

HURRICANE CITY POWER
526 W 600 N
HURRICANE, UTAH 84737

The Hurricane City Power Board met on May 18, 2015 at 3:00 p.m. at the Clifton Wilson Substation at 526 W 600 N. In attendance were; Chairman Mac Hall, Pam Humphries, Dean Mc Neill, Jerry Brisk, Terry Winter, Charles Reeve, Dave Imlay, Brian Anderson and Vicky Ogden.

Terry Winter led the Pledge of Allegiance and Charles Reeve offered the prayer. Pam Humphries made the motion to approve the April minutes with two changes and Dean Mc Neill seconded the motion. All in favor, motion passed.

Grid tied distributed generation discussion and possible decision; Dave stated that the power department needs to avoid the death spiral by grid tied distributed generation. Distributed generation leads to fewer energy sales which leads to inadequate fixed cost recovery, which leads to higher rates which leads to distributed generation. In order to avoid this death spiral we need to come up with a policy that treats every customer the same. The Board discussed the feed-in-tariff versus the current method. The feed-in-tariff is a fixed price power purchase agreement between the utility and customer who generates electricity. The energy output of the home solar system goes directly to the utility's grid in front of the meter and system owners are paid for all generation output as per the power purchase agreement. The customer receives an electric bill, but it is offset by the payment from the utility. A key feature of the feed-in-tariff is a standard fixed price in the power purchase agreement. The current method being considered entails increasing the base rate over a ten year period and lowering the kWh rate. After discussing both alternatives, it was the consensus of the Board Members to ask City Council for a two month extension on the current moratorium. Dave has asked UFS (Utility Financial Solutions), to come up with a base rate that will be adequate to start with as more discussion on this topic is needed before any recommendations are made to City Council.

Rate Study discussion and possible decision; Dave has not received any information from UFS (Utility Financial Solutions) as of today.

Carbon Free Power Project (CFPP); The project is in the site selection process phase. UAMPS suggests that Hurricane's investment would be around \$25,000.00 as a 5 (five) megawatt participant in a 100 megawatt plant project. Terry Winter made the motion to accept the 5 (five) megawatt's in the site selection project, but not to exceed \$25,000.00. Jerry Brisk seconded the motion, all in favor, motion passed.

Local Wind Project; Dave stated that Jerry Eves has become a wind developer in Toquerville and would like Hurricane City to be supportive of his project. Charles Reeve made the motion that states we support the wind project without any commitment. Pam seconded the motion, all in favor, motion passed.

UAMPS; San Juan is still struggling. IPP is still moving forward. Monroe City still hasn't signed, but it looks as though they might.

The Power Board adjourned at 5:10 p.m. The next Power Board Meeting will be held on June 30, 2015 at 3:00 p.m. at the Clifton Wilson Substation at 526 W 600 N.