

CWV&, 2020



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# HLP STRATEGIC PLAN

2021-2025

HEBER LIGHT & POWER COMPANY  
31 S 100 W, HEBER CITY, UT 84032

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## MISSION STATEMENT

The company's mission is to provide its customers with safe, reliable energy, in an open, responsible and environmentally sound manner while undertaking a commitment to the values of integrity, innovation, accountability and community service, and to promote an internal culture that fosters safety, loyalty and creativity as well as maintaining a highly skilled, motivated workforce.



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## COMPANY OBJECTIVE

Heber Light & Power Company is a Utah energy services interlocal entity formed by Heber City, Midway City, and Charleston Town to safely acquire, operate, and maintain facilities for providing services and improvements that are necessary for the acquisition, generation, transmission, distribution and management of electric energy and related services for the use and benefit of the company's customers.

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## COMPANY VALUES

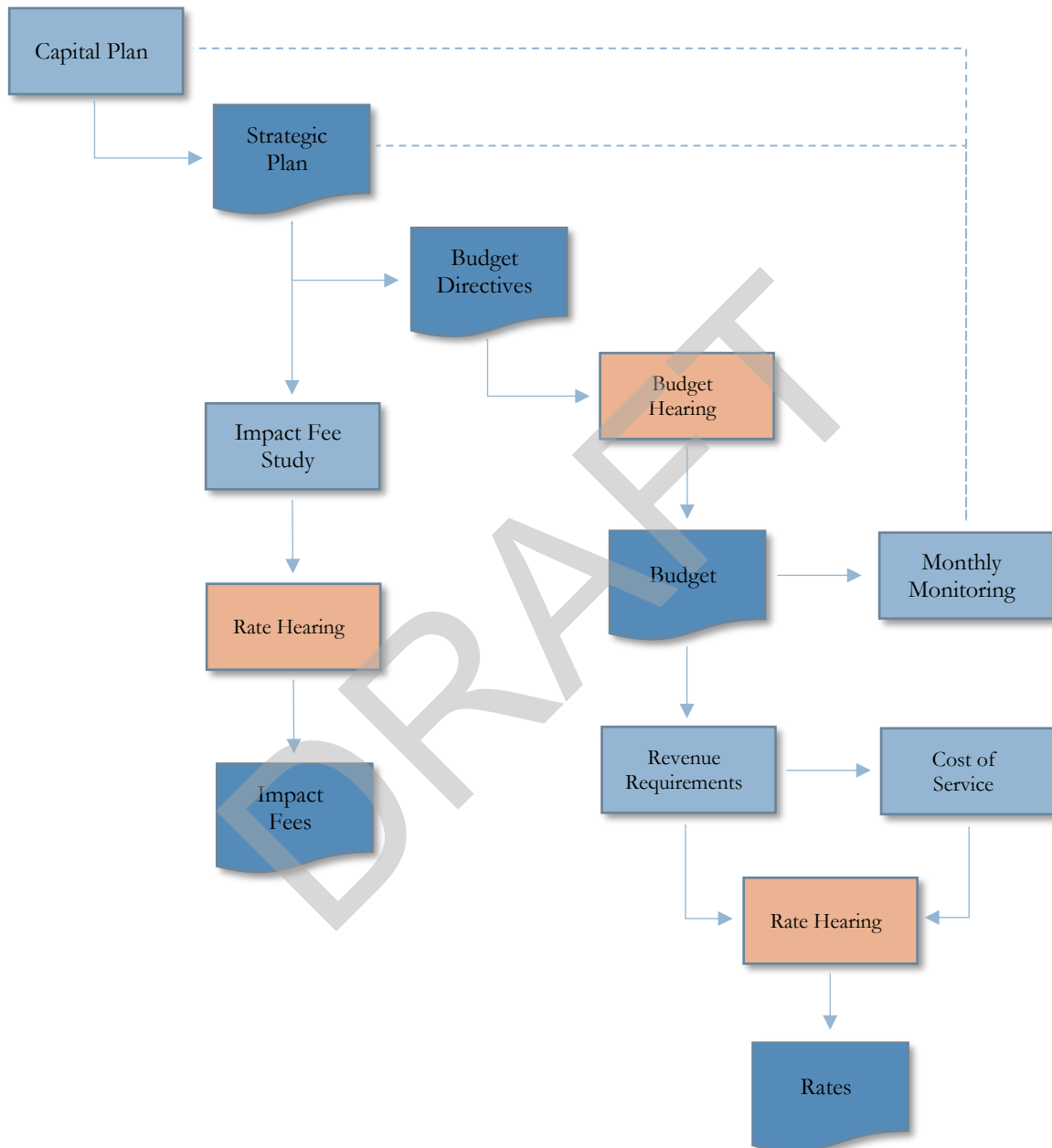
Heber Light & Power Company is driven by five key values that define the character of the company and its interactions with the customer base. These values are as follow:

- SAFETY – We ensure safety for ourselves, our co-workers, and the public.
- TEAMWORK – We look out for each other and achieve results by working together as a team toward common goals.
- RESPONSIBILITY – We are responsible for our actions, our resources, and the financial integrity of The Company.
- RESPECT – We have respect for each individual and consider the impact of our actions.
- INTEGRITY – We have integrity and honesty in all that we do.



## PLANNING & BUDGET PROCESS

Heber Light & Power Company uses a defined process each year to ensure appropriate financial assets are available to meet the needs of the company and the system overall. This process allows the stakeholders to provide valuable input at the appropriate times. Through this interaction, HLP is then able to work towards achieving its mission. The process is as follows:



## SWOT ANALYSIS

Heber Light & Power Company undertakes an annual SWOT analysis to ensure that the company is appropriately aligned to obtain its mission and abide by its values. This analysis is as follows:

### STRENGTHS:

- Energy Portfolio Diversification
- Employees (Experience, Focus, Skills)
- Restoration Speeds
- Safety Culture
- Customer Service
- Solid Infrastructure
- Real-time Energy Scheduling
- Distributed Generation Program
- Community Partner
- Clear Direction (Local Control)
- Relationships within the Valley
- Built-in Automation
- Energy Efficiency Program
- Rate Structure

### WEAKNESSES:

- Staffing
- Rising Costs
- System Capacity
- Changing Technology
- Aged Equipment and Infrastructure
- Overhead Equipment
- Weather Impacts
- Fraud Susceptibility
- Employee Resentment
- Constant Valley Wide Growth
- Single Point of Interconnect
- Lack of Citizens Trust
- Growth Pressures
- Transparency

### OPPORTUNITIES:

- New Power Sources
- Strong Local Growth
- System Growth
- New Technology
- Advanced Rate Designs
- Strategic Partnerships
- New Voltage Class
- Advanced Mapping Systems
- Communication Tools
- Enhanced Equipment Functionality
- Regulatory Environment
- Annexation
- Reduced Environmental Footprint
- Expanded Community Leadership

### THREATS:

- Cyber-Security Threats
- Growth Pressures
- Competing Utilities Stealing Employees
- Environmental Regulations
- Employee Related Regulatory Issues
- Single Point of Interconnect
- Threatened Litigation
- Annexation
- Customer Frustration
- Board Member Turnover
- Affordable Housing
- Transmission Provider
- Weather
- Debt Systems

## STRATEGIC ANCHORS

Heber Light & Power Company adheres to a series of anchors that enables the company to focus on individualized goals while remaining firm in our attempt to fulfill our mission.





## Financial Excellence - *Objectives*

We strive to establish a stable and financially prudent environment by which HLP delivers its mission. Maintain financial health and stability through solid rate structures, revenue growth, strong industry partnerships, maintaining high bond ratings, cost management, capital planning, and proper checks and balances.

### 1. **Maintain a Solid Rate Structure**

Customer rates are the bedrock of our service. Appropriate rate design ensures that HLP can provide safe, reliable energy while warranting that are customers are charged a fair rate that minimizes cross-class subsidization.

### 2. **Liquidity**

Solid liquidity ensures that HLP can maintain strong partnerships with industry suppliers. HLP strives to ensure that adequate cash flows are available for both operational as well as capital drivers.

### 3. **Bond Ratings**

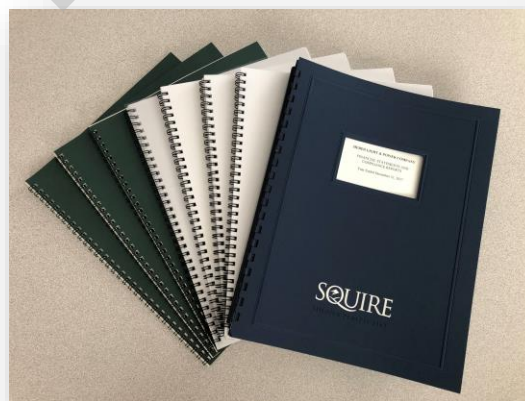
To adhere to the cost causation principle, HLP obtains financing from time to time to appropriately charge the customer base for capital improvements. As such the sale of bonds is an integral part of the HLP financing strategy and thus the need to enhance performance to maximize bond ratings.

### 4. **Cost Management**

As a public utility, HLP endeavors to ensure that expenditures are prudent and of the highest value before undertaking them. A solid purchasing policy ensures that competitive bidding is undertaken on all key services and items.

### 5. **Revenue Growth**

The HLP system continues to grow as new customers are added to the system each month. This increased customer base has provided additional revenue to the company in addition to new rate schedules. HLP employs these increased revenues to continue to be an innovative utility by advancing the technological opportunities present to the company and its customers.





## Financial Excellence - *Measurement*

HLP has identified the following as measures of financial position.

- ***Days Cash-on Hand:*** Days Cash-on Hand measures the number of days we can cover our operating expenses using unrestricted cash and investments and assumes no additional revenue is collected. This is an important measure of liquidity used by the rating agencies.
- ***Debt Service Coverage:*** Debt service coverage is a ratio of net revenues to annual debt service and is an indication of HLP's ability to meet its annual debt service obligations. Coverage requirements are set forth within HLP's bond resolutions and financial policies.
- ***Fixed Charge Coverage:*** Fixed charge coverage measures the margin of funds available to meet current debt service requirements and fixed or "debt-like" obligations related to purchased power.
- ***Debt to Capitalization Ratio:*** This is a measure of the level of debt as compared to HLP's asset base. Targets are established within HLP's financial approach and are an important measure used by the rating agencies.
- ***O&M Costs per Customer:*** HLP evaluates Operating & Maintenance costs per customer.
- ***Investment Yield:*** HLP seeks to maximize investment yield while preserving principal and investing only in those instruments allowed by State law.
- ***External and Internal Audit Results:*** Demonstrate compliance with laws, regulations, policies, and procedures.

## Financial Excellence - *Actions*

1. Continue to provide cost-based rates by completing frequent cost of service studies and rate plans.
2. Increase revenue by exploring new revenue streams.
3. Maintain high bond ratings by improving business practices and managing financial ratios.
4. Manage cost by creating a cost management strategy for improved budgeting processes, project management, and accurate estimates and billing.
5. Improve the capital planning and budgeting process to ensure that projects are funded, prioritized, and completed on time.
6. Evaluate and improve effectiveness of risk management, control, and governance processes by developing and implementing internal auditing processes.

## Customer Communications and Service - *Objectives*

We strive to establish a customer focused environment by which HLP delivers on its mission. Provide superior communication and service through public outreach geared towards promoting public power and increasing awareness of our projects, programs, and service, while continuing to provide excellent customer service by building strong customer relationships, maintaining transparency, and integrating programs and tools to build a smart grid for improved service.



### 1. **Best Value for the Cost**

HLP strives to provide reliable electricity at reasonable rates. In addition, we strive to provide additional services, options and programs that provide value to our customers.

### 2. **Reliability**

As a company, HLP desires to limit service interruptions to our customers. Efforts are regularly undertaken to mitigate the risks associated with mother nature, human interaction and cyber-security impacts on the system.

### 3. **Service**

HLP prides itself on the service provided to customers. From the initial interaction at account creation through billing concerns and a myriad of other contact reasons, HLP staff seeks to provide timely, friendly and appropriate service. Our local presence and shared impacts lends itself to customer service that far exceeds the standard investor owned utility experience.

### 4. **Communication/Transparency**

HLP seeks to be as transparent as possible. Creating and following a dynamic Strategic Communications Plan will align staff in sharing a consistent meaningful message and define the best channels to reach target audiences. HLP also intends on being transparent by adhering to the State's transparency requirements as well as the public meeting protocols.

### 5. **Engagement**

HLP encourages customer engagement through an open-door policy. In addition, the Company has multiple outreach events throughout the year in which employees are engaged with the public.



## Customer Communications and Service - *Measurement*

HLP has identified the following as measures of customer service.

- ***Customer Communication:*** HLP attempts to communicate regularly with our customers via newsletters, billing statements, social media platforms, and Public Power Week events
- ***Annual Rate Comparisons:*** HLP benchmarks the rate structures and values with other utilities throughout the state.
- ***Service Order Process:*** HLP tracks the completion of service orders as we strive to complete them in less than 48 business hours from the time the notification was received.
- ***Percentage of Customer Payments made electronically:*** Electronic payments offer an efficient and convenient method for customers to pay their bill. HLP measures the number and value of payments made via electronic means.
- ***Conservation Savings:*** HLP measures conservation savings each year as measured against goals established by the conservation potential assessment.
- ***Customer Participation:*** HLP will measure the involvement of the community through Advisory Board Participation, Public Event Attendance, Social Media Exposure/Tracking, etc....

## Customer Communications and Service - *Actions*

1. Raise awareness of the benefits of public power by improving the strategic communications plan.
2. Engage with customers and gain their support by communicating plans, projects, programs, and services with an emphasis on public awareness of current and future transmission and distribution projects.
3. Reach more customers with valuable information by consulting with marketing and communications experts and increasing communication channels.
4. Build strong customer relationships and key account partnerships by improving customer outreach.
5. Maintain transparency with on-time reporting and maintaining an up-to-date website.
6. Integrate programs and tools to build a smart grid for improved customer service and prompt outage restoration.
7. Improve internal communications and cross-departmental training for improved service request response.

## Safety Culture - Objectives

Foster a safety culture that strives to continuously improve safety measures to uphold the highest safety standards by improving and implementing cyber and physical security plans, disaster recovery plans, system hardening, and maintaining a safety program based on the APPA safety manual that is followed and supported by management and all employees.

### 1. Training

HLP strives to ensure that employees are adequately and appropriately trained. From the first day of employment through the last-day, HLP strives to place regular safety training opportunities in the paths of employees. Annual electronic safety training is completed in addition to hands-on training such as fire extinguisher, first-aid, and CPR trainings. In addition, key members of staff are given the opportunity to take part in 3<sup>rd</sup>-party vendor provided safety instruction.

### 2. System Maintenance

One of the safest ways to provide energy to our customers is to ensure that the system is properly maintained. From installing good equipment to regularly maintaining vegetation and other environmental factors, HLP strives to undertake those efforts that best protect the system which in-turn protect the customer and employee alike.



### 3. Job Briefings / Tailboards

HLP strives to step back and take a moment each time a new task/project is to be undertaken. These safety tailboards allow crew members to discuss the safety and operational implications of the task before them. It allows the foreman to ensure that appropriate safety equipment is available and the proper training for usage has been undertaken.

### 4. Safety Meetings

All departments within the company host a monthly safety meeting. Attendance at one of these meetings is mandatory each month for each employee. Various topics are discussed throughout the year. Some of the topics lend themselves to hands-on experiences while others are strictly information relay. In either case, the employee is present and attentive.

### 5. Inspections

The HLP system has been designed to work efficiently and economically. It does however have many parts/components that do have a life cycle. As such, regular and periodic inspections must be undertaken to ensure that the system operates at its optimal level. These inspections are conducted via in-person, via drone technology, and via 3<sup>rd</sup> party when necessary.

## Safety Culture - *Measurement*

HLP has identified the following as measures of the safety culture.

- ***Lost-time Accident Numbers:*** HLP tracks and reports any incidents that resulted in lost-time.
- ***Near-miss Accident Numbers:*** HLP tracks and reports any incidents that were a near-miss accident that could have resulted in lost-time or worse for an employee.
- ***Modified Work Assignment:*** HLP monitors the safety of its employees by ensuring modified work assignments are provided in the event a health event merits such an adjustment to the work schedule.
- ***Safety Meeting Attendance:*** HLP monitors the overall attendance by its employees at the required monthly safety meetings.
- ***Safety Training Attendance:*** HLP tracks the attendance of its employees at various safety training opportunities that present themselves throughout the year.

## Safety Culture - *Actions*

1. Protect infrastructure with a physical security plan and employee awareness training.
2. Increase cyber security by establishing a cyber security plan for prevention and recovery that is tested with annual assessments.
3. Encourage cyber security awareness by providing training focused on technical mitigation and response.
4. Prepare for a coordinated emergency response by reviewing disaster recovery plan on an annual basis and participating in annual drills.
5. Maintain a safe system by completing and documenting asset maintenance and inspections for all plant assets in the system that require maintenance.
6. Increase safety awareness by maintaining a safety program that is based on the APPA safety manual and followed and supported by management and all employees.

## Workforce - Objectives

Strive to develop, retain, and attract dedicated professionals by setting high employee performance standards, offering valuable and strategic training and growth opportunities, and providing competitive compensation, wages, and reward programs based on frequent wage studies and updated pay policies.

### 1. Retention

HL&P strives to retain its investment in employees. It is the company practice to provide an attractive combination of compensation, benefits, reward programs, and to foster employee engagement and a positive and innovative working environment.

### 2. Succession Planning

The electric utility industry is one in which an aging workforce is very much a real threat. HLP is not immune to the effects of this aged workforce dynamic. HLP recognizes the need to find and foster skilled talent. In addition, HLP understands that continuing to identify the roles of key employees is crucial to nurturing a pipeline with the right talent and skills to fill leadership positions.

### 3. Cross Training

HL&P must maintain a state of the art electrical system with a limited number of employees to do the work. It is our practice to retain employees that are multi-faceted and to invest in our workforce by providing training and learning opportunities to ensure that employees can perform cross-departmental duties. It is imperative that employees are knowledgeable and able to work safely, efficiently and effectively as a team to manage workloads.

### 4. Performance Based Culture

A comprehensive performance management system can play a strategic role in attracting and retaining key employees and can also help improve the organization's overall performance. HLP understands that to maintain the best employees, performance levels need to be established and achievements recognized. As such HLP strives to foster a performance-based culture that identifies the strengths and weaknesses of all employees so that the organization can make informed and accurate decisions regarding an employee's contribution, career development, training needs, promotional opportunities, and compensation.

### 5. Compensation Strategy

HLP undertakes the necessary steps to ensure that employees are compensated fairly in accordance with industry and local trends. We understand the risks of becoming a training facility for our competitors if the compensation levels are too low and therefore strive to maintain a competitive compensation structure that allows us to attract and retain a highly skilled workforce.

## Workforce - *Measurement*

HLP has identified the following as measures of workforce strength.

- ***Hiring Efficiency:*** HLP attempts to efficiently bring on new employees by regularly reviewing job classifications and write-ups to ensure prompt posting, interviewing, and hiring.
- ***Training and Development:*** HLP undertakes to ensure that all employees receive some form of regular training applicable to their position and assigned duties.
- ***RP3:*** The application process for APPA's RP3 Award includes a Workforce Development component worth 25% of the overall score. RP3 measures HLP's workforce development performance in three areas 1) Succession Planning and Recruitment 2) Employee Development and Recognition 3) Education, Participation, and Service. HLP will use this information as a guideline for determining best practices in the industry.
- ***Customer Feedback:*** Our employees are the key to our success. Success of HLP operations and service delivery to the community is reflective of our workforce. This is measured through customer feedback.
- ***Periodic Employee Surveys:*** Knowing that employees are our greatest asset, HLP conducts periodic employee surveys to help measure the engagement level of our employees.
- ***Employee Committees:*** HLP values the input of its employees and as such has various appointed employee committees to evaluate various components of the operations.

## Workforce - *Actions*

1. Set high employee performance standards with an emphasis on professionalism and company values supported by employee development plans, annual goal setting, and a performance-based culture.
2. Offer quality training and growth opportunities allowing employees to better themselves
3. Retain and attract employees with a compensation strategy that includes competitive wages, benefits, and reward programs.
4. Ensure attractive and fair pay through frequent wage studies and updated pay policies.
5. Develop good internal communication practices that address employee concerns and complaints in a respectful and professional manner.



## Reliability and System Betterment- Objectives

Maintain a safe and reliable system with adequate capacity, and a diverse power supply through continued integrated resource planning, monitoring system performance, improved system and capital planning and budgeting, and creating policies and programs designed to address system growth, maintenance, betterment, distributed generation, energy storage, and changing customer energy usage habits.

### 1. Best Value for the Cost

HL&P performs regular load forecasting and Integrated Resource Planning to provide the most economical energy resources that can best match system load and company values for today and in the future. HLP seeks to design, develop, and deploy the most hardened infrastructure from metering to wires and poles and ultimately to the systems that collect, analyze and manipulate data.

### 2. Reliability

Power Supply reliability is ensured by maintaining a diversified resource portfolio from various fuel sources and regions including local energy resources. Risks that can impact reliability are mitigated through investment in system upgrades, replacement of aging infrastructure, wildlife protections, maintenance programs, cyber security and improved system monitoring and controls.



### 3. Internal Generation

A key element of the HLP resource portfolio is the local generation resources. To ensure that these resources are available when needed, regular service is undertaken to provide for immediate dispatch and rapid uptime. Internal Generation capacity is increased regularly based on system need.



### 4. Disaster Recovery

Due to transmission constraints on the bulk electric system, HLP on occasion needs to operate the distribution and internal generation system within the parameters mandated by the transmission service provider. HLP strives to maintain a level of adequate capacity for all critical infrastructure during these times of constraint on the system. A Disaster Recovery plan has been adopted and includes mutual aid agreements with neighboring utilities. The company also categorizes all outages as major, sustained, or momentary.

## Reliability and System Betterment - *Measurement*

HLP has identified the following as measures of power supply diversification and availability.

- **Portfolio Mix:** HLP strives to maintain a diversified generation portfolio. Quarterly review is done on all generation shaft performance.
- **Annual IRP:** HLP performs an annual Integrated Resource Plan update to ensure that adequate resources are available for the coming year.
- **Resource Scheduling:** HLP monitors the resource scheduling mix to ensure the most economical resource is being deployed across the system.
- **Electric System Reliability Indices:** HLP monitors reliability of the electric system using three industry standard indices, System Average Interruption Frequency Index (SAIFI), System Average Interruption Duration Index (SAIDI), and Customer Average Interruption Duration Index (CAIDI).
- **Aged Equipment Analysis:** HLP undertakes regular reviews of equipment to ensure that losses from failed equipment are minimized.
- **Energy Loss Percentage:** HLP monitors the reasonableness of line loss by the ratio of energy losses within our electric system to APPA national standards.

## Reliability and System Betterment - *Actions*

1. Provide feedback on system performance through system monitoring and data mining.
2. Evaluate long-term and near-term infrastructure requirements by performing annual system planning studies, load forecasts and contingency analyses.
3. Reinforce reliability with investments in system upgrades, replacing aging infrastructure, wildfire and wildlife protections, and system monitoring and controls.
4. Improve asset inspections and maintenance programs to ensure system integrity.
5. Design policies and procedures for distributed generation and energy storage that ensure operational safety and soundness and develop programs that benefit the system and the customer.
6. Employ programs designed to reduce system energy and capacity requirements and manage changing energy usage patterns while promoting electrification.



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## **FINANCIAL FORECAST**

Heber Light & Power strives to accurately forecast out to five years and has included the following as such.

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Strategic Plan - 5 Year Forecast

	2020	2021	2022	2023	2024	2025
Operating Revenue						
Electricity Sales	19,658,238.25	20,955,111.69	21,927,276.52	22,532,823.78	23,156,537.45	23,798,962.53
Other Income	271,052.24	278,069.00	278,819.00	279,576.50	280,341.58	281,114.30
Total Operating Revenue:	19,929,290.49	21,233,180.69	22,206,095.52	22,812,400.28	23,436,879.02	24,080,076.83
Power Production Expense						
Generation Expense	(268,997.03)	(335,484.38)	(348,903.76)	(362,859.91)	(377,374.30)	(392,469.27)
Fuel Expense	(481,475.00)	(580,000.00)	(603,200.00)	(627,328.00)	(652,421.12)	(678,517.96)
Hydro Expense	(159,197.25)	(155,692.00)	(157,248.92)	(158,821.41)	(160,409.62)	(162,013.72)
Total Power Production Expense:	(909,669.28)	(1,071,176.38)	(1,109,352.68)	(1,149,009.31)	(1,190,205.04)	(1,233,000.96)
Purchased Power Expense	(10,573,125.80)	(10,810,464.00)	(11,158,793.84)	(11,604,823.49)	(11,807,977.80)	(13,095,267.31)
Total Cost of Sales:	(11,482,795.08)	(11,881,640.38)	(12,268,146.52)	(12,753,832.81)	(12,998,182.84)	(14,328,268.27)
Operations and Maintenance Expense						
Operations Expense	(461,897.93)	(474,718.00)	(492,638.86)	(511,393.41)	(530,201.03)	(550,729.86)
Maintenance Expense	(2,201,650.74)	(2,246,715.00)	(2,291,649.30)	(2,337,482.29)	(2,384,231.93)	(2,431,916.57)
Total O&M Costs:	(2,663,548.67)	(2,721,433.00)	(2,784,288.16)	(2,848,875.70)	(2,914,432.96)	(2,982,646.43)
Administrative and General Expense						
Customer Related	(562,115.30)	(751,942.00)	(769,559.15)	(787,627.83)	(806,160.05)	(825,168.15)
Employee Related	(1,294,281.48)	(1,283,498.44)	(1,317,698.11)	(1,352,901.52)	(1,389,139.59)	(1,426,444.25)
Facilities & Supplies	(351,852.42)	(360,312.00)	(364,613.48)	(369,028.80)	(373,561.35)	(378,214.62)
IT/Communications	(384,887.04)	(383,396.00)	(398,319.56)	(413,946.84)	(424,199.45)	(434,737.98)
Vehicles	(390,617.78)	(395,645.00)	(403,557.90)	(411,629.06)	(419,861.64)	(428,258.87)
Total A&G Costs:	(2,983,754.02)	(3,174,793.44)	(3,253,748.20)	(3,335,134.04)	(3,412,922.07)	(3,492,823.87)
Total Operating Income:	2,799,192.72	3,455,313.87	3,899,912.65	3,874,557.73	4,111,341.15	3,276,338.27
Depreciation	(2,495,680.83)	(2,625,000.00)	(2,703,750.00)	(2,784,862.50)	(2,868,408.38)	(2,954,460.63)
Total Operating Income less Depreciation:	303,511.89	830,313.87	1,196,162.65	1,089,695.23	1,242,932.77	321,877.64
Capital Assets (Book Value)	39,685,343.50	46,082,386.84	64,093,486.84	77,250,886.84	92,636,286.84	97,469,686.84
Return on Investment (ROI)	1%	2%	2%	1%	1%	0%
Non-Operating Revenues						
Interest	253,635.21	165,000.00	165,000.00	165,000.00	165,000.00	165,000.00
Gain on Sale of Assets	(54.41)	-	-	-	-	-
Total Non-Operating Revenues:	253,580.80	165,000.00	165,000.00	165,000.00	165,000.00	165,000.00
Funds Available for Debt Service	3,052,773.52	3,620,313.87	4,064,912.65	4,039,557.73	4,276,341.15	3,441,338.27
Debt Service						
2010 Electric Revenue Bonds	(886,400.00)	-	-	-	-	-
2012 Electric Revenue Bonds	(358,800.00)	(354,800.00)	(355,650.00)	(361,200.00)	(368,000.00)	(104,000.00)
2019 Electric Revenue Bonds	(1,102,125.00)	(1,096,250.00)	(1,096,500.00)	(1,096,000.00)	(1,094,750.00)	(1,092,750.00)
2015 Generator Financing	(163,900.59)	(164,032.26)	(164,139.52)	(164,221.73)	(164,278.22)	(164,308.29)
Total Debt Service	(2,511,225.59)	(1,615,082.26)	(1,616,289.52)	(1,621,421.73)	(1,627,028.22)	(1,361,058.29)
Debt Service Coverage:	1.22 x	2.24 x	2.51 x	2.49 x	2.63 x	2.53 x
Funds Available for Capital	541,547.93	2,005,231.61	2,448,623.13	2,418,136.00	2,649,312.93	2,080,279.98
Capital Plan						
Lines	3,533,965.49	3,810,000.00	1,095,000.00	4,800,000.00	1,640,000.00	235,000.00
Substations	164,127.90	11,181,000.00	1,353,000.00	8,000,000.00	544,000.00	137,000.00
Generation	1,423,731.12	141,000.00	1,568,000.00	1,363,000.00	993,000.00	25,000.00
Systems & Technology	49,439.60	522,000.00	100,000.00	125,000.00	62,000.00	84,000.00
Tools & Equipment	21,695.68	54,700.00	45,000.00	45,000.00	45,000.00	45,000.00
Vehicle	595,917.08	435,000.00	300,000.00	170,000.00	635,000.00	820,000.00
Metering	102,714.91	114,400.00	114,400.00	114,400.00	114,400.00	114,400.00
Buildings	505,451.56	1,753,000.00	8,582,000.00	768,000.00	800,000.00	-
Total Capital Additions:	6,397,043.34	18,011,100.00	13,157,400.00	15,385,400.00	4,833,400.00	1,460,400.00
Cash Position after Capital Plan:	(5,855,495.41)	(16,005,868.39)	(10,708,776.87)	(12,967,264.00)	(2,184,087.07)	619,879.98
Running total of shortfall:	(5,855,495.41)	(21,861,363.80)	(32,570,140.67)	(45,537,404.67)	(47,721,491.75)	(47,101,611.77)



Five Year Forecast and Capital Improvement Plan - Priority Listing

2021		Total Costs		Impact Fee		Projected Cost (\$1,000)				
		Overall	Remaining	Allowed	Taken	2021	2022	2023	2024	2025
1	Cross Valley Transmission Line (2nd POI)	\$ 6,164 /	\$ 3,300	6,164 /	1,168	3,300	-	-	-	-
2	2nd Point of Interconnect Substation	\$ 13,132 /	\$ 10,700	3,000 /	2,089	10,400	300	-	-	-
3	Generator Fire Suppression System	\$ 1,830 /	\$ 1,495	- /	-	291	498	353	353	-
4	Plant HVAC Upgrades	\$ 432 /	\$ 432	- /	-	190	74	84	84	-
5	AMI Tower - North Village	\$ 70 /	\$ 70	- /	-	70	-	-	-	-
6	Annual OT Upgrades	\$ 476 /	\$ 476	- /	-	318	68	30	30	30
7	Annual IT Upgrades	\$ 297 /	\$ 297	- /	-	124	22	85	22	44
8	Annual Vehicle Program	\$ 2,360 /	\$ 2,360	- /	-	435	300	170	635	820
9	Annual Tool & Equipment Purchases	\$ 235 /	\$ 235	- /	-	55	45	45	45	45
10	Underground System Improvements	\$ 456 /	\$ 450	- /	-	150	75	75	75	75
11	Aged & Environmental Distribution Replacement/Upgrade	\$ 900 /	\$ 750	- /	-	150	150	150	150	150
12	Rebuild PR201_Main Street to Burgi Lane	\$ 400 /	\$ 400	400 /	-	200	200	-	-	-
13	Plant 2 Switchgear Room AC Unit	\$ 13 /	\$ 13	- /	-	13	-	-	-	-
14	Gas Plant Security Measures	\$ 55 /	\$ 55	- /	-	55	-	-	-	-
15	EV Charging Systems	\$ 130 /	\$ 130	- /	-	130	-	-	-	-
16	Millflat Water Line Replacement	\$ 50 /	\$ 50	- /	-	50	-	-	-	-
17	East Substation	\$ 4,750 /	\$ 4,750	4,750 /	-	750	-	4,000	-	-
18	Annual Generation Capital Improvements	\$ 350 /	\$ 350	- /	-	50	50	50	200	0
19	New Office Building	\$ 9,133 /	\$ 9,020	- /	-	1,010	8,010	-	-	-
20	Substation Bird Guard	\$ 15 /	\$ 9	- /	-	6	3	-	-	-
21	Lower Snake Creek Plant Upgrade	\$ 35 /	\$ 35	- /	-	15	5	5	5	5
22	Replacement Recloser for Joslyn Reclosers	\$ 100 /	\$ 25	- /	-	25	-	-	-	-
23	Fault Indicator - Underground System	\$ 50 /	\$ 50	- /	-	10	10	10	10	10
		\$ 41,433	\$ 35,452	14,314	3,257	17,797	9,810	5,057	1,609	1,179
2022 and beyond										
24	Additional Circuits out of Jailhouse to the East	\$ 560 /	\$ 280	560 /	-	-	140	140	-	-
25	Additional Circuits out of College to South and East	\$ 280 /	\$ 280	280 /	-	-	140	140	-	-
26	Install Voltage Regulators at Timber Lakes Gate	\$ 100 /	\$ 100	100 /	-	-	100	-	-	-
27	Heber Substation Additional Circuits (South & West)	\$ 280 /	\$ 280	280 /	-	-	280	-	-	-
28	Unit Overhauls	\$ 459 /	\$ 459	- /	-	-	188	83	188	-
29	New Generation (Battery, Engine)	\$ 2,530 /	\$ 2,530	- /	-	-	1,315	1,215	-	-
30	Cloyes LTC Rebuild	\$ 40 /	\$ 40	- /	-	-	40	-	-	-
31	Provo River Substation Rebuild	\$ 5,000 /	\$ 5,000	5,000 /	-	-	1,000	4,000	-	-
32	Battery Replacement Program	\$ 37 /	\$ 37	- /	-	-	10	-	19	8
33	Reconductor HB305_600 West - Substation to 300 South	\$ 50 /	\$ 50	50 /	-	-	-	25	25	-
34	Midway Substation - Get Aways	\$ 160 /	\$ 160	80 /	-	-	-	160	-	-
35	Load to Parsons (Reconductor)	\$ 100 /	\$ 100	- /	-	-	-	100	-	-
36	Reconductor Heber City Main 600 S to 1000 S	\$ 100 /	\$ 100	100 /	-	-	-	100	-	-
37	1200 S Transmission Line	\$ 3,900 /	\$ 3,900	3,900 /	-	-	-	3,900	-	-
38	Gas Plant 1 XFMR Upgrade	\$ 500 /	\$ 500	- /	-	-	-	-	500	-
39	Gas Plant 3 Switchgear Upgrade	\$ 180 /	\$ 80	- /	-	-	-	-	80	-
40	Reconductor Pine Canyon Road - Midway	\$ 180 /	\$ 180	108 /	-	-	-	-	180	-
41	Reconductor JH502/503_Old Mill Drive - 800 South to 1200 South	\$ 300 /	\$ 300	300 /	-	-	-	-	300	-
42	Reconductor MW101/102 from 4/0 to 477	\$ 350 /	\$ 350	350 /	-	-	-	-	350	-
43	Rebuild CL402_600 West to Tate Lane	\$ 550 /	\$ 550	550 /	-	-	-	-	550	-
44	Midway Substation - High Side Rebuild	\$ 500 /	\$ 500	450 /	-	-	-	-	500	-
45	Heber Relay Upgrade	\$ 25 /	\$ 25	- /	-	-	-	-	25	-
46	Plant 1 Electrical Upgrades	\$ 50 /	\$ 50	- /	-	-	-	-	50	-
47	Jailhouse Fence Replacement	\$ 129 /	\$ 129	- /	-	-	-	-	-	129
48	Smart Grid Investment	\$ 50 /	\$ 50	- /	-	10	10	10	10	10
49	Lake Creek Bearing Replacement	\$ 10 /	\$ 10	- /	-	-	-	-	-	10
50	Upper Snake Creek Capital Improvements	\$ 25 /	\$ 25	- /	-	5	5	5	5	5
51	Lake Creek Capital Improvements	\$ 35 /	\$ 35	- /	-	5	5	5	15	5
	Tie line from 305 to 402 to 303	\$ - /	\$ -	- /	-	-	-	-	-	-
	Tie from 702 up to 500 East in Heber (HB304)	\$ - /	\$ -	- /	-	-	-	-	-	-
		\$ 16,480	\$ 16,100	12,108	-	20	3,233	9,883	2,797	167
		\$ 57,913	\$ 51,552	\$ 26,422	\$ 3,257	\$ 17,817	\$ 13,043	\$ 14,940	\$ 4,406	\$ 1,346