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**MEETING OF THE  
BOUNTIFUL CITY POWER COMMISSION**  
January 22, 2019 - 8:00 a.m.

**Those in Attendance**

**Power Commission**

John Cushing, Chairman  
Susan Becker  
Dan Bell  
David Irvine  
Paul Summers

**Power Department**

Allen Johnson, Director  
Jay Christensen  
Alan Farnes  
Jess Pearce  
Luke Veigel

**Excused**

John Marc Knight, Council Representative  
Jed Pitcher

**Recording Secretary**

Pat Wood/Nancy Lawrence

**WELCOME**

Chairman Cushing called the meeting to order at 8:07 a.m. and welcomed those in attendance. Mr. Christensen offered the invocation.

**ELECTION OF POWER COMMISSION CHAIRMAN & VICE CHAIRMAN**

Chairman Cushing noted that the first item of business is to elect a Chairman and Vice Chairman of the Power Commission for the next year. Commissioner Summers motioned to retain John Cushing as Chairman and Jed Pitcher as Vice Chairman. Commissioner Irvine seconded the motion and voting was unanimous with Commissioners Cushing, Becker, Bell, Irvine, and Summers voting "aye".

**MINUTES – November 13, 2018**

Minutes of the regular meeting of the Bountiful City Power Commission held November 13, 2018 were presented and unanimously approved on a motion made by Commissioner Summers and seconded by Commissioner Becker. Commissioners Cushing, Becker, Bell, Irvine, and Summers voted "aye".

**CALENDAR UPDATE**

Mr. Johnson referred to the Power Commission calendar which was previously adopted in the November 2018 meeting and noted that several changes need to be made. He called attention to two meetings which will focus on nuclear power: one at the State Capitol on February 12<sup>th</sup>, and a reception with the legislature on February 19<sup>th</sup>. Mr. Johnson encouraged all who could to attend these two meetings. Regular Power Commission meetings will continue to be held on the 4<sup>th</sup> Tuesday of each month, with exceptions for April (Joint PC and CC Budget meeting—changed to April 9<sup>th</sup>) and May (3<sup>rd</sup> Tuesday); and no meetings in July and December. The revised calendar also shows local and national conferences.

**BUDGET REPORT – YEAR-TO-DATE 6- MONTH PERIOD ENDING DECEMBER 31, 2018**

Mr. Christensen presented the Budget Report for the Fiscal Year-to-Date 6-month Period Ended 31 December, 2018. He noted that July through November 2018 are final (with estimates

1 as shown) and December 2018 is preliminary but most YTD line item amounts will not change  
2 from this report when they are final. Estimates include Electric Metered Sales, Air Products, and  
3 UAMPS Power Costs.

4 Total revenues YTD were \$15,878,586, above its historically allocated budget (HAB) by  
5 \$68,716. Major items above their HABs were electric metered sales (EMS) at \$185,725, and  
6 preliminary interest income on investments at \$23,196. Major items below their HABs were Air  
7 Products at \$(57,598), street light income at \$(47,910), and contribution in aid to construction at  
8 \$(39,181).

9  
10 Total Operating Expenses YTD were \$13,922,048, below its HAB by \$373,133. The  
11 major expense below its HAB was Power Costs at \$271,533, but numerous other expenses were  
12 also below their HABs. They were only partially offset by street light expense which was above  
13 its HAB by \$(121,620).

14  
15 Total Capital Expenditures YTD were \$735,213 and included materials, labor, and third-  
16 party work on the 138 KV substation, feeder #575, the feeder #673-#271 inter-tie, feeder #37X  
17 East, the Culver's project, and several other projects.

18  
19 The net margin for the YTD was \$1,221,325, above its HAB by \$255,805, largely due to  
20 lower than budgeted power costs and higher than budgeted EMS revenue.

21  
22 Changes in Balance Sheet and Cash Flow Statement YTD were briefly reviewed,  
23 following which Commissioner Bell made a motion to accept the budget report as presented.  
24 Commissioner Summers seconded the motion which carried unanimously with Commissioners  
25 Becker, Bell, Cushing, Irvine, and Summers voting "aye".

26  
27 **138 SUBSTATION UPDATE**

28 Mr. Farnes reported that the second new 100MVA transformer has been installed at the  
29 138 substation. He narrated a slide show which showed the progression of work done at the 138  
30 substation. There are a few items that Virginia/Georgia Transformer has been instructed to  
31 correct before the #2 transformer will be energized. It is anticipated that this work will be  
32 completed in the next week or two so that the new #2 transformer can be energized and loaded.

33  
34 Cache Valley Electric has a few punch list items to complete and they will be finished  
35 with this project.

36  
37 **OSMOSE POLE TESTING UPDATE**

38 Mr. Veigel reported that Osmose is currently working on testing the distribution poles  
39 throughout the City. They have tested 2,910 poles and of those, 12 were priority rejects and 135  
40 were rejects. The crews are changing priority reject poles as they come in, and so far they are  
41 able to keep up with the changes needed. They are currently working in Plat A. Mr. Veigel  
42 noted that one of the most important aspects of having Osmose do the pole testing is that poles  
43 which are dangerous to climb are being identified, which provides safety information for the  
44 crews.

45  
46 Mr. Veigel also reported that additional street lights are planned for installation on

1 Bountiful Boulevard.

2  
3 **SOLAR INSTALLATIONS UPDATE**

4 Mr. Christensen reviewed three spreadsheets which reflect the impact of a nine-month  
5 period of the solar generated power resource. Residential customers who are grandfathered in to  
6 net metering created a loss of \$139,871 to the City for the 9-month period. These 196 customers  
7 are selling an average of 56% of the power they generate back to the City. Six commercial net  
8 metering customers have created a 9-month loss of \$8,892. The 15 feed-in tariff customers  
9 (whose usage is tracked in three different daily time periods) have generated a loss of \$5,283 for  
10 the nine-month time period that this rate has been used. The data which has been collected on all  
11 solar customers will be helpful in establishing future rates, as well as consideration of purchasing  
12 solar generation from outside resources.

13  
14 **PRELIMINARY BUDGET UPDATE**

15 Mr. Johnson reviewed that a portion of the focus for establishing the budget for the next  
16 fiscal year is maintenance of the system. Included in that maintenance will be the ongoing  
17 testing of poles by Osmose, the rebuilding of the Northwest substation, continued work on the  
18 feeder at the Southwest substation, rebuilding the overhead line by the cemetery, continuing to  
19 work on the line that feeds out of the substation by the former ShopKo building and tying back to  
20 the feeder by the Fifth Amendment which completes the feed from 200 West. He noted that  
21 there is still some wire on the system that is not shielded and this will be systematically replaced.  
22 The Echo hydro control system also needs to be upgraded to provide a 25-year life for that  
23 resource.

24  
25 Mr. Johnson referred to problems which PG&E has had in California with liability and  
26 noted that we should be aware of situations which could be a liability for us. This included items  
27 such as tree removal, wind-related destruction, and cyber security. It was the consensus of the  
28 group that regular / ongoing maintenance is critical.

29  
30 **RESOURCE UPDATE**

31 Mr. Johnson reported that we are still working on the possibility of participation in the  
32 nuclear project. The IPPA project is moving ahead and it appears that we will not be using much  
33 power from this resource.

34  
35 **POWER SYSTEMS OPERATIONS REPORTS**

36 The following items were included in the packet, but not discussed in the meeting:

- 37  
38 a. **October and November 2018 Resource Reports**  
39  
40 b. **November and December 2018 Lost Time Related Injuries/Safety Report**  
41  
42 c. **November and December 2018 Public Relations Report**  
43  
44 d. **November and December 2018 Outage Reports**  
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1 **OTHER BUSINESS**

2 None

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4 **NEXT POWER COMMISSION**

5 The next meeting of the Power Commission will be on February 19, 2019 at 8:00 a.m.

6

7 **ADJOURN**

8 The meeting adjourned at 9:50 a.m.

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John Cushing, CHAIRMAN