RESOLUTION 2019-<u>O</u>S

A RESOLUTION ADOPTING NEW AND MODIFIED RATE STRUCTURES FOR ELECTRICAL SERVICE

WHEREAS the Heber Light & Power Company ("Company") is an energy services interlocal entity created by Heber City, Midway City, and Charleston Town to provide electric service to customers within the municipalities and surrounding areas;

WHEREAS the Company has caused to be prepared a cost of service study ("Cost of Service Study") to identify the Company's revenue requirements to be recovered from rates and to determine the proper allocation of these revenue requirements to each customer class based on the relative cost of providing service to each class; and

WHEREAS, on June 12, 2019 and June 19, 2019 the Company caused to be published a "Notice of Public Hearing on a Proposed Increase in Rates and Modification of Rate Structure of the Heber Light & Power Company" in the Wasatch Wave, a newspaper of general circulation in Wasatch County and the Company's service area and on May 22, 2019 posted notice on the Utah Public Notice Website and complied with the notice requirements of the Utah Open and Public Meetings Act, to the extent applicable; and

WHEREAS, on June 26, 2019, the Company held a public hearing at which the Company explained the proposed rate increase and rate redesign and took public comment from all interested parties; and

WHEREAS the Company Board has carefully considered the information provided at the public hearing, contained in the Cost of Service Study and provided by Company management; and

WHEREAS the Company Board has assessed the Company's revenue needs and the relative cost of providing service to each customer class; and

WHEREAS, based on the forgoing, the Company Board deems it necessary for the financial well-being of the Company and the peace, health, safety, convenience, and general welfare of its existing and future customers to approve the Cost of Service Study and adopt the rate and customer class modifications as more fully provided herein below.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF HEBER LIGHT & POWER COMPANY AS FOLLOWS:

Cost of Service Study.

The Cost of Service Study reasonably identifies the Company's revenue requirements to be paid from rates and the relative costs of providing service to customers based on the type of service provided. The Board therefore finds that the Cost of Service Study and information provided by the public and the Company provides a reasonable basis for the recommended rate increase and redesign.

B. <u>Customer Classifications</u>

In order to provide for the proper allocation of costs among customers, the Board adopts the following customer classifications:

Residential (all residential customers)

Small Commercial (general service customers with less than or equal to 30 kw of demand)

Medium Commercial (general service customers with more than 30 kw of demand and less than or equal to 250 kw of demand)

Large Commercial (general service customers with more than 250 kw of demand)

Residential Pumping (dedicated service to pumps serving residential customers)

Small Commercial Pumping (dedicated service to pumps serving general service customers; pumping demand less than or equal to 30 kw)

Medium Commercial Pumping (dedicated service to pumps serving general service customers; pumping demand more than 30 kw and less than or equal to 250 kw)

C. Rate Schedule

The Board adopts the rate schedules for electric service for the Company's customers as shown on **Exhibit A**.

D. <u>Corresponding Changes</u>.

The Board hereby authorizes such changes to the Electric Service Rules and other Company documents as may be necessary to effectuate the purposes of this resolution.

E. Effective Dates.

The customer classifications and rate schedules shall take effect on September 9, 2019 for the Company's customers billed on Cycle 1 and on September 23, 2019 for the Company's customers

billed on Cycle 2, and shall repeal and replace the current customer classifications and rate schedules.

APPROVED AND ADOPTED the 31st day of July, 2019.

HEBER LIGHT & POWER COMPANY

Kelleen Potter, Board Chair

Attest:

Karly Schindler, Board Secretary

EXHIBIT A

Rate Schedules

Residential	(Current Rates		Year 1 Effective 9/1/2019		Year 2 Effective 9/1/2020		Year 3 Effective 9/1/2021	
Monthly Facilities Charge									
All Customers	\$	12.70	\$	13.70	\$	14.70	\$	14.90	
Energy Charge									
Block 1 (0-1,000 kWh)	\$	0.0798	\$	0.0833	\$	0.0868	\$	0.0893	
Block 2 (excess)	\$	0.1002	\$	0.1037	\$	0.1072	\$	0.1097	
Small Commercial Monthly Facilities Charge									
Single Phase	\$	8.00	\$	11.00	\$	13.00	\$	14.00	
Three Phase	\$	8.00	\$	13.00	\$	17.00	\$	19.00	
Energy Charge	*								
Block 1 (0-500 kWh)	\$	0.0780	\$	0.0840	\$	0.0830	\$	0.0810	
Block 2 (excess)	\$	0.0460	\$	0.0490	\$	0.0500	\$	0.0510	
Demand Charge									
Less that 1 kW	\$	8.90	\$	le:	\$	343	\$	941	
Greater than 1 kW	\$	8.90	\$	9.50	\$	9.80	\$	10.10	
Medium Commercial Monthly Facilities Charge All Customers	\$	15.20	\$	40.00	\$	66.00	\$	91.00	
Energy Charge					,				
Block 1 (0-500 kWh)	\$	0.0604	\$	0.0574	\$	0.0544	\$	0.0484	
Block 2 (excess)	\$	0.0460	\$	0.0457	\$	0.0457	\$	0.0457	
Demand Charge									
All demand (kW)	\$	10.00	\$	10.80	\$	11.70	\$	12.45	
Large Commercial Monthly Facilities Charge									
All Customers	\$	26.90	\$	77.00	\$	127.00	\$	177.00	
Energy Charge All energy	\$	0.0460	\$	0.0460	\$	0.0460	\$	0.0450	
Demand Charge All demand (kW)	\$	13.50	\$	14.10	\$	14.70	\$	15.10	
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