

HURRICANE CITY POWER  
526 W 600 N  
HURRICANE, UTAH 84737

The Hurricane City Power Board met on January 31, 2017, at 3:00 p.m. at the Clifton Wilson Substation at 526 W 600 N. In attendance were; Chairman Mac Hall, Dean McNeil, Terry Winter, Charles Reeve, Pam Humphries, Dave Imlay, and April Hill.

Mac Hall welcomed everyone to the meeting; Pam Humphries led the Pledge of Allegiance, and Mac Hall offered the prayer. Pam Humphries made the motion to approve the October minutes with two minor changes, and Mac Hall seconded the motion. All in favor, the motion passed.

**Don Behunin:** Reported that the substation crew had been working on a fuse/recloser coordination study. The study included creating a map of all the circuits on the system. After mapping the circuits on the system, Scott Hughes started mapping the SCADA communications system. They have been doing a comprehensive minor maintenance of the generators. Some of the high voltage cabinets have cracks from the constant vibrations. They are replacing and repainting the cabinets. The substation crew did a major switching procedure that was necessary to de-energize the 69KV to move a pole outside of the CW office building. The pole had to be moved to allow clearance for the construction and remodel. The procedure included moving all of Clifton Wilson Load to the Rocky Mountain Power Sub, moving the Anticline Load to a Washington feed, and then moving the Brentwood load onto the Clifton Wilson. Don suggested that the department should consider installing a 69 kV breaker outside of Clifton Wilson and the Power Board agreed.

**Brian Anderson:** Reported that the line crew finished the conduit on Park View Drive. The reason for the conduit was to eliminate the overhead line. Interlinks still needs to transfer off, and then the poles can be removed down by Grandpa's Pond. The power department is moving its line that runs down 1500 south to allow for the Water Department to put in a main water line. He expects that the crew will have the poles set this week and the wire pulled by next week. The line crew also did electrical safety demonstrations, generation plant tours, and pole climbing demos for six elementary school classes.

**Utility Financial Solutions Rate Study:** The rate study was completed and provided data for a rate increase of \$1, \$2, and \$3. Dave provided a graph which calculated the changes to the residential rate for each increase. Heavy electric consumers will notice a slight decrease on their bill, which is due to the Kw rate decrease; smaller users will notice a slight increase in their bill. Dave made the recommendation to increase the base rate \$1.00 per year for the next three years starting on March 1st, 2017. He also recommended that the base rate increase be halted at \$20.00. Pam made a recommendation for Dave to present the rate increase to the City Council, and Mac Hall second the motion, all in favor the motion passed.

**Building Update:** Zwick Construction was awarded the contract for the building remodel and construction. The start date of construction is set for February 13th. The main office staff will move

down to the lower generation conference room beginning February 8th. Dean McNeil asked if there is any chance that the dust could cause problems with the SCADA system, Dave stated that he didn't think that it would be a problem. The time frame for the completion of the project is set for June 1st.

**Purgatory Flats Update:** Dave explained the complexities of the UAMPS participation and funding of Purgatory Flats. Some of the complexities include the possibility of St. George's Green Valley Line being added into Exhibit C (the facilities document); alternate entitlement than current entitlement and some not wanting to pay for facilities that they feel benefit them very little. Dave stated that Hurricane remains neutral on whether other UAMPS members participate or not. The Purgatory Substation is vital to Hurricane's future energy needs.

**APPA Mutual Aid Agreement:** Dave reported to the Power Board that he would like the Power Department to participate in the APPA national mutual aid agreement. The department is gathering data for the current years RP3 application, and one of the goals is to raise a tier from gold to platinum status. To achieve the goal, the department must earn more points. Participating in a national mutual aid agreement is one of the ways to earn an extra point. Dean McNeil asked for clarification on who the department is agreeing to assist. Dave reported that the agreement is a discretionary rendering of aid, meaning the department has the right to decide who, when, and where the department provides assistance. Charles made the motion to accept the proposal to participate, Terry Winter second the motion, all in favor the motion passed. Dave will present the recommendation to the City Council.

**Reliability Report:** The Power Board was provided with Hurricane Power Department's reliability indices for the calendar year of 2016, and a comparison to the calendar year 2015.

**Annual Power Fund Report:** Dave Imlay provided the Power Board with the figures of the calendar year 2016, unrestricted cash balance, net income, gross revenue, cost of purchased power, and gross profit.

**Budget:** Dave reported that the Power Department 2.6% behind on kWhs and 1.91% behind on revenue. Dave report that one of the reasons we are off this year is because of Dave's failure to insert the effects of the recent rate increase into the formula used to calculate budget data for this budget year. The other is mild weather since August has hindered kWh sales.

**CFPP:** Dave reported that there is currently a lot of discussion by possible participants as to how they may legitimately exit the project without pushing the cost onto other participants. The reason for the discussion is because of the concern of pricing.

**IPP:** The IPP plant is now an official project post-2027. All of the documents have been signed. Dave is just waiting for the Mayor to sign the excess power agreement.

The Power Board adjourned at 5:15 p.m. The next Power Board Meeting is scheduled for February 28, 2017, at 3:00 p.m.