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**MINUTES OF THE MEETING
OF THE
BOUNTIFUL CITY POWER COMMISSION
October 24, 2023 - 8:00 a.m.**

Those in Attendance

Power Commission

Paul C. Summers, Chairman
Susan Becker, Commissioner
Dan Bell, Commissioner
Richard Higginson, Councilman
John Marc Knight, Commissioner

Power Department

Allen Johnson, Director
Kim Bushnell
Dave Farnes
Alan Farnes
Tyrone Hansen
Jerrell Jensen
Jess Pearce
Luke Veigel

Excused

David Irvine, Commissioner
Jed Pitcher, Commissioner

Recording Secretary

Nancy T. Lawrence

Visitors

Gary Davis, City Resident
Ron Mortensen, City Resident

WELCOME

Chairman Summers called the meeting to order at 8:00 a.m. and welcomed those in attendance. The invocation was offered by Commissioner Bell.

MINUTES. September 26, 2023

Minutes of the regular meeting of the Bountiful Power Commission held September 26, 2023, were presented, and unanimously approved as written on a motion made by Commissioner Becker and seconded by Councilman Higginson. Commissioners Becker, Bell, Knight, and Summers, and Councilman Higginson voted "aye".

BUDGET REPORT – YEAR TO DATE 2-MONTH PERIOD

Mr. Hansen presented a summarized Budget Report for the Fiscal Year-to-date 2-Month period ending August 31, 2023. Total revenues Year-to-Date were \$7,059,643, below its HAB by \$(196,567). Major items (below) their HABS were: Electric Metered Sales (EMS), by \$(115,617), 1.8% below its HAB. This included the \$600,000 estimate for EMS to more accurately represent the Income Statement. Air Products was below its HAB with an average load factor of 61.9%, at \$(48,504); Contribution in Aid to Construction was below its HAB at \$(79,635), which included the \$7,000 line extension at 1227 Lorien Court; Sundry Revenues was above its HAB by \$32,538; and Interest Income on Investments was above its HAB by \$22,392. August interest allocation was \$59,000.

Total Operating Expenses, YTD, were \$6,207,063, below its HAB by \$466,410. Major items (above) or below their HABS included: Power Expense was below by

1 \$453,209; with Power Generation being over by (\$214,000) and Power Resources being
2 \$667,000 under. Hydro transmission expense was also below its HAB by \$11,847; Meters
3 Expense was below its HAB by \$23,084; Computer Expense was below its HAB by
4 \$27,660; Street Light expense was below its HAB by \$13,231. Expenses above the HAB
5 were Credit Card Merchant Fees by (\$16,198); and Insurance Expense (which had been
6 budgeted higher, but the annual payment was still over budget) by (\$34,544); and Substation
7 Expense by \$(14,904).

8
9 Councilman Higginson asked why the Credit Card Merchant Fees were above budget
10 and Mr. Johnson explained that the credit card fee expense was not included in the budget
11 because the City established a policy that these fees would be passed on to the customer. He
12 said that he and Mr. Hansen would follow up on this item.

13
14 Total Capital Expenditures YTD were \$102,861 and included \$28,000 for the 2055
15 South Main Townhomes and \$75,000 for a service truck (partial payment).

16
17 Total Labor and Benefits was \$727,181. As of 19 August 2023 (the last pay period
18 paid in the YTD period), 13.7% or \$726,615 of the TL&B could have been spent; the actual
19 TL&B was \$566 above that target.

20
21 The Net Margin for the YTD was \$749,719. Total Cash & Cash Equivalents were a
22 net \$16,550,214 at month end, up \$103,249 from \$16,446,965 at 30 June 2023, and
23 \$104,214 above the \$16,446,000 total reserved cash requirement. Major sources and (uses)
24 of cash at month end compared to fiscal year-end 2023 included the net margin YTD of
25 \$749,719 and \$(762,602) increase in total accounts receivable; and decrease in total
26 Inventories, \$96,267; increase in Prepaid Expense, \$(82,801); increase in total Accounts
27 Payable, \$198,231; and decrease in Accrued Benefits and Payroll, \$(87,313).

28
29 Following a brief discussion, Councilman Higginson motioned to accept the Budget
30 Report, as presented. Commissioner Bell seconded the motion and voting was unanimous.
31 Commissioners Summers, Becker, Bell, Knight, and Councilman Higginson voted “aye”.

32
33 **IRBY TRANSFORMER PURCHASE APPROVAL**

34 Mr. Pearce presented the request for approval to purchase 32 transformers (30 ea.
35 100 KVA single phase pad mount and 2 ea. 1,000 KVA three phase) from Irby in the
36 amount of \$171,550. These transformers will be used for upcoming projects and to replace
37 transformers as they are used on the system. He confirmed that this purchase will come out
38 of next year’s budget. He noted that in the last meeting, Councilman Higginson suggested
39 an aggressive approach to purchasing transformers due to the long delivery dates the market
40 is currently experiencing (as long as 158 weeks), and he thanked the Commissioners for
41 their support.

42
43 Commissioner Knight made a motion to recommend approval for the staff
44 recommendation to purchase the transformers from Irby, as presented. Commissioner
45 Becker seconded the motion which was carried unanimously. Commissioners Summers,
46 Becker, Bell, Knight, and Councilman Higginson voted “aye”.

1
2 **REMOTE METERING PRESENTATION**

3 Mr. Pearce explained that the BCL&P staff is researching ways to improve our
4 system in terms of resource efficiency, maintenance support, and cost efficiency for
5 customers. With these objectives in mind, we have reviewed time of use metering. He
6 presented a list of acronyms for technologies which are currently available for meter
7 reading, noting that which is currently being used (automated meter reading which uses a
8 field collection system using ITRON software). This method is working but could be
9 improved by changing to a time of use metering to encourage off-peak usage. This would
10 allow customers to align use with cost of power but would also require updating the
11 metering system. A secondary benefit would be improved outage management.

12
13 Mr. Pearce explained that the current metering system provides for monthly reading
14 using a radio mounted on a truck and the associated costs for man-hours, annual
15 maintenance, and accessibility issues. Options for future metering included staying with the
16 system currently in use, time-of-use metering with drive-by technology, and remote meter
17 reading. Making any change will require purchasing new meters for the entire system, the
18 biggest expense in any option.

19
20 The advantages of changing to an automated remote meter reading system include
21 monthly reads, move in and out readings, remote disconnect/re-connect ability, ability to
22 select power limiting before shutoff, real-time data when dealing with customers, checking
23 meter and line conditions remotely, BCL&P gains productive man hours, and it is helpful in
24 finding and resolving problems—including outages. Mr. Pearce explained how data is
25 currently collected and used, including the day-to-day processes, and noted the advantages
26 of changing to a remote system.

27
28 AMI would be a significant benefit for outage management, providing the following:
29 Dispatcher real time system man, outages can be identified as they happen, crews can be
30 dispatched quickly, alarms can be set for sags and swells triggered by meters (catching
31 problems before major system failure), detecting tampering which may be happening. He
32 then reviewed expenses associated with making a change to a remote process, and
33 suggestions on how the transition could be done on a phased basis. In summary, he said that
34 making a change to a new automated reading system would allow options for billing, better
35 customer service, and increased efficiency during outage responses. He suggested that the
36 project could be completed at a cost of \$4 to \$6 million and could be done within 6 years.

37
38 It is the staff recommendation to move toward the AMI system as follows:

- 39
- 40 • Replace AMR failures with existing inventory.
 - 41 • Start installation of AMI metering infrastructure: installing collectors and backhaul
 - 42 system (fiber); set up software, install first batch of meters, proof test the system
 - 43 with billing, adapt budget – currently have \$200,000 in the budget for 2023-24.

44 Discussion followed and the staff was encouraged to continue moving forward with the
45 change to automated remote metering, recognizing that it would take 4 to 6 years to
46 complete the change.

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2024 CALENDAR APPROVAL

Mr. Johnson presented the 2024 Power Commission schedule, noting that it follows the typical fourth Tuesday for the normal meetings. He noted that he had taken in to account known budget meeting schedules, and July, December with no meeting,

The proposed schedule is as follows:

| | |
|--------------------|--|
| January 23, 2024 | Tuesday – 8:00 a.m. |
| February 20, 2024 | Tuesday – 8:00 a.m. (3 rd Tuesday) |
| March 26, 2024 | Tuesday – 8:00 a.m. |
| April 16, 2024 | Tuesday – 8:00 a.m. (3 rd Tuesday) – Joint Budget meeting with City Council, (pending CC schedule confirmation) |
| May 28, 2024 | Tuesday – 8 a.m. |
| June 9-12 | APPA National Conference - San Diego CA |
| June 25, 2024 | Tuesday – 8 a.m. |
| July 2024 | No PC meeting scheduled |
| Aug 18-21, 2024 | UAMPS Annual Meeting - Heber, UT |
| August 27, 2024 | Tuesday – 8:00 a.m. |
| September 24, 2024 | Tuesday – 8:00 a.m. |
| October 22, 2024 | Tuesday – 8:00 a.m. |
| November 26, 2024 | Tuesday – 8:00 a.m. |
| December 3, 2024 | IPA Annual Meeting |
| December 18, 2024 | UAMPS Annual Meeting |
| December 2024 | No PC meeting scheduled |

Councilman Higginson made a motion to approve the 2024 Power Commission schedule, as presented. Commission Becker seconded the motion which carried unanimously. Commissioners Summers, Becker, Bell, and Knight, and Councilman Higginson voted “aye”. Commissioner Becker was excused at this time (9:20 a.m.)

RESOURCE UPDATE

Mr. Johnson reported that the Steel Solar project is expected to be operational by January 24, 2024. Major issues impacting our resources are the availability of coal and water still remains a concern. The Lila Canyon mine is still not producing coal and UAMPS is not scheduling power from the Hunter plant from October – November. Coal deliveries are also a major problem for the IPP project with only 44 days of coal for coal for two units. Bountiful has no power recalled for Winter 2023-24, with 14 MW’s called back for Summer 2024. IPP is only planning on running one unit through July 2024.

The legislative audit continues to be a problem and the State is still considering taking over this resource. Discussion focused on the need for our legislators to gain a better understanding of the environmental issues, as well as the impact of choices made by California as it relates to the success of this project.

1 The IPP Renewed project \$750 million bonding was completed August 18, 2023,
2 and gas procedures are being worked on. This resource is strongly considered as our base
3 load resource. The CFPP subscription is still an issue and the project does not look
4 promising at this point. However, we have signed a nondisclosure agreement.
5

6 *The following items were included in the packet, but not discussed in the meeting:*
7

8 **POWER SYSTEMS OPERATIONS REPORT**

- 9 a. August 2023 Resource Reports
10 b. September 2023 Lost Time/Safety Reports
11 c. September 2023 Public Relation Reports
12 d. August 2023 Outage Reports
13

14 **OTHER BUSINESS**

15 None
16

17 **NEXT POWER COMMISSION**

18 The next meeting of the Power Commission will be held on November 21, 2023 at
19 8:00 a.m.
20

21 **ADJOURN**

22 The meeting adjourned at 9:50 a.m. on a motion by Councilman Higginson and
23 seconded by Commissioner Bell. Voting was unanimous with Commissioners Bell, Knight,
24 and Summers, and Councilman Higginson voting "aye". Commissioner Becker had been
25 excused from the meeting at 9:20 a.m. and was not included in the vote.
26
27

28 
29 Paul C. Summers, CHAIRMAN
30