



Heber Light & Power Company

2024 Impact Fee Analysis

Heber Light & Power Company, an energy service interlocal entity under Utah State Law, recently engaged Utility Financial Solutions, LLC (UFS), to complete an Impact Fee Analysis. Here's a summarized breakdown of the content:

1. **Introduction:** Utility Financial Solutions calculated and presents the final report to Heber Light & Power (HLP) to analyze its impact fee structure, aiming to identify fixed cost contributions by new customers through electric rate tariffs and determine impact fees.
2. **Steps to Complete the Analysis:** The analysis involves steps such as determining contribution margins, converting them into present values, analyzing infrastructure costs, determining cost impact by customer class, and converting impacts to amperage.
3. **Statistical Information:** Tables and statistical data provide details on contribution margins, infrastructure costs, class load data, and statistics necessary for the analysis.
4. **Considerations:** The report highlights that current customers are not covering the cost of capacity upgrades, suggesting a 6.9% adjustment in impact fees to ensure fair distribution of costs.

The document includes detailed tables illustrating contribution margins by class, present value determination, infrastructure cost analysis, cost impacts by class, and recommended impact fees by amperage and voltage levels.

Overall, the report aims to ensure that new customers contribute fairly to system expansion, avoiding subsidies between new and existing customers and ensuring equitable distribution of costs. A copy of the report in its entirety as well as supporting data is available in the following pages. An electronic copy can be made available by calling the business office and requesting such at (435) 654-1581.

A public hearing to discuss the report, take public comment on the capital facilities plan, and proposed electric impact fee enactment, will be held on Wednesday, March 27, 2024, at 6:00 p.m. at the Heber Light & Power Business Office, 31 S 100 W, Heber City, Utah.