

HURRICANE CITY POWER
526 W 600 N
HURRICANE, UTAH 84737

The Hurricane City Power Board met on February 24, 2015 at 3:00 p.m. at the Clifton Wilson Substation at 526 W 600 N. In attendance were; Chairman Mac Hall, Terry Winter, Charles Reeve, Dean Mc Neill, Jerry Brisk, Pam Humphries, Dave Imlay, Brian Anderson, Don Behunin, and Vicky Ogden.

Chairman Hall welcomed everyone to the meeting. Dave Imlay led the Pledge of Allegiance and Charles Reeve offered the prayer. The approval of the minutes from the last three meetings will be postponed until the next Power Board Meeting.

SYSTEM UPDATES; Don Behunin presented a picture of the generator room floor that his crew recently painted. The generator room floors look extremely nice after the installation of the recently painted floors. Don also presented pictures of the junction boxes that his crew is re-locating and tying to the wire tray above the generator to eliminate wire damage due to vibration. Scott is still working on SCADA and will be wiring out to Brentwood. Scott has finished building the Brentwood Screens and he is making progress every day. The Anticline and Clifton Wilson Substations SCADA have been tested and they both passed with no outages. Don reported on the second set of oil samples that were taken from the transformer at the Anticline Substation, and said the samples came back a little better. Don will take more oil samples and have them tested after the heat of the summer and go from there. This is the transformer that was originally at the Clifton Wilson Substation, and then moved to the Brentwood Substation when it was built and then moved to the Anticline Substation.

Brian Anderson reported that the crew has installed conduits at the Sand Hollow Subdivision and have pulled off of this project for the year. Two crew members have been pole testing around town and have found four poles that tested badly. One of the poles was changed out recently at Chums. Dave showed the board members the pole that had rotted inside and was basically hollow. The crew has tested around 900 poles so far. We receive the pole tester from UAMPS every year and are given the opportunity to test poles around our city for about three months. All of the wire has been pulled in to the Tractor Supply Store and they will be ready for permanent power soon.

Rate Study Update; Dave reviewed what was presented in the Rate Study Presentation for the benefit of Mac Hall and Charles Reeve as they were not able to attend the UFS presentation. The direction the Power Board wants UFS to pursue is use a two 2% increase the first year followed by a 2% increase the third year, and a 2% band width to work within. Also the rate was to be designed so that by the end of the 5th year, all rate classes would be paying their fair share as illustrated in the Rate Study. City Council will have the option to supplement certain rate classes by giving higher rates to other classes to make up the difference. Pam Humphries stated that the contract Fay Reber drew up for the Ash Creek Sewer District on Grandpa's Pond Park states that Ashcreek will be on a Government Rate which is a rate Hurricane does not recognize and may cause problems in the future. Ashcreek Sewer District is currently on the Commercial Rate. Attorney Faye Reber was asked to take the Government Rate out of the

contract but Pam doesn't know whether or not it was taken out. Pam will get with Fay to see if any changes were made and she, Dave and Mac will talk to Fay about changing the way the contract reads and express their concerns if no changes were made to the existing contract and they will report back to the Power Board.

UAMPS Report; Dave stated that the San Juan Power Plant has a monthly deficit of \$893,000 and a yearly deficit of \$1,695,011. The San Juan Plant is really running poorly and they still don't have a coal contract post 2017. Although everyone voted no on the emission control upgrades, San Juan has gone ahead with the emission's control upgrading and billing the costs of the upgrading to the UAMPS Participants. UAMPS in return has written protest letters, which will eventually lead to litigation.

There will be a cost to participate because the state did not complete the emissions control intent for the Hunter Powe Plant.

On the Horse Butte Wind Project, the first year performance was not as good as expected; the second and third year performance came in better than expected.

The previous water year was 96% of average for CRSP. The coming year is expected to be around 93%. CRSP resource could see a rate increase of around 1%.

IPP Update; Dave reported that Monroe still has not signed and there are five cities in California that have not signed. Los Angeles is still trying to push the other California Cities for signatures and are offering these cities other concessions through other contracts. LADWP wants the project to move forward. IPA did put a time limit on the contract that ends in March of 2015.

Budget; Dave stated that he is working on the 2015-2016 budget and has noticed that power costs will be going up a lot more than he anticipated. He has not received the UAMPS bill yet so he wasn't able to present the financial statement. He will go over the financial statement next Power Board Meeting.

The Power Board Meeting adjourned at 4:50 p.m. The next Power Board Meeting will be on March 31, 2015.