

1                   **MINUTES OF THE BOUNTIFUL LIGHT AND POWER COMMISSION**  
2   **January 19, 1999**

3  
4   **Those in Attendance**

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6                   **Power Commission**

7                   H. Keith Barton, Chairman  
8                   Jack Barnett  
9                   Richard Foster  
10                  Sam Fowler, Council Representative  
11                  Lowell Leishman  
12                  Ralph Mabey

6                   **Power Department**

7                   Clifford Michaelis, Director  
8                   Tom Brown  
9                   Alan Farnes  
10                  Allen R. Johnson  
11                  Brent Thomas

13   **Guests**

14   Tom Hardy, City Manager

14                   **Excused**

15                   David Irvine, Commissioner

16   **Recording Secretary**

17   Pat Wood/Nancy Lawrence

18                   **WELCOME**

19                   Chairman Barton called the meeting to order at 6:36 p.m. and welcomed those in  
20                   attendance.

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22                   **INVOCATION**

23                   The invocation was offered by Councilman Fowler.

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25                   **RECOGNITION OF NEW AND FORMER**  
26                   **POWER COMMISSION MEMBERS**

27                   Chairman Barton noted that Bill Moore will be recognized by the Power Commission at  
28                   the next regular meeting. Jack Barnett was welcomed as the newest member of the Power  
29                   Commission and was recognized for his expertise in water resource planning and development,  
30                   water resource data management, and other water issues.

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32                   **MINUTES**

33                   Minutes of the regular meeting of the Power Commission held December 1, 1998 were  
34                   presented and unanimously accepted as amended on a motion made by Commissioner Mabey  
35                   and seconded by Commissioner Leishman.

36  
37                   **FINANCIAL REPORT - PERIOD ENDING**  
38                   **DECEMBER 31, 1998**

39                   Chairman Barton noted that the Financial Report for the Period Ending December 31,  
40                   1998 includes items adjusting entries that are not reflected in year-to-date totals. He called for  
41                   input and Mr. Bradley noted that several correcting adjustments were made. He focused  
42                   attention on the adjusted year-to-date revenue and expense amounts and noted that operating  
43                   revenues are slightly higher than budget, non-operating revenues are lower than budget. In both  
44                   instances, this is basically a flow of funds matter. Chairman Barton asked about the San Juan  
45                   resource allocations and asked about being below budget. Mr. Michaelis explained that the  
46                   resource can be sold if other resources are less expensive. At fifty percent of the budget year,

1 Revenue exceeded Expenses and capital by \$22,400.00. Following further discussion, the  
2 Financial Report was unanimously approved on a motion made by Commissioner Foster and  
3 seconded by Councilman Fowler.  
4

5 **Y2K UPDATE**

6 Chairman Barton reviewed that several months ago the City undertook the task of  
7 reviewing their status for the Y2K issue. He referred to the Draft Copy of the Y2k Contingency  
8 Plan that has been prepared by Allen Johnson and noted that he has done an excellent job of  
9 identifying possible problems and detailing findings regarding each. He stated that if the City is  
10 to encounter Y2k problems, it will most likely be caused through the failure of another resource  
11 that runs across the electrical grids of the United States. If that happens, it is possible that  
12 Bountiful could be without power for a short period of time. Remediation for failures of this  
13 type are explained in the Contingency Plan.  
14

15 Mr. Michaelis expressed appreciation for the work that has been done by Mr. Johnson on  
16 this Plan and pointed out the Contingency Plan recommendations relate to staffing requirements  
17 and operating procedures. The Power Department will be Y2k compliant by mid-summer.  
18 There are serious concerns regarding specific products, e.g., kidney machines, automobiles, and  
19 anything that has a micro chip with a two-digit code for the date. In most cases, we will have  
20 adequate backup of our systems. He differentiated between Year 2000 "Ready" (will continue to  
21 operate but will not necessarily be date accurate) and Year 2000 "Compliant" (will run without  
22 any failures and will be date accurate) and gave examples of their applicability to the power  
23 system. Systems with embedded chips could cause problems, but it is not likely that this would  
24 occur at midnight as we move into the year 2000. Another potential problem is that businesses  
25 will shut down (to avoid any possible problems during the transition) and the power loads will be  
26 dramatically lower than normal.  
27

28 The biggest Achilles Heel that is anticipated would be the water supply to the Plant. The  
29 engines require approximately 100 gallons of water/minute if the whole plant is running. There  
30 is about 30 minutes of water storage on site. The Water Department has 5 million gallons of  
31 water in storage in the area that will feed the plant. A major threat to this supply would be if  
32 there were an outage, customers were using candles, a house fire resulted, and the water supply  
33 was needed for fire fighting. Engine No. 6 is not functional at the present time. However, Mr.  
34 Johnson recommended that \$50,000 be spent to make it operational, rather than renting a 2Mw  
35 unit to replace it at \$20,000/month with a minimum 6-month rental. The \$50,000 investment  
36 would be a "band-aid" approach. For it to be completely functional at Air Quality standards,  
37 would require an investment of up to \$1 million. In an emergency, Air Quality would probably  
38 not be a major issue. From a liability viewpoint, Commissioner Mabey emphasized the  
39 importance of keeping accurate records of the written procedures and inventorying (testing, etc.)  
40 which has been done. Updates on the Contingency Plan will continue as time passes.

41 **46 KV TRANSMISSION - SWITCH REPLACEMENT UPDATE**

42 Mr. Michaelis reviewed that each of the Commissioners received a phone call regarding  
43 the purchase of three new sets of 46 kV switches for the transmission line upgrade project. Mr.

1 Johnson explained that the switches which were replaced (Morgan switches) were found not to  
2 be as reliable as other brands of switches which have been used on the system. This was  
3 particularly a problem in the high east wind area on the north end of Bountiful. The decision to  
4 replace the three switches came after one of the switches was damaged when the pole it was  
5 mounted on was hit by a truck.  
6

7 The new switches that were purchased are Turner switches, at a total cost of \$15,819.00.  
8 Two of these will be used on the transmission line near Air Products, and one will be used on the  
9 switch pole near Fred Meyer. One of the switches will be paid for by the insurance company of  
10 the driver that hit the switch pole. The other two switches will be funded from the capital project  
11 account (or the Emergency Equipment Replacement fund). The two Morgan switches that are  
12 still functional will be used on the portable transformer tractor trailer and possibly in a stationary  
13 substation application.  
14

15 **POWER SYSTEMS OPERATING REPORT**

16 **Distribution Transformer Bid Approval.** Tom Brown reviewed the results of the  
17 request for transformer bid which was sent to five local vendors. Five bids were received, with  
18 the one from Northern Power being rejected because it was late. The transformer bids are for  
19 various sizes needed for existing and future jobs, and for emergency back-up and to maintain a  
20 certain level of stock. All prices bid are guaranteed until December 31, 1999 and transformers  
21 will be purchased throughout 1999 as they are needed.  
22

23 After reviewing the bids and checking specifications, the following transformers are  
24 recommended for purchase, based on a combination of the purchase price and the initial 30-year  
25 *Loss Evaluated Efficiency Cost* (based on bid price and 30-year transformer loss cost):  
26

<u>Transformer</u>	<u>Brand</u>	<u>Vendor</u>	<u>Purchase Price</u>	<u>Initial Order</u>
25 kva/1 phase	G.E.	Poleline	\$823.00	
37.5 kva/1 phase	G.E.	Poleline	926.00	
50 kva/1 phase	Central Maloney	Riter	1,071.00	
75 kva/1 phase	G.E.	Poleline	1,142.00	
75 kva/3 phase	ABB	Royal	3,506.00	2
112.5 kva/3 phase	ABB	Royal	4,002.00	
150 kva/3 phase	ABB	Royal	4,232.00	
300 kva/3 phase	ABB	Royal	4,779.00	2
500 kva/3 phase	ABB	Royal	7,365.00	1
750 kva/3 phase	ABB	Royal	9,179.00	1

<u>Transformer</u>	<u>Brand</u>	<u>Vendor</u>	<u>Purchase Price</u>	<u>Initial Order</u>
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2	1000 kva/3 phase	ABB	Royal	12,558.00	
3	75 kva/3 phase (480Y)	ABB	Royal	3,758.00	
4	112 kva/3 phase (480)	ABB	Royal	3,669.00	1
5	150 kva/3 phase (480Y)	ABB	Royal	4,235.00	2
6	300 kva/3 phase (480Y)	G.E.	Western/Poleline	6,417.00	2
7	500 kva/3 phase (480Y)	ABB	Royal	6,925.00	1
8	750 kva/3phase (480Y)	ABB	Royal	8,370.00	1
9	1000 kva/3 phase (480Y)	ABB	Royal	11,750.00	
10	75 kva/3 phase w/mid tap	ABB	Royal	3,820.00	
11	112.5 kva/3 phase w/mid tap	GE	Poleline	4,357.00	1
12					

13 The initial order is for 14 switches at a total cost of \$77,739.00. Mr. Brown then reviewed the  
 14 process that is used in evaluating the transformer loss. Following discussion, Commissioner  
 15 Leishman made a motion that a recommendation be made to the City Council to approve the bids  
 16 as presented and to purchase the transformers as presented. Commissioner Foster seconded the  
 17 motion which carried by a majority. Commissioner Mabey abstained from discussion and vote  
 18 because he is an acquaintance of the owner of the Pole Line company.

19  
 20 **CRSP Contract Extension Update.** Mr. Michaelis reported that the Department of  
 21 Energy currently has under consideration the issue of whether to renew the long term power  
 22 contracts between the Western Area Power Administration (Western) and Colorado River  
 23 Storage Project (CRSP) customers. Western has proposed that the contracts be renewed now,  
 24 with a 20-year contract term. There is some opposition to renewing these contracts at this time.  
 25 He referred to letters which have been written in support of Western’s post 2004 Marketing  
 26 Proposal and expressed concern, particularly, regarding the request of the Native Americans to  
 27 have rights to some of the power that is transmitted over their lands. As a result of this request,  
 28 there has been an extension on approving the renewal of the CRSP contract.

29  
 30 Mr. Michaelis also noted that the question of the sale of the Power Marketing Agencies  
 31 may come back up as de-regulation goes forward.

32  
 33 *The following items were included in the packet, but not discussed in the meeting:*

- 34
- 35 Work Related Injuries/Safety Report
- 36 November and December 1998 Public Relations Report
- 37 Outage Report - November and December 1998
- 38
- 39

40 **System Resource Report - September and October 1998.** Chairman Barton commented  
 41 that the losses for the system were at 6.7% for the month of October.

42 **OTHER BUSINESS**

43 The next regular meeting of the Power Commission will be held February 16, 1999.

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**NEW BUSINESS**

None

**ADJOURN**

The meeting adjourned at 8:04 p.m. on a motion made by Commissioner Leishman and seconded by Commissioner Foster.