

**PAROWAN POWER BOARD MINUTES**  
**NOVEMBER 29, 2023**  
**CITY OFFICES – 35 EAST 100 NORTH – 5:30 P.M.**

**MEMBERS PRESENT:** Jared Burton (Chair), Jeremy Franklin (Power Superintendent), Matt Gale (Council Representative), Sharon Downey (Council Representative), Dan Jessen (City Manager), Greg Evans, Jeff Robison, Stacy Gale (Secretary).

**MEMBERS ABSENT:** None.

**PUBLIC PRESENT:** None.

**CALL TO ORDER:** Jared Burton called the meeting to order at 5:30 P.M.

**DECLARATION OF CONFLICTS WITH OR PERSONAL INTEREST ON ANY AGENDA ITEMS:** None.

**APPROVAL OF MINUTES:** Sharon Downey moved to approve the minutes of September 21, 2023. Greg Evans seconded the motion. All members present voted in favor of approval. The motion carried. The minutes were approved.

**PCA (POWER COST ADJUSTMENT) UPDATE** – Jeremy Franklin handed out a spreadsheet of the power cost adjustment (attached). He gave Jeff Robison some background on the PCA. The reason Jeremy wanted to bring it up again is because he wanted to help our customer's by reducing the PCA number for November for the Christmas season. He thought we might be able to soften the PCA for one month because the September bill was lower, but since the October bill was double from September, he said that wouldn't be possible. Jeremy said the price difference is because in September we ran Hunter and we had a lot of IPP coal back; October we had neither. Jeremy said we were supposed to start running Hunter December 1<sup>st</sup> and run through February, but in an email he received today, they will be off until December 17<sup>th</sup> because of a feed water heater pump replacement. It will still run through February, unless market prices are low in February then they will shut it down and save coal for June, July and August when market prices are supposed to be high. Jeremy said he looked at market prices on November 27<sup>th</sup> and it was \$40-\$50/KWh; today it is \$100/KWh; there is that much fluctuation. Jeremy said without Hunter it is like the stock market. Jeremy anticipates the November bill will be slightly less than October.

Jeremy explained that we do not call back from IPP in the winter because they are in the same situation as Hunter; they do not have coal to burn so they are saving it for the summer months. We will probably call back a megawatt in the summer.

Matt Gale moved to keep the PCA at 4 cents per KWH. Greg Evans seconded the motion. All members present voted in favor of approval. The motion carried.

**CFPP (CARBON FREE POWER PROJECT) UPDATE** – Jeremy Franklin said the CFPP did not get subscription high enough to fund it so the project has died. He said UAMPS has an

agreement with the developer of the NuScale module that all the costs will be reimbursed; they paid about \$50 million to UAMPS, but there are still some ineligible costs. Parowan was about 2% of the project. Jeremy said he doesn't know what our dollar figure will be; he estimated about \$100,000.

They are still working on things with the DOE. The site that was starting to be developed has to be restored to either natural how it was or how DOE would like to see it.

**RED CREEK HYDRO UPDATE** – Jeremy Franklin said they were able to get all the controls and equipment in the hydro to start it, but the excitation drive ran away and it burned up a current transformer and a couple of other things. They were able to work around those and produced 100 KWh in a day but it isn't safe to run continually until they get the other parts back. The control guys ordered the parts and when they get them, they'll come back; the cost will be on them. Jeremy said they were able to put it online and it ran great; temperatures were good and it synced in good. He is hoping it will be up and running in December.

**OTHER BUSINESS:** Jeremy, Dan and Greg gave a report on the Intermountain Power Plant (IPP) tour they went on last week.

Jeremy said UAMPS is looking at solar plus battery storage in Iron County. It is farther along in the TSOA Transmission Study Agreement with Rocky Mountain Power. Jeremy thought about maybe signing up for 400 KW because we'll need something without having nuclear. This one is supposed to be around \$66/MWh on a 25-year power purchase agreement, but the compacity factor is not going to be 95% like a coal plant; it'll be in the 60% range. He thinks we need to start get other resources.

**STAFF & MEMBER COMMENTS:** None.

**PUBLIC COMMENTS:** None.

**ADJOURN:** Jared Burton made a motion to adjourn the meeting. Greg Evans seconded the motion. All members present voted in favor of adjournment. The meeting adjourned at 6:00 p.m.

*Minutes Approved at February 27, 2024 Meeting*

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*Jared Burton, Committee Chair*

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*Stacy Gale, Secretary*