



HEBER LIGHT & POWER COMPANY

31 South 100 West
Heber City, Utah 84032

BOARD MEETING

August 27, 2025

The Board of Directors of Heber Light & Power met on August 27, 2025, at 4:00 pm at the Heber Light & Power Business Office, 31 S 100 W, Heber City, Utah.

Board Member Attendance: Board Chair – Heidi Franco: Present
Director – Kevin Payne: Present
Director – Brenda Christensen: Present
Director – Sid Ostergaard: Not Present
Director – Aaron Cheatwood: Present
Director – Kendall Crittenden: Present

Others Present: Jason Norlen, Bart Miller, Adam Long, Karly Schindler, Rylee Allen, Jake Parcell, Riley Wright, Colby Houghton, Emily Brandt, and Julie Wagstaff

Chair Franco welcomed those in attendance.

1. Consent agenda - approval of a) June 25, 2025, Board Meeting Minutes, b) June/July 2025 Financial Statements, c) June/July 2025 Warrants. Chair Franco asked for a motion to approve the Consent agenda.
Motion. Director Crittenden moved to approve the Consent agenda. Director Christensen seconded the motion. The motion carried with the following vote:
Board Chair – Heidi Franco: Approve
Director – Kevin Payne: Approve
Director – Brenda Christensen: Approve
Director – Sid Ostergaard: Not Present
Director – Aaron Cheatwood: Approve
Director – Kendall Crittenden: Approve
2. Customer request and discussion to adjust the demand charge and service fee. Julie Wagstaff, who owns an arena in Daniels addressed the board. Despite low electricity consumption, her bill has increased due to demand and service charges. Jason Norlen reviewed the bill with her, explaining the demand component, her classification under the Small General Service rate, and the requirements of the State Tax Commission, which audits customer classifications annually. He recommended that during the next rate review, the board consider demand forgiveness for Small General Service accounts with consistently low kWh usage. HLP plans to send a crew next week to conduct an on-site audit of the facility's lighting and energy use, evaluate potential cost-saving opportunities, and inform the customer about available rebates for LED upgrades.

(Director Ostergaard joined online.)

3. Discussion on Integrated Resource Plan (IRP). Emily Brandt provided an update on the Integrated Resource Plan (IRP), which is required every five years under WAPA guidelines and serves as a strategic tool for planning HLP's future energy portfolio. She reviewed the regulatory requirements and detailed the process and data used in developing HLP's IRP, including analysis of capacity factors, current resource performance, and contingency planning for potential resource losses. The discussion included recent additions to the portfolio, such as natural gas added last year, which has improved reliability. Emily also outlined ongoing plans for incorporating renewable energy projects. She presented a chart illustrating HLP's current energy mix and projected future portfolio, demonstrating that HLP is on track to meet its goals. The finalized IRP will be presented at a later date. Chair Franco requested that the draft IRP be made available for at least two months of public comment and that a notice be included in HLP bills to encourage community feedback.
4. Wholesale Power Report. Emily Brandt reported that HLP is currently operating 5% under budget, with natural gas accounting for 50% of the overall budget. She noted that overall, wholesale power is 12% under budget, primarily due to lower-than-projected demand.
5. Discussion on Capital Plan (Discussion on Impact Fee). Jason Norlen reviewed several major items in the upcoming Capital Plan, including the replacement of Plant 1, which would involve replacing the existing power plant, and the construction and rebuilding of substations needed to support future growth—specifically, the Midway Substation rebuild. He also discussed the need to acquire right-of-way for new transmission lines and additional projects to offload circuits from the Heber City and College substations. Jason noted that all of these projects are eligible for funding through impact fees. Adam Long provided an overview of the legal limitations and requirements surrounding impact fees, including how they must be tied to expected growth and demonstrated demand. He explained the criteria for qualifying projects under the Impact Fee Act and emphasized the importance of relying on reasonable cost estimates and sound judgment based on current planning studies and available data.

(Director Ostergaard left the meeting.)

6. GM Report.
UAMPS Report. Jason reported on information received at the UAMPS conference. He noted that he sent the board some documentation from the conference regarding getting our utility prepared for wildfire risk. A wildfire mitigation plan will be coming to the board by the end of the year. Jason discussed prudent utility practice obligations to mitigate wildfire risk including preemptively de-energizing lines implementing a vegetation management plan in risk areas. Regarding the UAMPS gas plant projects, those two projects continue to move forward. Jason also reported that the UAMPS budget year closed out, and the margin that we will receive as a credit on our wholesale power account is around \$104,000.
IPA Update. IPA continues to do the commissioning's on units 3 and 4. They have enough coal to continue running the coal units until around November when they plan to have both units 3 and 4 fully commissioned. We have about 2 MW of power called back from IPA for the winter season. We anticipate that that 2 MW will be served by natural gas generation from about November through the callback period of April at which time we will reevaluate it.

Employee Updates. We have two new employees, Jim Madson as a journeyman lineman and Nate Bijolle as a Fleet Manager.

Building Update. The concrete is about at the 95% level of being poured for the sidewalk and curb, in preparation to pour asphalt. The drywall is being installed inside, while the exterior siding is also being applied.

The board skipped ahead to agenda item 8, Strategic Planning Session.

8. Strategic Planning Session:

SWOT Analysis: The board and staff reviewed and updated the strengths, weaknesses, opportunities, and threats section of the Strategic Plan. Some of the changes included: Opportunities section - change New Voltage Class to 138kv System; in the Threats section – add the threats of wildfires, costs and availability of liability insurance, and permitting new projects.

Human Resources: The board and staff reviewed the Strategic Plan-Workforce Objectives with specific emphasis on succession planning. Karly Schindler explained the succession planning framework which is integrated with performance management and professional development during employee one-on-ones. Chair Franco suggested incorporating the succession planning document into the Workforce section of the Strategic Plan. Karly also showed a summary of the results of one-on-one employee engagement discussions with the General Manager which showed positive feedback from employees on their employment at the company. The board and staff also reviewed the organizational chart showing short-term projections of future positions.

The board returned to item 7 on the agenda.

7. Closed Session: To discuss purchase or sale of real property and/or personnel issues.

Motion: Director Crittenden moved to go into closed session. Director Payne seconded the motion. The motion carried with the following vote:

Board Chair – Heidi Franco: Approve
Director – Kevin Payne: Approve
Director – Brenda Christensen: Approve
Director – Aaron Cheatwood: Approve
Director – Kendall Crittenden: Approve
Director – Sid Ostergaard: Not Present

Motion: Director Cheatwood moved to exit the closed session. Director Christensen seconded the motion. The motion carried with the following vote:

Board Chair – Heidi Franco: Approve
Director – Kevin Payne: Approve
Director – Brenda Christensen: Approve
Director – Aaron Cheatwood: Approve
Director – Kendall Crittenden: Approve
Director – Sid Ostergaard: Not Present

The board gave direction to staff to move forward with the purchase of the property using CIAC funds.

Staff will add this item to next month's agenda for formal approval.

With no further business to discuss, Director Franco asked for a motion to adjourn the meeting.

Motion: Director Cheatwood moved to adjourn the meeting. Director Payne seconded the motion.

The motion carried with the following vote:

Board Chair – Heidi Franco: Approve

Director – Kevin Payne: Approve

Director – Brenda Christensen: Approve

Director – Aaron Cheatwood: Approve

Director – Kendall Crittenden: Approve

Director – Sid Ostergaard: Not Present

Meeting adjourned.

Rylee Allen
Board Secretary