



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 June 7, 2023, at 3:00 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, Dave Imlay (by phone), Scott Hughes, Michael Ramirez, Jared Ross, Fred Resch, Kaden DeMille, Dayton Hall, Bruce Zimmerman, Linda Zimmerman and Crystal Wright.

Mac Hall welcomed everyone to the meeting; Fred Resch led the Pledge of Allegiance and Charles Reeve offered the prayer. Jerry Brisk motioned to approve minutes from the May 2023 meeting. Charles Reeve seconded the motion. Motion passed unanimously. Pam Humphries abstained since being absent from the meeting.

Scott Hughes: Scott Hughes reported an update on employees. Introduced Jaxon Mackelprang and Brayden Rice as new employees. Jaxon is a temporary employee as a Groundsman and Brayden is a Journey Lineman. Scott Hughes then reported on recent outages. There was a transformer that was hit that broke the secondary bars and the oil leaked out of the transformer. Pam Humphries asked who is responsible for paying to replace those. Scott Hughes replied that it is the person responsible for damaging the equipment. Scott Hughes reported on the outage at 80 South 700 West. This outage was several hours and took the entire building out of service while we made the repairs. Our Blue Stakes locate was slightly off and so this repair was our responsibility to resolve.

Brian Anderson: Mike Ramirez reported for Brian Anderson. The 600 N Phase 3A is complete except for a few small things to finish up. The transmission line on the top is hot. We pulled the guys off the 600 N Phase 3A job to finish up the Cordero job on 3000 South. Our portion of that project is complete, and that new line has been energized. We energized part of the Southern Shores project to allow them to complete their wave pool testing. In between finishing 600 N and beginning their next job, we are using the line crew to help get some of the service crew's projects caught up. Pam Humphries asked if the new roundabout on 700 W will change things for power. Mike Ramirez stated yes, that is something Brian Anderson is working on.

Mike Ramirez: Mike Ramirez has nothing else to report with his crew. He has other items on the agenda later on.

Jared Ross: Jared Ross reported on the Three Falls Substation project. We have erected steel, installed the 138kv disconnect switches and are continuing with the ground grid and conduits. The transformer arrived and has been set in place. One of the transformer bushings is not fitting properly. We are waiting on Waukesha to get back with a fix. Reported that the generator run is dependent on prices and we're keeping an eye on it. Crystal Wright said that because the temperatures have been cooler and market prices have continued to stay



low that it has delayed the start of our normal generator run. We are looking at a potential start date of early next week.

Budget: Scott Hughes presented the regular monthly graphs and numbers. Kaden DeMille discussed overall budget view. There were multiple projects that were tentatively approved, but he wants us to get through the summer months and see where we are before an approval to start on those projects. We will have to continue to monitor our rates very closely and will need to react quickly if we need to increase rates. Scott talked about Power Cost Adjustment (PCA) & Advanced Metering Infrastructure (AMI) and potential time of day rates. Dave Imlay stated our traditional rate model provides more stability for residents, even if we must increase rates more often.

Capacity Update: Scott Hughes stated we got our circuit study back for Circuit 103. It was favorable. With some of the updates that we could do to the circuit we could gain approximately 600-700 additional units. Reviewed the three plans to get additional capacity out south that were discussed at last month's meeting. There have been calculations to determine what the price per unit would be dependent on which of the plans were agreed upon by developers. Plan C is the quickest plan to get things moving, even though it's not the desired final product. There are no additional easements required. Plan B only requires one additional easement that we're confident can be obtained and the substation needs to be completed. Plan A is ultimately needed but will take the longest to complete because of the number of easements needed and is the final desired product. The developers would be responsible to pay their portion for the units they need for their development. Joseph Prete asked about time frames for the completion of the substation. Scott Hughes replied the best estimate is 2-3 months from now, without unforeseeable complications. Once it's up then there is some commissioning and testing required before being completely operational. The circuit study previously done on Circuit 101 showed 550 units available and those have all been promised out. This circuit study we just completed was for Circuit 103 and none of these units have been promised out. This is the discussion we're having about the developers paying for the infrastructure modifications required to make those units available based on the study. Crystal Wright asked a question about what size is factored for a "unit" in the calculations. A 200-amp service was the calculation used. Joseph Prete asked a question about how many units are slated for that area. Scott Hughes answered that there are more units than any of these plans will address. There is no question that there will need to be other routes pursued to get additional lines from the substation to other developing areas out south. We have other developments looking into other routes already to move forward with their projects sooner.

Possible recommendation of approval for updates to Underground Standards & Specifications: Mike Ramirez stated he has been working on updating our Underground Standards & Specifications. The original standards were completed in 1996. There have been modifications at various times throughout the years. We found out those should have been presented to the City Council for approval and haven't. He is working on going through to highlight any of the changes that have been made or need to be made to make one big presentation to get everything approved with the City Council to bring everything up to date. He would like to have a statement added that would allow the department to consult with the Power Board to be able to make minor changes that don't affect the intent or fees. Any major modifications would still need to be presented to the City Council. Scott Hughes provided some history about why we have been operating with our understanding of that process and how we came about finding out we couldn't find anything to back that understanding up when we investigated it. We're just trying to clean it all up and get it done right. Joseph Prete stated he agrees that he feels like this strikes a good balance between not tying up the City Council for unnecessary things and still having them review major modifications or things that would affect fees for residents. Pam Humphries

suggested we work with Dayton Hall to get the language worked out and changes made and then bring that draft back to the Power Board for review. Mike Ramirez stated he would get that taken care of and would send the file out to the Power Board. He would also like to send the document to April Hill to have it re-formatted and a new file. Once it is complete, it will be brought back to the Power Board for input and review.

EV Charging Rates Discussion: Scott Hughes stated this is a discussion because we're still researching possible rate structures and policy. We currently have commercial EV station companies inquiring about installation. Neighboring cities are beginning to set up rates. We need to come up with a policy and a rate. Mike Ramirez has started working with the DER sub-committee on policy. Scott Hughes discussed one issue he can see is these companies take our rates and mark them up for profit while we have the responsibility to look for and secure firm resources to cover the load which is unpredictable and unknown. Charles Reeve suggested a partial solution could require them to install their own batteries to subsidize some of their own demand. Discussion about high consumption rate versus a high demand potential variation and what each one could look like on a bill. Scott Hughes built a spreadsheet to compare different types of rates with usages and demands and what they would look like on a final utility bill. Different classifications of chargers would have different effects on demand. Crystal Wright asked if it was possible to structure a rate specifically for EV charging that has a PCA attached just to that rate. Scott Hughes replied yes, we are looking at all our options. Joseph Prete commented that he appreciates the thought that has gone into this topic and suggested we look at a long-term view. Would we like to be perceived as EV charging friendly, or would we like to protect our bottom line and our residents' rates more strictly? He also said there's a strong sentiment among many City Councilmembers that government should not compete against private business. Scott Hughes stated he understands that concern, however, buying and selling power is what we do every day. We would just continue to do what we're already doing and allow any profit to allow us to help keep the power rates low for all the residents. Joseph Prete followed up with the possible opportunity to create a core for a booming commercial sector while the chargers are being used. Scott Hughes finished with saying that our duty is to protect our residents by setting a policy and rate that will protect us and then the charging companies can run their business models and decide for themselves whether it makes sense for their business.

Impact Fee Study Discussion: Scott Hughes described the last time a study was done was in 2018. ICPE has provided a proposal to conduct an updated study. We are considering including a portion of distribution as part of the study. The existing impact fee structure says they can only be used for transmission, substation, generation, and distribution lines that are underbuilt on new transmission lines. He would like to consider adding a portion of distribution that would allow us to increase the size of infrastructure above what a specific development may need. This would allow us to plan for future growth in a more efficient way. Dayton Hall explained particulars of how an impact fee can be used and how it is currently structured.

UAMPS Updates: Scott Hughes stated the information was included in packets and unless there are questions, he will quickly provide a couple updates. Steel Solar commercial operation date was slated for Q1 2024, and now has changed to Q4 2023. Sunnyside, which is a waste coal project is moving forward and could potentially be producing energy by November 2023.

Power Board adjourned at 5:05 p.m. The next Power Board Meeting is scheduled for July 5, 2023, at 3:00 p.m.
