POWER COMMISSION BOARD
WORK SESSSION

MEETING MINUTES
MARCH 15, 2017

1. APPROVED

Minutes of the Kaysville City Power Commission Board Work Session held Wednesday , March 15, 2017 at 11:30 A.M. at 1379 North 1075 West Suite 224, Farmington, Utah 84025.

Present: Board Member Sean Chilcote, Board Member Alan Farnes, Board Member John Loveless, Board Member Jordan Stephenson,

Others Present: Power Superintendent Gary Hatch, Stacie Harward Administrative Assistant

Excused: Board Member Brok Thayn, Board Member Patrick Hein, Council Member Susan Lee

Opening Provided by Jordan Stephenson.
Prayer Given by Alan Farnes.

APPA RATE STRUCTURE REVIEW DISCUSSION

Board Member Alan Farnes pointed out that the study gives 6 or 7 different options for rate designs. It also give the pros and cons for each one. One of the options is a customer charge along with the combinations of the other options. We can design it anyway we feel we need to. Alan Farnes feels that we need to consider a customer charge. Along with establishing that the solar customer is not a standard residential customer. Alan also pointed out that in the Power Board Meeting held on March 7, 2017, Chairman Brok Thayn discussed the grandfathering of current solar power customers. Do we leave the current solar power customers on the current rate while having the new solar power customers on the new rate? Board Member Alan Farnes thinks that it would be a lot easier for staff and billing department to have all Solar Power customers on the same rate. Board Member Chilcote wanted to make sure that we have a discussion in the regularly scheduled board meeting about Solar Customer Rates and the concept of grandfathering of those customers. Both Member Chilcote and Member Loveless think that there should be a deadline for solar customers to be on the current rate and after that date the new solar customers be on the new rate. Member Farnes is concerned that there will be an onslaught of customers trying to get in under the deadline. He is afraid how it will be interrupted especially by salesman trying to pressure potential solar customers to buy the product and get it install immediately. He also pointed out that it will create a situation with the power company from residents wanting to get it approved and installed in a short amount of time trying to fall within the deadline date.

It will cause more work and demand for the power company staff. Board Member Farnes doesn't feel that a deadline needs to be announced. Board Member Chilcote feels that this is an item that needs to be discussed extensively and in the regular scheduled meeting with a full board participation.
Board Member Stephenson pointed out that the board needs to come up with a couple of options that can be presented to the City Council since they are the ones that will ultimately approve or disapprove of the rate structure and deadline issue. This is such a politically driven subject and wanting to be transparent with the residents. He feels that that board needs to have more than one option for the City Council to consider.

Board Member Loveless wanted to point out that the City Power Department doesn't really know how much power his home consumed every month compared to how much he produced. Gary Hatch reminded the attendees that after the moratorium was lifted the Power Company started installing consumption meters and a production meters.

Alan Farnes informed the board that there is another reason for the production meter being installed. One reason is so that we can have the information if we are going to claim the green power credit from the Federal Government. Board Member Loveless wanted to know more about the Green Credit. Gary Hatch suggested that this should be asked and answered by Bruce Rigby. Board Member Farnes was able to provide some information about how the credit is issued due to his involvement in his profession which is Bountiful Power. There is state/federal requirement for Green Power for municipalities. The municipalities are required to have 20 Percent of their power usage by green power by the year 2025. Hydro does not count toward the green power credit. Hydro power is subtracted from the total KWH purchased and then the municipality owned Power Company is required to have 20 percent green power after the hydro credit is subtracted from the total usage.

Gary Hatch pointed out that AMI meters are real time use and a production meter is already built into it as one of the functions of AMI Meters. Both Board Members Chilcote and Farnes think that even with AMI Meters there is still going to have to be two meters. This is something that needs to be investigated further.
Another item that Board Member Stephenson would like discussed is why and how solar customers and residential customers are different when it comes to different rates structures.

Board Member Loveless was under the impression that we had a set amount from UAMPS for every month. Board Member Farnes pointed out that the resources are variable and so the charges to the municipalities is at a variable rate also. The bill from UAMPS for power used is different every month or cycle. Board Member suggested that if we don't use it we lose it. Board Member Farnes would like to see the bills from UAMPS for the past two years. The copies of those bills will be available for the board to see on the drop box account provided by Mr. Dean Story Financial Officer for Kaysville City.

Board Member Chilcote suggested that everyone go over the study and come up with questions for the company that provided the information, Also to go over the different rate structures and surmise what is the best alternatives for Kaysville Power. Board Member Chilcote asked Board Member Farnes if he felt there was a better choice than another. He also asked him to focus on this report and give his recommendation.

3.APPROVED

Board Member John Loveless brought up the issue of back feeding onto the system. Gary Hatch explained how at the present time transfer switches are installed on home to help prevent that from occurring. If a Solar Customer wanted to not be on the system thru a net meeting agreement and wanted to store power in his own batteries. A Transfer Switch would need to be installed on that particular system/home. It would be the homeowner's responsibility. The Power Company would need to make sure it happened to protect the entire system with inspections of the install. Would need to be done according to the standards.

MISSION STATEMENT RECOMMENDATION

Board Member Farnes recommended that reliable service be part of the mission statement.

Board Member Chilcote asked if AMI Meters is part of the reliable service. Gary Hatch informed them that a presentation is being put together to present to the board. Board Member Farnes wanted more information on them such as what information can be obtained from the meter. AMI meters hopefully will help the customers see what they are using and when. Gary Hatch suggested that when these meters come on line they will do it all at once, in phases or do test areas.

Board Member Chilcote wanted to make sure that the mission statement represents outage supports and information of why and how the outage happened. When the power will be restored. Also billing options was suggested.

Gary Hatch pointed out that with the purchase of AMI Meters there will be savings in personnel time. At the moment some bills (solar customers) are having to be handwritten and calculated. Line crews are helping with customer's non payments disconnects and reconnects. After 5:00 P.M on weekdays there is no one available to turn power back on and that has to be delayed until the next morning. These meters will help with better and faster customer service.

Board Member Loveless liked the wording of " Customers of Kaysville Power "instead of "people". Board Member Farnes wanted to make sure that before we approve and adopt the mission statement. That we realize what we are committing to. The Mission statement is not just something that Gary is committing too but also what the power board is committing too. Board Member Chilcote read the Mission Statement as it is at the moment. " Kaysville City Power and Light's mission is to provide reliable electricity with superior customer service at a competitive price to the residents and businesses in Kaysville City" Board Member Chilcote proposed that "and fair price" be added to the statement after the word competitive. He asked that everyone come prepared to the next meeting with suggestions.

SUBSTATION TOUR PLAN DISCUSSION

Board Member Chilcote reminded that they had decided at the Board Meeting that the board would meet at the Operations Center located at 721 West Old Mill Lane on Friday, March 17, 2017 at 3:00 P.M. The tour will start at the Operation and then proceed to the individual substations. Gary Hatch reminded those that will be entering the substation that they will be required to wear PPE (Personal Protective Equipment). Either Gary Hatch or Bruce Rigby will go in to give the tour. Transportation will be provided by Gary Hatch or Bruce Rigby.

NET METERING ONLINE CLASS DISCUSSSION

The discussion for topics of the online class was turned over to Board Member Loveless. Some of his ideas that he presented were: Different types of inverter systems, Micro inverters, Power optimizers verses single string inverters, value of the kwh produced during different times of the days.
Power Outage and the systems that are sold today. Wants to make sure that customer are aware that when the power is out they are not making power. Options to having backup for power outages, ways to shorten the return on the investment, options of other energy efficient alternatives, cost of equipment compared to the cost of labor and smart metering and the danger of the radiation. Board Member Loveless would like to focus on Home Energy Efficiency ideas.

Board Member Chilcote wanted to make sure that the topics of discussion are of interest to the majority of the people and not targeted toward one individual's concerns. A section on the value of being connected to the grid and solar customer's responsibility to the grid and the importance of paying their part. Helping the consumer to be aware of scams that are occurring in the solar power industry. Also a disclaimer that we do not endorse any particular company or system.

DISCUSS AND REVIEW UFS PRESENTATION

Board Member Stephenson noted that the time was slipping away and that many of the members needed to get back to their jobs and other obligations. He pointed out that there are two main topics he would like discuss at the next Board Meeting are: Avoided cost on long term variable costs that was brought up by the UFS presentation and customers charges. Looking at the specific items that are included in that charge.

Board Member Chilcote suggested that the remaining items on the agenda be tabled for another meeting.

CALL TO THE PUBLIC

No one was present for this item.

Board Member Sean Chilcote made a motion for adjournment at 12:51. Second by Board Member John Loveless and passed unanimously.

Stacie Harward

Stacie Harward. Administrative Assistant