

HURRICANE CITY POWER  
526 W 600 N  
HURRICANE, UTAH 84737

The Hurricane City Power Board met on October 27, 2015 at 3:00 p.m. In attendance were; Chairman Mac Hall, Dean Mc Neill, Jerry Brisk, Terry Winter, Charles Reeve, Pam Humphries, Dave Imlay, and Vicky Ogden. Chairman Mac Hall welcomed everyone to the meeting. Dean Mc Neill led the Pledge of Allegiance, and Charles Reeve offered the prayer. Terry Winter made the motion to approve the minutes from the September meeting after corrections, and Pam Humphries seconded the motion, all in favor, motion passed.

Dave reported that the crew has been attending the Hot Line School over in St. George. Yesterday was the skills competition. Three of our Linemen are instructors and one of our linemen teaches a transformer class and is thought to be one of the best instructors of transformers in the state. The crew will be there all week. When they get back they will continue working on the pole change outs around town. During the month our line crew has concentrated on pole change outs. Next month Dave will demonstrate the pole test data that the crew looks at and determines whether or not a pole needs to be replaced or not. Brian is still recouping from his shoulder surgery but still tries to come in everyday for ½ of a day. The substation and generation crew has been working on the substation plans working on wire to wire identifying and naming each wire and what it goes to. It is very tedious work but is necessary. Don's crew has also been working with the State on splitting the air quality permit between Hurricane and Washington. Hurricane will host the AVO Training here at our facility in November and by hosting the training, they allow one of our crew members to attend the training at no charge.

**2015 Southwest Utah Post Peak Report;** The Power Board Members had the report sent in their packets to look over. Dave went over the interconnection requests from 2001 to the present. Dave went through the Southwest report highlights. This report was completed by PacifiCorp and was a very informative report.

**Technical Task Force Update;** Dave stated that the Hurricane West Project has had a name change and is now called the Purgatory Flats Project. Construction of the project will start in 2017-2018. Rocky Mountain Power has purchased the property and is in the procurement process of the 138/69 kV transmission line. Dave stated that there still needs to be an interconnection agreement with UAMPS before moving forward. Dave stated that there appears to be no costs associated with the connection to Purgatory Flats. This is hard to believe but remains to be seen. The long term plan is to have two 138 kV feeds out of the Purgatory

Flats Project into Hurricane. This will give Hurricane a 138KV loop. For the near future Hurricane will remain 69KV. RMP has started the configuration, but there are still ongoing discussions and research that needs completion.

**MOA Update;** Dave met with RMP on October 7, 2015 to discuss a MOA draft agreement. Dave sent RMP a draft agreement that includes; Joint use of poles, built with a 34.5 kV top with a 12 kV below, a purchase price of \$50,000.00 not included, Hurricane would own joint use and row, RMP would facilitate an outage construction window, and RMP can opt to build a joint section. Dave is waiting on their response.

**Budget;** Dave reported that our kWh is 1.40% ahead of what was budgeted, the kWh Revenues came in at 1.36% above what was budgeted, the Cost of Sales came in at 1.21% above what was budgeted, and the Revenues came in at 2.70% of what was budgeted. Dave under estimated the usage in June, as it was an extremely hot June. The average yearly price of power came in at \$56.05 which is better than last year. Dave had budgeted \$58.82. Dave went over the 15 year plan with the rate increases included in the plan. Dave showed the Board Members a chart on how Hurricane City Power will look from the year 2015 to 2027. Dave stated that we still do not have the final June numbers yet from Clark or Kaden, but after looking at the rate increase structure, Hurricane Power is in a good financial position.

**UAMPS Report;** Dave stated that everyone has signed to move forward on the IPP Conversion. The next discussion will be whether Hurricane wants to stay in the project with our present percentage of 1% or get out of the project. The San Juan Power Plant is undergoing a major over-haul and the SCNR's are being installed. We will soon have to start paying for our percentage of the SNCRs. Money should come in from the Californians to cover UAMPS SNCR expenses. Funding will be needed in the meantime. UAMPS has a line of credit with Wells Fargo with a 2% interest rate for 28 months that will fund the project until the California money is received. There are still ongoing risks with all the pieces of the agreements falling into place. We should know by the first of January if all the agreement pieces get finalized or rejected.

The Board agreed that a joint November/December meeting be held at the Clifton Wilson Substation on December 8<sup>th</sup> at 3:00 p.m. due to the holiday season and no known pressing issues. The meeting adjourned at 4:45 p.m.