

Bountiful City Power Department  
April 22, 2025 (8:00 a.m.)

Committee Members:	Kendalyn Harris (Chair), Beth Child, Kate Bradshaw
Power Commissioners	Susan Becker (Chair), Dan Bell, Jed Pitcher, Matthew Myers, David Irvine, John Marc Knight
City Manager:	Gary Hill
Assistant City Manager:	Galen Rasmussen
Department Personnel:	Allen Johnson, Alan Farnes, Jess Pearce, Tyrone Hansen, Luke Veigel, Nancy Lawrence, Jessica Sims, Charles Benson, Scott Redding

Power Commission chair Susan Becker called the meeting to order at 8:00 a.m. and she welcomed those in attendance.

The meeting was turned over to Tyrone Hansen, Light & Power Department Accountant, to review key points of the power system and budget request via PowerPoint presentation.

- Overall budget for adoption of \$43,910,181
- 3% increase in power rates
- 10% increase in customer fees
- Solar Net Metering buy back rate reduced to \$0.07
- The annual Pole attachment fee increased from \$14 to \$15

- Ensure the safety of everyone that interacts with the electrical system.
- Buy and generate electricity at economical prices.
- Deliver electricity to residential, commercial, and industrial customers.
- Provide reliable electrical service.

1 Department Description:

- 2 • Services are provided to 17,300 total customers (15,652 residential; 1,647 commercial; 1
- 3 industrial)
- 4 • 24-hour operation
- 5 • Staffing:
  - 6 ○ Substation Technicians (6 substations)
    - 7 ▪ Hydro Inspection and Maintenance (2 hydros – Echo and Pineview)
    - 8 ▪ Traffic Controller Maintenance (15 city-owned controllers)
    - 9 ▪ SCADA maintenance
  - 10 ○ Line Crews
    - 11 ▪ Outage and system damage
    - 12 ▪ Capital Improvement Projects
    - 13 ▪ System maintenance
    - 14 ▪ Support of city events
  - 15 ○ Tree Crews
    - 16 ▪ Manage the 3-year vegetation management cycle
  - 17 ○ Engineer and Power System Planners
    - 18 ▪ Design projects
    - 19 ▪ Blue Staking
    - 20 ▪ Update of GIS and system records
    - 21 ▪ Monitor pole attachments
    - 22 ▪ Work with customers and contractors
  - 23 ○ Metering Technicians
    - 24 ▪ Gather meter readings monthly
    - 25 ▪ Respond to customer inquiries and billing concerns
    - 26 ▪ Approving new solar and battery installations
    - 27 ▪ Audit meter operations
    - 28 ▪ Complete customer connects and disconnects
    - 29 ▪ Maintain school crossing flashers
  - 30 ○ Office Staff
    - 31 ▪ Handle overall customer relations
    - 32 ▪ Coordinate building maintenance
    - 33 ▪ Maintain records and accounting
    - 34 ▪ Prepare financial reports
    - 35 ▪ Inventory management and purchasing
  - 36 ○ Safety Director
    - 37 ▪ Organizes monthly safety and training meetings

- Places orders for personal protective equipment
- Processes system damage claims
- On Call staff with a 20-minute response time

The electrical system includes:

- 6 substations
- 42 miles of 46KV transmission lines
- 90 miles of 15KV overhead distribution lines
- 135 miles of 15KV underground distribution lines
- 75 miles of street light circuits

Resource List:

- Colorado River Storage Project
- Intermountain Power Project
- Natural Gas Fired Power Plant
- Hydroelectric projects at Echo and Pineview reservoirs
- Red Mesa and Steel Solar projects
- Contracts from industry suppliers

Fiscal Year Priorities:

- Upgrade of feeders #273, # 571, #573, and #576
- Begin replacements of Hydro control systems
- Rebuilding of the Northwest Substation
- Acquiring power resources to stabilize the cost of power and increase green and carbon-free resources

Jesse Pearce was asked to provide information on field operations for the department:

- Over 7 years with no lost time accidents
- 70,000 hours worked per year
- National awards from Intermountain Power Superintendents and American Public Power Association national award
- Outage restoration statistics were presented graphically from fiscal years 2017 through 2024 with a five-year average system reliability rate of .9999992%
- Distribution pole replacements data was presented including mention of 2,370 poles being replaced out of a total of 4,938 in the system since the year 2000. An average of 126 poles are replaced per year which equates to a 50-year replacement cycle.

- The department's underground system includes 1,261,100 feet of cable (18,000 feet of cable is replaced or added per year on average). All the new jacketed cable comes with a 40 year warranty but can be expected to have up to an 80-year life.
- Tree trimming – 4,476 trees worked per year (1 in-house and 2 contracted crews)
- Supply chain delivery delays and price increases were cited with up to 60% price increases in some items being experienced by the department since the year 2021.

Luke Veigel was asked to review the capital requests for Fiscal Year 2025-2026:

- Total capital request is \$8,510,000, which is up by \$3,060,000 from the current fiscal year.
- The request includes the following:
  - \$420,000 for vehicles
  - \$700,000 for upgrade of Feeder #573
  - \$160,000 for an intertie of Feeder #273
  - \$100,000 for an upgrade of Feeder #576
  - \$130,000 for an upgrade of Feeder #571
  - \$500,000 for distribution at Renaissance Town Center
  - \$200,000 Bountiful High, 400 South Main, Bolton Property, Renaissance Lot 11, miscellaneous

Alan Farnes provided an overview of capital improvements scheduled for the Hydro locations as follows:

- \$400,000 for update of controls at the Echo Hydro
- \$750,000 for update of controls at Pineview Hydro
- A discussion among commissioners ensued regarding the 35-year-old technology employed by the department to run the hydro units. This technology is in machine language which is no longer industry supported and in need of replacement.

Other capital improvements included in the request are:

- \$5,150,000 for the Northwest Substation to address low Bus safety hazard mitigation work needs. Replacement of infrastructure from the 1970's is planned in the project.

Tyrone reviewed the request for a one dollar increase in the annual fees for pole attachments. The fee will rise from \$14 to \$15 to assist the department in funding additional maintenance and pole replacement. A 10% increase in all customer fees and funding for personnel costs increased by cost of living and wage adjustments is in the budget request.

1 Power Resources:

- 2 • New Day Ahead Market requirements – UAMPS must comply by May 2026 (including energy
- 3 scheduling one day in advance and energy sufficiency testing with a 115% of anticipated load).
- 4 • A Load vs Resources graph was displayed – 80 MW Summer peak and a 40 MW Winter peak.
- 5 • Energy Requirements – 0.5% increases in demand are expected through 2043.
- 6 • Average system cost will be \$0.0698 for Fiscal Year 2025-2026
- 7 • Power purchase commitments have been secured through the year 2029
- 8 • Solar power costs are running just below \$0.05
- 9 • IPP Plant is scheduled to be back online by July 2025
- 10 • Future Power options listed included UAMPS Natural gas plant; Solar and batteries; Geothermal
- 11 Plant and Wind sources such as Horse Butte II.
- 12 • Future annual power rate increases are anticipated to average of 2% depending on available
- 13 cash
- 14 • With a 3% increase in rates, Bountiful City Light & Power rates will be 1.6% higher than Rocky
- 15 Mountain Power at their current rates. However, Rocky Mountain has signaled a potential 18%
- 16 rate increase that would make their rates higher than Bountiful if passed by the Utah Public
- 17 Services Commission.

18 The meeting concluded with a summary of the budget request which included:

- 19 • 3% metered electric rate increase
- 20 • 3% Feed-in-tariff rate increase
- 21 • Net Metering buy back rate reduction to \$0.07
- 22 • 10% customer fee increases
- 23 • Operating revenue of \$36,048,043
- 24 • Personnel Services costs at \$6,511,136
- 25 • Operations and Maintenance costs at \$25,528,092
- 26 • A net operating transfer of \$3,940,169
- 27 • A total of \$45,410,000 in planned capital expenses (at 2025-dollar values) in the next 10 years
- 28 • \$43,910,181 total proposed budget for Fiscal Year 2025-2026

29 A discussion was held on adding fuel adjustment factor in the future. It was noted that this  
30 component has been avoided in the past due to the short-term availability to address financial needs  
31 with cash reserves. Also, the introduction of a fuel charge may bring negative customer reactions.

32 Following the discussions, Power Commission chair Susan Becker called for a motion to approve the  
33 Fiscal Year 2025-2026 budget request with all items as outlined. Commissioner Irvine motioned to  
34 approve the budget and Commissioner Pitcher seconded the motion. All commissioners voted aye.

1 City Council Budget Committee chair Kendalyn Harris called for a motion on the Power Fund budget  
2 with all items as presented. The budget was passed with a motion from Committee member Child  
3 with a second from Committee member Bradshaw. Voting was unanimous with all Committee  
4 members voting aye. The budget review portion of the meeting adjourned at 9:40 a.m. by consent of  
5 the Power Commissioners and City Council Budget Committee members.