The Hurricane City Power Board met on January 11, 2023, at 3:00 p.m. at the Clifton Wilson Substation on 526 W 600 N.

In attendance were Mac Hall, Jerry Brisk, Pam Humphries, Dave Imlay, Joseph Prete, Charles Reeve, Scott Hughes, Brian Anderson, Michael Ramirez, Jared Ross, Fred Resch, Kaden DeMille, Paige Chapman, 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. Minor changes to the December 2022 minutes were discussed. After those changes, Pam Humphries motioned to approve minutes from the December 2022 meeting. Dave Imlay seconded the motion. Motion passed unanimously.

Scott Hughes: Scott Hughes provided update on employees. There was one phone interview last week and a follow up in-person interview. This candidate has some experience, so we'll see how that turns out. Talmage Taylor will be signing up for the Apprenticeship Program this month. We had an employee meeting with everyone that took a few hours and held a Strengths, Weaknesses, Opportunities, and Threats (SWOT) Analysis. This exercise was a group effort and had department wide participation. Provided a quick update on AMI. We have a grant writer that helped us get the pre-grant qualification submission done on time. He praised Mike Ramirez, Paige Chapman, and Linda Sappington for their efforts in its completion. This grant has the potential to help with up to 50% of costs.

Budget: Scott Hughes began presenting the budget information from the packet. Answered questions from the board about the information presented in the graphs. Kaden DeMille discussed the financial health of the Power Department. Discussion about possible solutions to improve position include cutting costs which is difficult when large infrastructure is needed for growth or to raise rates.

Discussion and possible recommendation of approval of updated Solar Policy: Michael Ramirez presented information detailing the differences between the existing solar policy and the proposed new policy. Discussed how credits for exported energy would be processed and whether credits would be hard reset at the end of the fiscal year or paid out. Discussed system sizes and compensation for exported energy. Dave Imlay described the base rate as covering operations and the consumption rate should cover your cost to purchase the actual power. He suggested to look at the Utah Financial Services Rate Study that was done ten or so years ago and see if they can look at the base rates for solar rates only to give us recommendations on where we should set that base rate. Joseph Prete asked a question regarding whether large battery storage by the Power Department would be an option to help curb high power prices. Discussion about previous battery storage proposals being much more expensive, but the need to keep an eye on prices as technology advances and prices of batteries come down. Discussion about changes to the three-phase solar policy for system size based on amperage size, compensation for exported energy and export limitations. Jerry Brisk asked about the limit before they become governed by the Public Service Commission. We will investigate the answer to that question. Discussion about any specifically stated properties who may be ineligible for solar. Discussion about determining whether to change all solar accounts to the new rates and a discussion about the original grandfathered accounts. The overall direction from the board is that they would like to keep any promise that we made to the original grandfathered accounts. Recommendation to find out exactly what those terms were. Overall, the board feels comfortable with the changes to the solar policy. Recommendation to research the suggestions made during the conversation and to finalize the policy.

Discussion and possible recommendation regarding additional Generation: Scott Hughes presented information regarding the purchase of the one additional generator. We previously discussed a multi-unit generation plant. We will begin paying transmission costs upon the addition of any new generator unit. Up to this point, we have been grandfathered in without having to pay transmission costs on our generated energy. Joseph Prete asked if the addition of the transmission costs make it worth purchasing the additional generator unit. Scott Hughes provided the estimated cost provided by UAMPS we would have paid for generated energy this last summer. Discussion continued regarding the pros and cons of purchasing additional generation. Mac Hall wrapped up the discussion by stating the board recommends moving forward with Generator #9. Our plan is to proceed with that direction. Dave made motion to proceed with purchase of Generator #9 and Jerry seconded the motion. Motion passed unanimously. Dave Imlay suggested to contact UAMPS to find out about financing the purchase of Generator #9 through them.

Discussion and possible recommendation of approval of updated Interruptible Commercial Rate: Scott Hughes presented the details of the adjusted Alternative Large Commercial Rate which would replace the previously approved Alternative Commercial Rate. The intent with this rate was to clarify some vague language and to limit financial exposure. It was discovered the wrong Exhibit was presented and included in the City Council packet when it was approved. It was missing the consequences for violation that were on the Exhibit that was approved and discussed at Power Board. The discussion regarding consequences was verified in audio and minutes for both meetings. This rate was a negotiation between us and the applicable customer the original rate was designed for. Dave Imlay made a motion to accept Exhibit A – Alternative Large Commercial Rate. Pam Humphries seconded the motion. Motion passed unanimously.

Commercial EV Charging Stations Rate Discussion: Scott Hughes presented information about what businesses are charging for the commercial EV chargers at their locations. He is suggesting creating a rate specifically for EV charging locations due to the impact they have on infrastructure. It creates a major load in one area and on one circuit. We are looking at what to charge for a base rate, demand rate, and high usage. Dave Imlay suggested contacting Utah Financial Services because they have probably already discussed this issue with other utilities. There is more work to be done in research on this.

UAMPS Updates: Scott Hughes stated all the information is contained in the packet. If there are no questions we will move onto the next section of the meeting. There were no questions.

Pam Humphries made a motion to move into closed session. Joseph Prete seconded the motion. Motion passed unanimously at 5:25 pm. Upon returning from closed session at 6:00 pm, Dave Imlay made a motion to recommend continuing participation in the Carbon Free Power Project (CFPP) at 20 MW for the next year. Jerry Brisk seconded the motion. Motion passed unanimously. Power Board adjourned at 6:05 p.m. The next Power Board Meeting is scheduled for February 1, 2023, at 3:00 p.m.