



**MINUTES FOR THE REGULAR MEETING  
OF THE POWER BOARD  
OF THE CITY OF SPRINGVILLE, UTAH  
DISTRIBUTION CENTER  
OCTOBER 8, 2014 – 6:30 A.M.**

**MEMBERS PRESENT:** Chairman Clair Anderson, Travis Ball, Patrick Monney, Rod Andrew, Jason Miller, Elizabeth Crandall, Darrin Wolz

**MEMBERS ABSENT:** Councilman Craig Conover, Tom Hawks

**DEPARTMENT STAFF:** Leon Fredrickson, Matt Hancock, Brandon Graham

Minutes were transcribed from recording by Kami Craudell, Power Board Secretary.

**CALL TO ORDER**

The meeting was brought to order at 6:30 a.m. by Chairman Anderson. The members were in attendance as noted.

**APPROVAL OF THE MINUTES**

A motion to approve the September 10, 2014 Power Board meeting minutes as written was made by Travis Ball. The motion was seconded by Patrick Monney and was passed by unanimous vote.

**BUSINESS**

**1. RESOURCE AND RATE FINANCIAL REPORTS**

- a. **FY15 kWh SALES AND RATE REVENUE REPORT – SEPTEMBER 30, 2014:** Mr. Fredrickson reported to the Board that, with 25% of the fiscal year elapsed, most of the rate classes are maintaining margin for kWh sold. Residential is at 31% of budget, small commercial is at 27%, large commercial is at 29%, with industrial holding steady at 25%. The interruptible rate class is below budget and currently at 21%. Mr. Fredrickson noted that the report is based on a mid-month to mid-month time period that correlates with the billing cycle. Revenues are 7% lower than expected for the month with the overall year to date comparison to FY14 lower by 3%.
- b. **RESOURCE COST REPORT – FY15 COST OF RESOURCE:** Mr. Hancock reported on the following projects, the associated costs, and kWh purchased. CRSP, \$27.57 per MWh for 1.8 million kWh; San Juan, \$80.63 per MWh for 2.04 million kWh, pressure on cost dues to boiler issues associated with high ash coal; Craig-Mona Transmission, profit of \$3000.00 from sales of transmission; UAMPS Pool, \$39.61 per MWh for 2.4 million kWh; Provo River, O&M costs only; PX, \$55.61 per MWh for 7.4 million kWh; Pleasant Valley Wind, \$58.03 per MWh for 97,500 kWh; Nebo, \$67.51 per MWh for 8.7 million kWh; Horse Butte Wind, \$121.00 per MWh for 378,000 kWh. The total UAMPS blended cost for August 2014 was \$57.65 per MWh. The Blue Mountain Biogas resource was received at \$60.60 per MWh for 867,000 kWh. The total monthly cost of all resources was \$59.60 per MWh. This is below the proposed budget amount of \$65.50 per MWh.

**2. RESOURCE DISCUSSION**

- a. **UAMPS PROJECT UPDATES**
  - i. **RESOURCE PROJECT – SMART ENERGY REBATE CHANGES:** UAMPS staff has been following Rocky Mountain Power's request to, and subsequent permission from, the Public Service Commission to enact changes to their rebate program. UAMPS has recommended to the members of the Smart Energy Rebate program to consider these changes also. Springville has been a Smart Energy participant for four (4) years. The program is designed to mirror the program in place by Rocky Mountain Power. The changes will be effective October 24, 2014. The rebates for most new appliance purchases will increase, the rebate amount for the "Cool Cash" central air will change based on size, and the rebate of the removal of old refrigerators and freezers in the "See Ya Later Refrigerator" program will increase. The LED light fixture replacement program has seen the most use during the UAMPS fiscal year started April 1<sup>st</sup>. Springville has a budget of \$17,000.00 available with \$3000.00 being expended.

- ii. SMR – INL SITE INVESTIGATION: Mr. Fredrickson reported that the UAMPS Resource committee will be moving forward with the appropriate steps to investigate construction sites for a NuScale Small Modular Reactor (SMR) site, with the front runner being the Idaho National Laboratory. A handout detailing the steps already taken and the steps still to complete was provided for each member. The additional steps will require a project budget increase of \$195,000.00. This will increase Springville’s project cost by \$1500.00 a month. The preliminary project cost per MW is \$80.00 to \$85.00 with an anticipated start date of January 2024.
- b. SPRINGVILLE RESOURCE UPDATE: Representatives from CAT have provided staff with information on the newest products becoming available. Staff is comfortable with the engine choice they have made as they continue to consider the installation. The project is being reviewed by staff to make the right financial and timing decision for the resource portfolio to present and seek Council approval. The biogas resource is continuing to struggle with digester issues. Operators are still confident they can meet the contract requirements.

## **REPORTS**

### **1. DISTRIBUTION**

- a. INDUSTRIAL PARK: Mr. Graham reported that the contract to install the HDPE pipe has been awarded to Fibertel Inc., and they have started the work. A contract has also been completed with Rocky Mountain Power to raise four (4) poles for the installation of the 46 kV and distribution lines perpendicular to them. The concrete foundations, for the anchorless steel poles, were awarded to Grand Mesa Construction and they have started the work. The steel poles are scheduled for delivery to begin on October 20, 2014.
- b. LINE CREWS: Crews are continuing to replace existing crosslink cable and old poles in the rebuild project.
- c. NEW CONSTRUCTION: Applications have been received for commercial buildings in the Stonehenge Subdivision, 950 W. 400 S.

### **2. GENERATION**

- a. WHPP: The plant ran for 376,000 kWh during the month of September. A city peak of 52 MW happened on September 17<sup>th</sup> and the total month kWh use was 22,433,000.
- b. HYDROS: One of the main hydro’s suffered a turbine failure. The turbine has been online twenty-four (24) hours a day, seven (7) days a week since its commissioning in 1986. The turbine has been pulled and crews are performing maintenance while it’s removed. The turbine was manufactured by a French company that no longer exists. Crews have sent the turbine off to see if it is repairable. The hydro is a one (1) MW resource.
- c. ELECTRICIANS: The electricians have been trouble shooting at Dry Creek Substation, assisting SUVPS. There have been control issues at Baxter Substation. Crews found mice have been damaging the control cables during trouble shooting. They have been replacing the cables and sealing the conduits.
- d. SCADA: Mr. Johnson has been working with metering on the server requirements for the new AMR system. The current system is no longer being supported. The available systems include a radio frequency (RF) program or a power line carrier (PLC) system. Springville currently uses a PLC system.

## **OTHER**

Staff completed the Public Power Week tours for Springville 5<sup>th</sup> grade students. Mr. Fredrickson provided a slide show detailing some of the demonstrations.

## **ADJOURN**

The motion to adjourn the meeting was made by Travis Ball. The motion was seconded by Patrick Monney and passed with a unanimous vote. The meeting was adjourned at 7:41 a.m.