

**PAROWAN POWER BOARD MINUTES  
FEBRUARY 27, 2024  
CITY OFFICES – 35 EAST 100 NORTH – 5:00 P.M.**

**MEMBERS PRESENT:** Jeremy Franklin (Power Superintendent), David Harris (Council Representative), Sharon Downey (Council Representative), Greg Evans, Jeff Robison, Stacy Gale (Secretary).

**MEMBERS ABSENT:** Jared Burton (Chair), Dan Jessen (City Manager).

**PUBLIC PRESENT:** None.

**ELECT CHAIR PRO TEM:** David Harris nominated Greg Evans to be Chair Pro Tem. Jeff Robison seconded the motion. All members voted in favor of the motion. The motion carried.

**CALL TO ORDER:** Greg Evans called the meeting to order at 5:00 P.M.

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

**APPROVAL OF MINUTES:** Greg Evans moved to approve the minutes of November 29, 2023. Jeff Robison seconded the motion. All members present voted in favor of approval. The motion carried. The minutes were approved.

**PCA (POWER COST ADJUSTMENT) DISCUSSION ON HOW TO PROCEED WITH MONTHLY RATE** – Jeremy Franklin passed out a handout (attached) and the PCA spreadsheet. Jeremy said the cost of power to the city has gone up and that this is the reason our rates have gone up. Jeremy talked about the PCA and that we have been holding it 4 cents/KWH. With the current numbers in, the spreadsheet shows that we could lower it to 2.67 cents/KWH. Jeremy said he feels our power bills should trend down through the summer.

Jeremy wants direction from the board on the PCA. He asked do we want to go with what the spreadsheet says, hold it at 4 cents, or do we want to go with what the spreadsheet says and add a half a cent? If it gets to 4 cents, we can meet again to talk about it. Jeff asked Jeremy what he thought we should do since he deals with it the most. Jeremy said he thinks following the spreadsheet is good, that is what we have it for. We started at 4 cents and have kept it there to help with the under collection which helped. He said that in the audit report the Dan gave at the last City Council meeting, last year was the only year in the history of the power department they lost money. Sharon said her opinion is we leave it at 4 cents for right now. David said he would think that if it hadn't already been trending down. Jeremy said the reason we have kept it there is basically more about the under collection. If we are ok at bringing that down slower, then it would be ok lower the PCA.

Jeremy said we will come back to this for a motion.

**UAMPS UPDATE** – Jeremy Franklin passed out a handout (attached) of the last 5 years of the UAMPS power bill and his power purchases. He said he compared the last five years of the January power bills. He talked about how CRSP, Hunter and Pool prices went up but were lower in January 2024. He explained that Pool is UAMPS catch-all; if your short energy you buy from the Pool, if your long energy then you sell. Jeremy said the bottom table shows the power purchases he made for the coming months or year that we don't have energy planned when Hunter is off. Jeremy said this January we would have actually been better buying from the Pool, but he bought the January 2024 energy a year in advance when market prices were high and he thought it was a good deal.

Jeremy said Rocky Mountain Power is looking for a longer-term coal contract that would make Hunter more viable. He said we bought coal from a different entity which was a higher price than what we used to pay for Hunter, that is why that price has gone up. The coal Rocky Mountain can provide we bought from UMPA which is a more expensive coal.

**RESIDENT HIGH POWER CONSUMPTION FINDINGS** – Jeremy Franklin said there have been people complaining on Facebook about their high power bills. He said he wanted to give the board an understanding of why some customer's power bills have been high. He passed out a handout (attached) showing two customers daily usage.

Customer 1: He was averaging 46 KWH per day 6 days before we met with him, and 13.5 KWH after. He was using several sets of gutter de-icers.

Customer 2: She was averaging 96 KWH per day 5 days before we met with her, and 50.2 KWH after. She was using space heaters, horse water trough heater, and heat tape.

Jeremy said anything with a heating element will use more power.

**RETURN TO PCA DISCUSSION:** There was a discussion about what to change the PCA to; the board agreed on 3 cents per KWH, at least for a couple of months.

Greg Evans moved to lower the PCA to 3 cent per KWH. Jeff Robison seconded the motion. All members present voted in favor of the motion. The motion carried.

**CHANGE DATE OF MONTHLY MEETING** – Jeremy Franklin said there was talk about changing the date of this meeting until after we get the UAMPS bill. He said if we keep the PCA at 3 cents, then we can keep this meeting on the regular day and time, which is the 3<sup>rd</sup> Thursday at 5:30 p.m., unless he sees a problem. If we need to change it or have a separate meeting, we can.

**OTHER BUSINESS:** None.

**STAFF & MEMBER COMMENTS:** None.

**PUBLIC COMMENTS:** None.

**ADJOURN:** Greg Evans moved to adjourn the meeting. Sharon Downey seconded the motion. All members present voted in favor of adjournment. The meeting adjourned at 5:45 p.m.

*Minutes Approved at April 18, 2024 Meeting*

  
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*Jared Burton, Committee Chair*

  
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*Stacy Gale, Secretary*