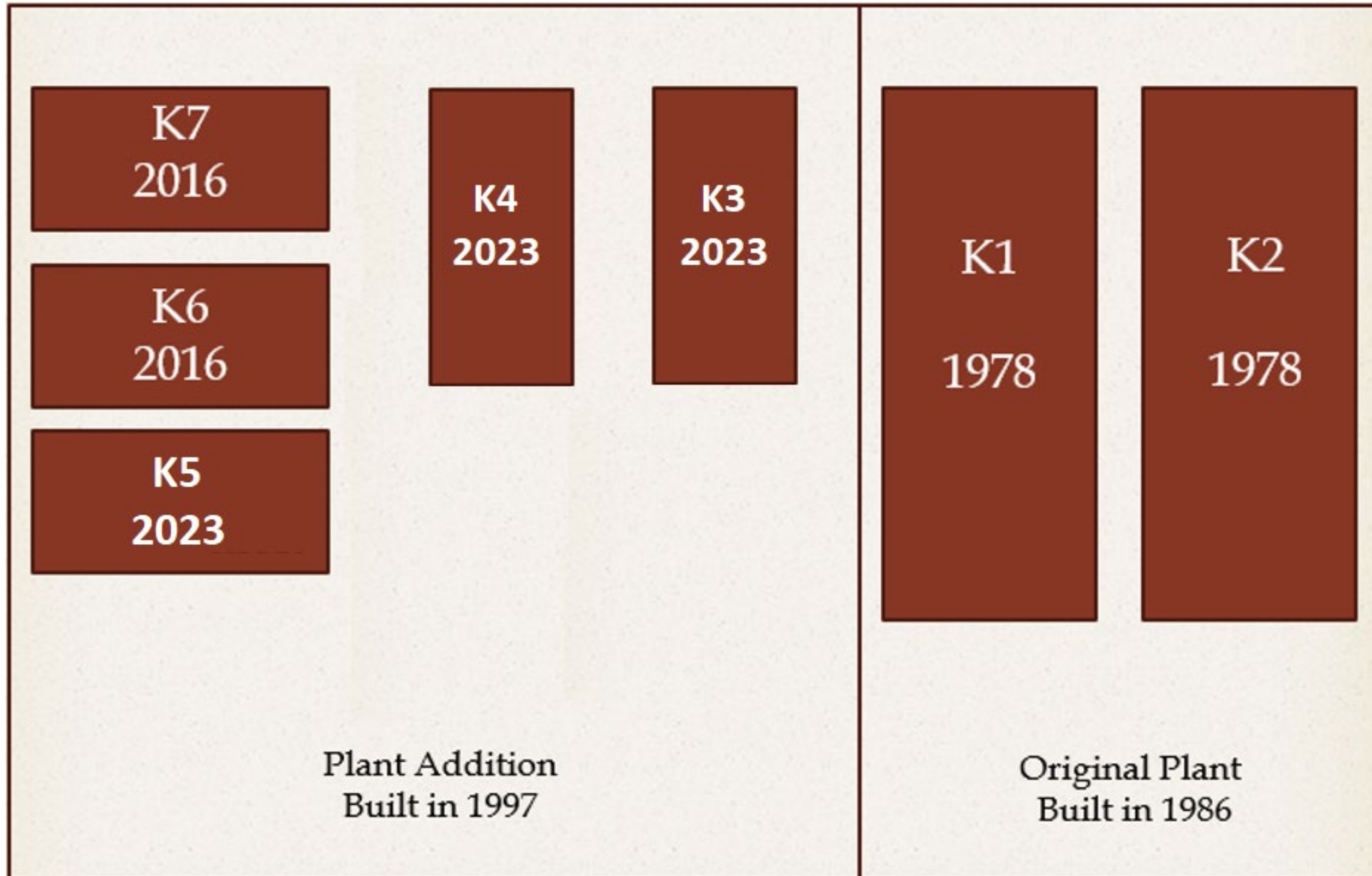


HLH Generation of 8 MW for June through Sept			
	Run Gen 12 hours Daily	Market Power Replace 4hrs Daily	8 MW HLH Gen + Market
Apr-23	\$0.00	\$0.00	
May-23	\$0.00	\$0.00	
Jun-23	\$128,544	\$42,848	\$171,392
Jul-23	\$128,544	\$42,848	\$171,392
Aug-23	\$128,544	\$42,848	\$171,392
Sep-23	\$128,544	\$42,848	\$171,392
Oct-23	\$0.00	\$0.00	
Nov-23	\$0.00	\$0.00	
Dec-23	\$0.00	\$0.00	
Jan-24	\$0.00	\$0.00	
Feb-24	\$0.00	\$0.00	
Mar-24	\$0.00	\$0.00	
		Generation Variable Total	\$685,568
		Removal From Variable Cost to Reserves	-\$199,680
		\$2,000,000 Annual Debt Payment 5yr	\$451,167
		Total Annual Costs To Generate	\$937,055
		Differential Market Purchase-Cost	\$1,590,727
		Return on \$9,700,000 From Reserves	16.40%
		5 Year Total Cost	\$4,685,275
		10 Year Total Cost	\$6,855,680











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springville
POWER

2/15/2023

K4
22" DIA
60 FT Tall
K4 Moved South 36 Feet

K7
22" DIA
60 FT Tall

K6
22" DIA
60 FT Tall

K5
22" DIA
60 FT Tall





Questions?