**PAROWAN CITY POWER BOARD MEETING MINUTES**

**Thursday, May 15, 2025 – 5:30 P.M.**

Parowan City Council Chambers

35 E 100 N, Parowan, UT 84761

Office: (435) 477-3331

**Commission Members Present:** Jared Burton, Greg Evans, Jeff Robison, David Harris, Sharon Downey

**Excused:** None

**City Staff Present:** Mollie Halterman, Mayor; Dan Jessen, City Manager; Jeremy Franklin, Power Director; Callie Bassett, City Recorder

**Public Present**: See attached sign in sheet.

**Call to Order:** The meeting was called to order by Chair Pro Tem Greg Evans at 5:33 p.m. Jeremy Franklin, Power Director, noted that Greg Evans was present, Jeff Robison may show up late, and jred Burton would not be attending.

**Declaration of Conflicts with or Personal Interest in Any Agenda Item:** Greg Evans asked if anyone had any conflicts or personal interest in any of the agenda items. No conflicts were declared.

**Approval of Power Board Meeting Minutes for November 21, 2024:**

Sharon Downey made a motion to approve the power board meeting minutes of November 21, 2024. She mentioned that while it seemed like a long time ago, she had reviewed them and nothing stood out as incorrect.

Motion: Sharon Downey moved to approve the power board meeting minutes of November 21, 2024. Greg Evans seconded the motion. The motion passed unanimously.

**Renewable Resource Program**

Jeremy Franklin introduced a discussion on the city's current net metering policy for solar customers. He explained that he had been researching how other cities, such as Hurricane and Washington, handle their billing for solar customers. Jeremy noted that he had spoken with Chris Lund, who had conducted their PCA study, and Lund suggested they should be billing differently.

Jeremy presented two billing scenarios: the current net metering method and a proposed method based on delivered and received energy. He explained that the current method uses a net calculation, while the proposed method would bill separately for energy delivered from the grid and energy received from solar systems.

The board discussed the implications of changing the billing method and potentially removing the current 5 kW cap on solar installations. Jeremy noted that the cap might be discriminating against larger energy users who could benefit from larger solar systems.

Greg Evans and other board members asked questions about the impact on customers and the city's power system. They discussed the potential benefits and drawbacks of allowing larger solar systems and changing the billing method.

Jeremy stated that he would need to do more research and run calculations on existing solar customers to better understand the impact of potential changes. He also mentioned that he would consult with UAMPS members on their practices.

The board agreed to table the discussion until the next meeting, allowing Jeremy time to gather more data and prepare a more detailed analysis.

**UAMPS Update**

Jeremy Franklin provided an update on UAMPS (Utah Associated Municipal Power Systems) activities:

1. **Extended Day Ahead Market (EDAM):** Franklin explained that UAMPS is required to join the EDAM in 2026, which involves participating in a centralized market for energy resources. He elaborated on the changes this would bring, highlighting that the current system of buy-and-sell through a bilateral market or independent market transactions would shift to one where all generation and load is centrally managed. Under EDAM, low-cost resources would be deployed first, and more expensive resources would be brought online as needed throughout the day as demand increases.

Jeremy outlined that UAMPS would need to provide information a day before confirming that they have enough resources to cover all the load plus a margin. This is part of the resource efficiency test, requiring UAMPS to demonstrate they can meet demand reliably. He also noted that the transition to EDAM would introduce more complex settlement processes, involving over 80 separate charge codes for management, compared to the simpler monthly settlements currently received from Pacific Corp.

He identified several benefits of joining the EDAM, including lower costs due to access to cheaper energy across the West, a more efficient use of renewable resources like solar, wind, and hydro, greater reliability through resource sharing, and a stronger position for UAMPS members as regional coordination becomes the standard. For instance, as solar power becomes abundant in California and Arizona when the sun rises, Utah regions lacking in solar would benefit from shared resources before demand peaks and other generation is required.

1. **All Requirements Model:** Jeremy introduced the concept of an "all requirements" model being considered by UAMPS. This model would give UAMPS more responsibility for procuring resources on behalf of member cities. He explained that under this model, UAMPS would handle the acquisition and management of energy resources, which could alleviate some of the burdens currently faced by individual cities in terms of resource management. The model would likely streamline processes, making it easier for cities with limited staff and resources to manage their energy needs.

However, Jeremy pointed out that this approach might reduce individual city control over resource decisions and project participation. In the existing model, cities have the ability to choose whether or not to participate in individual projects based on their preferences and specific needs. With the all requirements model, cities might lose the freedom to opt-out of projects they don't agree with, as it emphasizes collective decision-making and participation.

The discussion highlighted that while the all requirements model could lead to less direct involvement for cities, it would also relieve them of the responsibilities and complexities associated with project management and resource procurement. This could be particularly beneficial for smaller towns like Parowan, where staff resources are limited. Jeremy shared insights from conversations with representatives from other utilities who favor the idea, stating that having a more centralized approach could make the task of resource management less demanding and allow for a focus on other operational priorities. The potential shift towards this model reflects an industry trend towards greater efficiency and shared responsibilities among municipal power providers.

1. **Geothermal Energy**

Jeremy Franklin shared details from a recent presentation on geothermal energy, highlighting a new technology that could change the landscape of power generation. According to Dan Jessen, this innovative approach involves the creation of artificial geothermal systems by injecting water into subsurface hot rocks. The injected water becomes steam upon contact with the heat, which is then used to drive turbines and generate electricity. This cycle is continuous as the steam cools back into water, which is re-injected into the ground, making the system sustainable.

Dan clarified that this method is not to be confused with fracking. Unlike fracking, which involves extracting resources such as natural gas or oil by creating fractures in rock formations, this geothermal process seeks to harness existing thermal energy from the earth without extracting substances. The system effectively transforms the geothermal potential of the earth's crust into usable energy without the significant environmental disruption often associated with traditional methods. Dan noted that this technology carries a much smaller environmental footprint compared to other renewable energy sources, such as solar or wind, which require larger physical spaces for their installations.

The recent advancements in geothermal drilling have led to more cost-efficient methods, sparking Jeremy’s optimism about its potential. As each new well is drilled, the cost of development drops, with projections indicating that geothermal energy could soon become one of the most economical sources of power available. Jeremy conveyed that the potential for this technology is vast, with plans to expand projects in areas like Milford, aiming for extensive megawatt production as the technology matures.

Jeremy concluded by stating that he would continue to gather information on these topics and provide updates at future meetings.

**Current Projects Update**

Jeremy Franklin provided updates on several ongoing power projects in the city:

1. Power has been connected to the new Ace Hardware store.
2. A transformer has been set for the school, awaiting the electrician to complete the connection.
3. A transformer has been set for the new coffee shop, also waiting for the electrician.
4. Conduit work has begun for the Maverick gas station project.
5. Conduit work is planned to start soon for the Terrible's project.

Jeremy also mentioned that there is a house on 200 South that has had solar panels installed for several months but hasn't gone through the proper processes to connect to the grid. He expressed concern about the potential lack of savings for the homeowner given their low power usage.

The board briefly discussed upcoming businesses in the area, including potential plans for a coffee shop and other food establishments.

**Reports, Updates, Old Business Follow Up**

No specific reports or updates were provided under this agenda item.

**Adjournment**

Motion: Greg Evans moved to adjourn the meeting. Sharon Downey seconded the motion. The motion passed unanimously.

The meeting was adjourned at 6:45 p.m.

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Callie Bassett, CMC

City Recorder

Date Approved:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_