

Renewable Energy & Energy Conservation Advisory Board

Meeting Minutes

October 2, 2013

Logan City Environmental Department Class Room

Board Members Present: Holly Daines, Herm Olson, Jack Keller, Rob Davies, Richard Anderson, Matt Hansen, David Jenkins

Also in attendance: Emily Malik, Mark Montgomery, Pete Brunson
Minutes

A. Acceptance of Agenda/Minutes

No changes from September minutes. Herm motioned to accept the minutes, seconded by Jim, passed unanimously.

B. Announcements

Jim announced that he was happy that the trail system passed. It will be a nice thing for Logan City.

Emily mentioned that USU was National Bike Challenge winner with 91,000 miles logged.

Jack Keller brought up that Logan City lost hydro due to canal reconstruction. Logan seeks compensation for the lost power.

Mark indicated that about \$63,000/year was lost. That was a conservative market value.

Jack would like to see us replace with renewable power, not just whatever power or market power. Or, use revenue for developing new renewable energy projects. Jack would like to have a motion from RECAB to see if we can use the compensation to replace with renewable, or use for conservation.

Herm asked Mark if we know what power we are purchasing. Mark says no, unless we buy into a specific project.

Mark indicated that we have a couple of avenues. 1. We buy from other UAMPS customers and you don't know what it is. With this we generally see better rates than from the open market. Power exchange is short term. This is more of a daily market. 2. YUQI purchased a 5mW for the next five years. We saved \$10million when she did this. But with either scenario, we don't know the power source.

Jack thinks that we should be able to spend some of the \$60K on renewable energy projects. Mark indicated that renewables are super expensive power.

Herm asked Mark what the contractual nature of the agreement with the power company. Mark replied that we just submitted a bill for \$72/mW. Mark wanted to charge the \$96/mW but he knew he wouldn't get traction. Herm indicated that perhaps we should have been more specific in drafting that contract in the first place. Herm doesn't feel like we could go back and impose the renewable energy aspect. David added that if we are getting \$72/mW, it is still a pretty good deal. Mark indicated that is a standard price for mixed resource.

Herm said that we should explore what we are charging. Jack says that the MOU indicates that we can put any number, they can contest and we can go to arbitration and we have to accept that number. Jack says we have to be aggressive.

Herm would like to make a motion that RECAB request that you put in a value consistent with renewable power? Mark said that the problem is that you cannot split the electron.

Rob asked if Logan City gets REC's for Hydro. Mark didn't know.

Mark doesn't know how to assign a cost to this. Rob says to broaden the definition to renewable component. Herm indicated this can work two ways. 1. Increase compensation or decrease it.

Mark wants to be compensated fairly for the loss. Mark says that we can make an effort to purchase renewable power, but we don't know where it comes from all of the time. Power is not "typed" on the market. Every piece we buy has a portion of renewable on it.

Herm likes the notion that we try and get compensated for renewable energy, but it is difficult to quantify. We could quantify an average. . . but it is difficult to establish. Mark says that he will be grateful if we see a dime out of the canal company. Mark sent them the bill three months ago for last year's lost water, which involves a complex formula and they still have not responded to this issue. Mark says that they have to model it every year.

Holly and Herm asked if Kymber involved yet. Mark said not yet, the canal company's attorney's are looking over things.

Herm would like to propose that we look at this canal issue in the coming months. Also ask Mark to report back on this issue in the coming months about the billing, etc.

Herm indicated that it benefits Logan more to go about things with the canal company as we are doing. Any other way would be less beneficial to Logan City; regardless of how bad it feels right now.

Rob indicated that in the future renewables might be cheaper than coal or natural gas so there is a flip side to this issue also. Rob doesn't like the notion of not making a big deal about this being renewable energy. It is renewable and that is a big deal. Mark doesn't have anywhere to go to figure out how much it would cost to have hydro. We can't break it out.

Could we bag the money lost and turn it over to buy into a renewable project? Herm indicated it would have to be hydro for it to work in this scenario, legally.

Jim had 2 more announcements. 1) is that on Oct 25th is the evening with bioneers at the tabernacle. 7-9 Free and open to the public. Keynote is Arden Pope. 2) November 1-2 will be a 2 day Bioneers sustainability conference at BATC. Sustainable economy, environment, and social equity. Also, he talked about the documentary Gasland, about fracking was viewed in the recent past. It was a good program. The film indicates that Natural Gas is perhaps as polluting as coal and other sources. He also mentioned that Natural Gas industry got an exemption for the clean drinking water act and that is interesting if it is as "clean" as they indicate.

Holly mentioned that on Wed Oct 30th there is an air quality symposium. A few members indicated their frustration with CVTD not changing along with Logan City.

C. Review of RFP Final Draft:

There were a few minor wording changes made to RFP.

The person who writes RFP will not be a candidate to perform the final study.

Work on RFP will begin I start January 1, 2014. Work completed March, not to exceed the end of April. No extra compensation if it exceeds the ninety day time limit.

Herm made a motion to accept RFP with changes. Motion was seconded. Holly was the sole dissenter. Motion carried.

Rob asked Mark for the timeframe. Mark replied that Lori will put it out quick and it will go out for 30 days and we can make a selection. It will be on our website.

D. Selection Committee

Mark indicated that Logan City will select the selection committee. Holly made a motion that Logan City pull a RECAB member from the following individuals: Byard, Jack, Rob, Jim, Herm (and was later amended to include Loren). That was seconded and motion carried unanimously.

Members of the same group will work on this project with Staff and the consultant. Everyone else is invited.

Richard felt like there ought to be involvement from Power Advisory Board. Holly amends to include Loren also.

Holly: Big power map needs to work with several groups within the city.

Mark noted that the Power Supply Planning study and load forecast study. Mark dug through FERC documents and found power and load forecast supply studies from 2000 and 2006. Mark is going to read through it to see if we need to do a new one still. Rob indicated that it might be good to move forward with a new one. Mark will distribute a copy of that power supply planning study.

Rob indicated that it is just staggering how much energy landscape has changed. So much is happening with innovation, technology, financing, etc.

E. Schedule Next RECAB meeting:

Holly suggested that we have Email updates and have a hiatus until January. Meet in small groups until then unless something comes up. Emily will update the board on the discussion with Jack Keller about the Canal Company and lost funding.

Next meeting: TENTATIVELY January 8, 2014.

Minutes Submitted by: Emily Malik