

## Top of the News

Intermountain Power Agency has commenced the subscription process for development of new generating capacity at the IPP site. *Food for Thought* thinks renewable energy. IPA has a new General Manager. IPA officers and directors were elected. You can see the annual report and annual operating video online. *Quick Hits* come from the worlds of coal, electricity, oil, global energy trends, and environmental regulation. Plus we have a special section on the Clean Power Plan.

**SAFETY SHARE:** Many people think they are good multitaskers, but that is actually a myth, especially when it comes to cell phone use while driving. [This infographic](#) from the National Safety Council will show you why.

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## Featured This Edition: Subscription Begins

Intermountain Power Agency has commenced a renewal subscription process for the Project's post-2027 life.

Project participants have approved amendments to power sales agreements that will allow development of new generating facilities and the final legal opinions necessary to make those amendments effective are now complete. Current Project participants are now being offered the opportunity to continue in the "Renewed" Project at levels up to their current generation entitlement shares (expressed as a percentage). If any current participants do not elect to continue in the Renewed Project during this initial round, their entitlement shares will be reallocated in a later phase of the subscription process.

## IPP Renewed →

Current plans envision the development of up to 1,200 megawatts of natural gas fueled generation after current power purchase agreements for coal fueled generation expire. The new generating capacity would take advantage of existing infrastructure and transmission access at the Project's Millard County site.

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## Food for Thought

Folks who know where electricity comes from know that the largest renewable energy source is flowing water. Senator Lisa Murkowski (R-AK), who chairs the Energy and Natural Resources Committee, recently said we could [double that output](#) without building a single new dam. Meanwhile, the U.S. Department of Energy published [an interesting report](#) detailing progress on five other “clean energy” technologies. Utah is increasingly seen as a leader in [clean energy job creation](#), including a plan by SolarCity to add up to [7,000 full-time positions](#). The Deseret News reported solar jobs now [outnumber coal jobs](#) in Utah.

## IPA Updates

### New General Manager Named

Intermountain Power Agency has appointed Dan Eldredge to serve as the Agency’s General Manager, succeeding James Hewlett, who retired after 35 years of service.

Eldredge is also a longtime IPA employee with 28 years of service. Eldredge joined IPA as accounting manager and later served as assistant general manager.

Hewlett was honored for his service at the Agency’s recent annual meeting. He served as General Manager since 2007, following previous roles as chief financial officer and assistant general manager. Over the course of his IPA career, Hewlett participated in more than 50 bond offerings and provided leadership to long term planning efforts that laid the foundation for the Intermountain Power Project to continue operations well beyond the 2027 expiration of its current power purchase agreements.

### Directors and Officers Elected

Intermountain Power Agency elected two directors at its recent annual meeting while saying farewell to another longtime board member.

Blaine Haacke, general manager of Murray City Power, was elected to his second four-year term on the Board of Directors. Nick Tatton, Community Director for Price City, was also elected to a four-year term, filling a seat previously held by Logan’s Russell Fjeldsted.



*Former General Manager James Hewlett receives an award commemorating his 35 years of IPA service from Inter-mountain Power Project Operating Agent Hamid Nejad.*



*Murray City's Blaine Haacke and Price City's Nick Tatton were elected to serve four-year terms on the IPA Board of Directors.*

Fjeldsted retired from the Board of Directors following more than two decades of service to the organization. Fjeldsted is a former Logan mayor and city commissioner and served as the city's representative to IPA for 22 years. He was a member of IPA's Board of Directors from 2000 until 2015 and also served as the organization's Treasurer.

IPA's Board of Directors elected officers including Ted L. Olson, representing Ephraim City, as chairman; Blaine Haacke, representing Murray City, as vice chairman; and Eric Larsen, representing Fillmore City, Town of Holden, Kanosh, and Town of Meadow, as Treasurer.

### **Annual Report and Operating Video Available**

You can read all about IPA's 2014-15 fiscal year operations and financial performance in the Agency's [annual report](#). Performance milestones for the Intermountain Generating Station are also summarized on a video providing [an inside view of the plant](#).



*Former board member Russell Fjeldsted receives an award commemorating his retirement from IPA Board Chairman Ted Olson.*

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## **Energy Items of Interest**

- Utah [stopped work](#) on a State Implementation Plan for federal carbon regulations that were halted by the U.S. Supreme Court during legal challenges, becoming [one of at least 18 states](#) to do so. (See below for a special section on the Clean Power Plan.)
- Energy Information Administration lowered its [2016 U.S. coal production forecast](#) by 2.2 percent to 834 million tons. That would be a 6.4 percent decline from 2015's production of 890 million tons.
- *SNL* published [a concise summary](#) of EIA's latest [Short Term Energy Outlook](#) for coal, which predicts shifts in regional output.
- [Wholesale electricity prices](#) declined across the country during 2015, with low natural gas prices driving the trend. But the Energy Information Administration said "For 2015 as a whole, however, coal is still expected to surpass natural gas as the most prevalent fuel used for electricity generation."
- The U.S. Energy Information Administration predicted residential [electricity use](#) will falter in 2016 as commercial and industrial use increases.
- Despite the challenges, *Associated Press* reported that [coal isn't going away](#) anytime soon.

- Coal is not the only natural resources commodity facing tough times. Also from *The New York Times*: “If it owns a well or a mine, [it’s probably in trouble.](#)”
  - Low oil prices used to stimulate U.S. economic activity. Not this time, said *The New York Times*. Politico assembled a bunch of experts to consider [what happens next](#). Some bankers noted comparisons between oil price fluctuations and the infamous [subprime mortgage index](#). Coal companies aren’t the only ones going bankrupt, as this [list from the oil patch](#) reveals.
  - ExxonMobil published “[The Outlook for Energy: A View to 2040](#),” predicting that total global energy consumption will increase about 35 percent from 2010 to 2040. BP published the 2016 edition of its world [Energy Outlook](#).
  - Columbia and Yale universities’ 2016 [Environmental Performance Index](#) ranked the United States at 26.
  - Association of Air Pollution Control Agencies released a timeline showing the many [deadlines facing state agencies](#) from new EPA Clean Air Act regulations.
  - A federal court ruled that the Mercury and Air Toxics Standards (MATS) regulation [will remain in effect](#) while EPA develops a final cost finding in response to last June’s U.S. Supreme Court ruling.
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## Special Focus: Clean Power Plan

Reaction to the U.S. Supreme Court’s [unexpected and unprecedented](#) stay of the carbon regulation [was swift](#). Several [states](#) announced they would stop working on State Implementation Plans, while others pledged to stay the course. [Utilities](#) said evolution of the grid would continue despite the legal pause.

Speculation immediately turned to the decision’s potential impact on [Paris treaty implementation](#), U.S. Senate [election races](#), and President Obama’s [environmental legacy](#). Natural Resources Defense Council, which is widely seen as one of the [key architects](#) of the plan, urged states to [press forward](#) despite the new legal hurdle. President Obama said “[don’t despair](#),” but some environmentalists wondered if a [Plan B](#) is needed.

EPA’s administrator told a Congressional hearing the Agency will continue to work with states “[on a voluntary basis](#)” during the judicial stay. States continued to divide up between those who will [continue to work on plans](#) and those who will [stand down](#) during litigation. A [survey of utility executives](#) showed 70 percent of would like to see the rule’s targets left in place or increased and its timetable remain unchanged. (Most of the utilities opposed are [rural electric cooperatives](#).) A former Department of Justice attorney predicted that the rule [will not survive legal challenges](#).

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Learn more about Intermountain Power Agency, please visit: [www.ipautah.com](http://www.ipautah.com)

PowerLines is a publication of Intermountain Power Agency. The Intermountain Power Project includes a two-unit coal-fueled generating station located near Delta, Utah, two transmission systems, a microwave communication system and a railcar service center, all built as a joint undertaking by 36 utilities in Utah and California.