

# SOUTH UTAH VALLEY ELECTRIC SERVICE DISTRICT

## RATE HEARING MEETING

### December 28, 2022

South Utah Valley Electric Service District (SESD) held a Rate Hearing on Wednesday, December 28, 2022 - at 6:00 p.m. at the SESD office 803 N 500 E - Payson, UT.

**Trustees Present:** Nelson Abbott, Richard Behling, Ray Loveless, and Brent Winder

**Trustees Excused:** Joel Brown, Brent Gordon, and Kenny Seng

**Also Present:** Brook Christensen and Mark Holdaway - SESD  
Jens Nielson, Attorney at Law - Wasatch Land & Title/Law

Ray Loveless called the rate hearing to order at 6:00 p.m. Richard Behling offered an opening prayer.

#### WELCOME

Ray Loveless welcomed everyone to the meeting and provided an explanation of the current state of the power industry. In his explanation Ray described the effects federal policies, environmental regulations and drought have had on power resource supply, especially in the western United States. Ray further expounded on other factors that are affecting the cost of power to all electric utilities.

#### PUBLIC FORUM

Ray Loveless opened the floor for public comment.

Four people addressed the SESD Board of Trustees. Those addressing the Board expressed concerns or made comments about the following: SESD's solar policy and the need to re-examine the roll rooftop solar could play in SESD's resource mix; the negative affects intermittent renewable energy can have on the grid if baseload power is not available to back it up; different ways SESD could structure a rate increase; various other market factors affecting the price of power in the nation; the effect growth and development has on a limited power resource supply; and the need for SESD to carefully consider all options as it decides on the best ways to take care of its customers.

Ray Loveless assured everyone that SESD is diligently working to secure affordable, reliable power for its customers. Ray also said that SESD's Board would review SESD's solar policy again.

After allowing the public to make comments and the Board opportunities to respond to those comments, Ray asked for a motion to approve a \$0.04/kWh rate increase and to change the Power Cost Adjustment (PCA) to be based on a 3-month running average of SESD's most recent wholesale power costs. After Ray asked for a motion, Nelson Abbott stated that SESD did not have a quorum present and therefore a motion could not be passed. Nelson explained that he had done some research during the meeting and that he understood that 66.67% (2/3) of SESD's board constituted a quorum. Nelson said that SESD's board is made up of seven members, therefore five would need to be present to make up a quorum. Since four members were present, Nelson believed a motion could not be legally approved at this time. Ray Loveless asked Mark Holdaway and Jens Nielsen if they wanted to respond to Nelson's statements. Both Mark and Jens said they were not currently prepared to make any comments.

DRAFT

Due to the concerns about a quorum raised by Nelson Abbott, Ray Loveless decided to rescind his motion and end the rate hearing.

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(continued)

**ADJOURNMENT**

**Ray Loveless made a motion to adjourn the rate hearing.  
The hearing was adjourned at 8:25 p.m.**

\_\_\_\_\_  
Ray Loveless, Chairman

\_\_\_\_\_  
Mark Holdaway, Clerk

\_\_\_\_\_  
Date Approved

\_\_\_\_\_  
Date Approved

**Next Meeting Date**

The next scheduled meeting will be a regular board meeting held on Tuesday, January 10, 2023 at 11:00 a.m.