



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 April 5, 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, Brian Anderson, Jared Ross, Dayton Hall, Fred Resch, and Crystal Wright.

Mac Hall welcomed everyone to the meeting; Fred Resch led the Pledge of Allegiance and Scott Hughes offered the prayer. Pam Humphries motioned to approve minutes from the March 2023 meeting. Charles Reeve seconded the motion. Motion passed unanimously.

Scott Hughes: Scott Hughes reported an update on two new employees that were hired. He introduced Riley Steglich and Brent George who were both hired as Groundmen. We have also picked an employee to hire on a temporary basis that has verbally accepted the position and will be starting soon.

Brian Anderson: Brian Anderson reported that the line crew has been doing nothing except working on 600 North Phase 3A. The crew just finished setting the last pole. We had to shut down 600 North to allow a crane to come set the top of Pole 60. We had hoped to have the poles all set by the end of March and we ran into some delays that were weather related. We need to pull in transmission wire and get it ready to be re-energized before the outage we had scheduled for the end of April is over. Pam Humphries asked about an outage on 180 West. Scott Hughes reported on the outage. There was a line the crew thought was dead. One safety step was missed during the check, and a live line was grounded causing an outage for a few minutes. There was a safety meeting after-action discussion about the incident.

Mike Ramirez: Mike Ramirez reported that we're still working with the DER Subcommittee. Currently working on EV chargers. Scott Hughes stated the grant we had investigated didn't work out. He would still like to pursue looking into some chargers as a potential revenue source. Residential building has slowed down, but commercial construction has picked up. We are behind a little on construction projects due to our lack of employees, but it hasn't become too big of an issue yet.

Jared Ross: Jared Ross reported on the progress of Three Falls Substation. The two large transformer pads are complete. We are working on installing conduit. The wet weather has delayed the contractors a little, but they've been great to keep working to complete what they can. Dave Imlay mentioned taking a lot of pictures for historical reasons and to help remember exactly what was buried underground.

Budget: Scott Hughes reported on the budget numbers. Pam asked if the increase in kw can be explained by an increase in residents or just more electronic usage. Scott replied that a colder spring and people that use electric heat that could be one explanation for some of the increased kw. Joseph asked if there's an explanation for why January was so high. Scott said natural gas prices being high and the extended cold period



contributed largely to that problem in January. He has been meeting with Kaden & Paige regarding a game plan for rates. The plan right now is to watch how increases we have implemented change the financials to see if we can weather the summer without any additional increase. It's a risky move, but we feel like we want to see if we can stay where we are. If it doesn't help enough, we may have to implement another rate increase before the fall. Dave Imlay stated at a trade show he attended he spoke with multiple other cities that have stated they're in similar financial positions due to the cost of power. Scott Hughes explained how various cities within our Southern Utah area are structuring rates in the wake of these soaring power costs. Joseph asked if we could get data to help the City Council field questions from residents regarding rates. He would like to see rate comparisons between Hurricane City rates and costs compared to those from neighboring cities. Scott Hughes stated that rate information is available on many websites, but with the administration of Power Cost Adjustments (PCA's) by various cities, it will be difficult to compare effectively not knowing what that additional amount is.

Sky Ranch Update: Scott Hughes stated we have submitted a counteroffer to Rocky Mountain Power for the Sky Ranch area. They asked about cancelling the contracts we just signed if they approved the deal. We are still discussing internally what our next steps will be to move forward with this discussion.

DER Subcommittee Update: Scott Hughes reported that Mike Ramirez covered that update during his presentation earlier.

UAMPS Updates: Scott Hughes stated there was information contained in the packet, but he will update on just a few things with projects. The Hunter project is dealing with regional haze and ozone transport issues. The debate is whether they must install Selective Catalytic Reduction (SCR) in their plant. Steel Solar is still having trouble with the panels. It was originally supposed to go live in September, but it got moved to December. The new commercial operation date will likely be Q1 of 2024. CFPP is still moving forward. They are being aggressive with keeping that project moving forward. Joseph asked for an update regarding new subscriptions. Scott replied no new subscription yet, but they are trying some things with incentives to try to get people to sign on to the project. Nebo has been run in the past as a peaking plant. It is now being run as a full plant and a gas contract was secured to provide more consistent pricing for their power.

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