



HURRICANE CITY

UTAH

Mayor

Nanette Billings

City Manager

Kaden C. DeMille

Power Board

Mac J. Hall, Chair

Jerry Brisk

Pam Humphries

Dave Imlay

Joseph Prete

Charles Reeve

The Hurricane City Power Board met on July 7, 2023, at 3:15 p.m. at the Clifton Wilson Substation on 526 W 600 N.

In attendance were Mac Hall, Pam Humphries, Charles Reeve, Jerry Brisk, Joseph Prete, Scott Hughes, Michael Ramirez, Jared Ross, Fred Resch, Dayton Hall, and Crystal Wright.

Mac Hall welcomed everyone to the meeting; Pam Humphries led the Pledge of Allegiance and Mac Hall offered the prayer. After a couple minor fixes, Pam Humphries motioned to approve minutes from the June 2023 meeting. Charles Reeve seconded the motion. Motion passed unanimously.

Scott Hughes: Scott Hughes reported that our employees have been working hard and are doing a great job. Jerry Brisk asked how the new employees are working out. Scott Hughes replied we've been pleased with them so far. Each new employee starts with a 6-month probationary status and after that point we will make decisions on whether to offer apprenticeships.

Brian Anderson: Brian Anderson stated that we have energized the Cordero line. Cordero is still waiting for one easement, but they had achieved a lease for that property, so we agreed to energize it. 600 N Phase 3A is completely done for our portion. The communications lines still need to be transferred from the old wood poles over to the new steel poles. The communications companies have been notified that needs to be done. Provided an update on 1150 W reconductoring project. There's a lot of reconfiguring to get that section of line dead to begin the work on it. Most of the time this previous month the line crew has been assisting the service crew to get some of their projects caught up. A lot of projects were able to be caught up. He reported on the inventory count. Crystal Wright added information about the inventory audit and the count being adjusted to start fresh for the new fiscal year.

Mike Ramirez: Mike Ramirez reported that he has nothing new to report beyond his normal tasks.

Jared Ross: Jared Ross reported on the Three Falls Substation project. All the steel structures are standing. The ground grid just has a few things left and it will be done. They're starting to put in boxes and finish conduits so they can begin running wires. The building is close to being complete. Most of the equipment is here, the items remaining will be here this month or not until December. The stuff that isn't scheduled to arrive until December will be borrowed from another substation project.

Budget: Scott Hughes presented the regular monthly graphs and numbers. Numbers look a lot better this month. So far, the power market looks more favorable. We are keeping a close eye on the market to evaluate whether a power rate increase will be necessary or if we can escape without having to raise rates again.



Capacity Update: Scott Hughes reported that this discussion is about the southern part of the city. We still need the easement through a subdivision and will need to collect money from developers for their portion of the capacity. The development agreement has been finished and is ready to provide to developers. We are waiting for the easement to be secured before moving forward with development agreements.

EV Charging Rates Discussion and Possible Recommendation: Mike Ramirez reported that they had another meeting with the DER subcommittee and discussed various scenarios of consumption rates vs demand rates. They came up with a number from their general view. They suggested a moderate base rate, higher demand rate to incentivize them to install battery banks with their chargers to limit the peak demands on our system, and a decent consumption rate. The staff recommendation is for a higher base rate, high demand rate and higher consumption rate. Discussion regarding potential issues including unknown loads varying during high peak times, concern with residents having to subsidize losses that occur through rates, and that the businesses will charge more than what we're charging and will be covered while we take the risk with a volatile power market and a requirement to secure the power resource. Pam Humphries suggested the policy and rate need to come together. Either one coming later than the other can cause problems. Mac Hall asked for the reasoning behind the subcommittee recommendations. Mike Ramirez stated they suggested a moderate base rate because they felt like the maintenance service needed would be minimal for the site, high demand was the biggest concern to infrastructure, and higher consumption rate to mitigate risk from pricing volatility. Joseph Prete suggested considering how being too aggressive with pricing could affect commerce and tax revenues of the city. Charles Reeve felt we need to build a rate that covers expenses. He doesn't feel like it is the Power Department's responsibility alone to subsidize the creation of a robust downtown commercial zone. Long discussion about the differences between the three classes of chargers and the possibility of the city ever providing chargers to help support a downtown commercial zone. This is not something we're currently considering and can be a discussion for a future time. Mac Hall stated his only concern with the staff recommendation is he feels like the kWh rate of \$.18 may be high. He asked the board for a recommendation. Jerry Brisk made a motion to go with the staff recommendation, except to raise the kWh rate to \$.20. Motion failed for lack of second. Charles Reeve made a motion to go with the staff recommendation of \$320 base rate, \$13 demand rate, and \$.18 kWh rate. Pam Humphries seconded the motion. Mac Hall, Pam Humphries, Charles Reeve, and Joseph Prete approved the motion. Jerry Brisk opposed. We need to be prepared to submit information by next Tuesday for the City Council agenda.

Impact Fee Study Update: Scott Hughes stated we received a bid back to complete the Impact Fee Study. We have received an approved purchase order from the City Office to move forward with the completion of that study. The company that will be completing it is ICPE.

Power Department Standards and Specifications Update: Mike Ramirez has been working on getting these updated and is hopeful to be completed with these revisions by the next Power Board Meeting for an action item.

UAMPS Updates: Scott Hughes reported that the information was included in the packet, so unless there are questions, he will not review it further. He did want to provide an update regarding CFPP. Thus far, there have been no new subscriptions added. Hunter is still stockpiling coal for August usage but has been running the past week during super peak hours.

Power Board adjourned at 4:15 p.m. The next Power Board Meeting is scheduled for August 2, 2023, at 3:00 p.m.
